CITY OF WAKEFIELD, KANSAS

FINANCIAL STATEMENT

For the Year Ended December 31, 2021

VONFELDT, BAUER & VONFELDT, CHTD.
Certified Public Accountants
Manhattan, Kansas 66502

CITY OF WAKEFIELD, KANSAS

Financial Statement
Regulatory Basis
For the Year Ended December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

City Council
City of Wakefield, Kansas

Adverse and Unmodified Opinions

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

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

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

Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the City of Wakefield 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 of Wakefield's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedule of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 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 our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Wakefield, Kansas as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated May 19, 2021, which contained an unmodified opinion on the basic financial statement. The 2020 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link https://admin.ks.gov/ offices/oar/municipal-services. The 2020 actual column (2020 comparative information) presented in the individual fund schedule of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2021 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2020 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 basic financial statement or to the 2020 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In

our opinion, the 2020 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2020, on the basis of accounting described in Note 1.

VonFeldt, Bauer & VonFeldt, Chtd.

VONFELDT, BAUER & VONFELDT, CHTD.
Certified Public Accountants
Manhattan, Kansas

May 30th, 2022

CITY OF WAKEFIELD, 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 Fund	$ 156,711.45	$ 0.00	$ 637,434.94	$ 477,154.99	$ 316,991.40	$ 0.00	$ 316,991.40
Special Purpose Funds:							
Employee Benefits Fund	50,411.00	0.00	47,053.97	45,217.93	52,247.04	0.00	52,247.04
Special Highway Fund	11,114.92	0.00	26,780.10	20,288.48	17,606.54	0.00	17,606.54
Library Fund	0.00	0.00	48,919.96	48,919.96	0.00	0.00	0.00
American Rescue Plan Act Grant Fund	0.00	0.00	70,200.21	5,267.77	64,932.44	0.00	64,932.44
Capital Improvement Fund	180,000.00	0.00	45,000.00	0.00	225,000.00	0.00	225,000.00
Special Street Fund	8,168.10	0.00	3,635.61	289.00	11,514.71	0.00	11,514.71
CDBG Grant Fund	0.00	0.00	142,113.26	142,113.26	0.00	0.00	0.00
Special Parks and Recreation	0.00	0.00	495.01	0.00	495.01	0.00	495.01
Bond & Interest Fund	26,235.56	0.00	68,911.87	68,340.46	26,806.97	0.00	26,806.97
Business Fund:							
Utilities Fund	513,519.96	0.00	320,067.49	457,623.16	375,964.29	3,000.00	378,964.29
Utility Capital Reserve Fund	135,615.73	0.00	124.94	0.00	135,740.67	0.00	135,740.67
Trust Fund:							
Library Endowment Fund	582,033.80	0.00	1,752.50	0.00	583,786.30	0.00	583,786.30
Total Reporting Entity	$ 1,663,810.52	$ 0.00	$ 1,412,489.86	$ 1,265,215.01	$ 1,811,085.37	$ 3,000.00	$ 1,814,085.37

Composition of Cash:

Checking Accounts	$ 19,849.79
Money Market Accounts	1,794,235.58
Total Reporting Entity	$ 1,814,085.37

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

CITY OF WAKEFIELD, KANSAS
NOTES TO FINANCIAL STATEMENT
December 31, 2021

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

City of Wakefield, Kansas (City) is a municipal corporation governed by an elected five-member council. This regulatory financial statement presents the City of Wakefield, Kansas (the municipality) and does not include any of its related municipal entities.

B. REGULATORY BASIS FUND TYPES

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 (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

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.)

Trust fund - used to report assets held in trust for the benefit of the municipal financial reporting entity

C. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The 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 municipality to use the regulatory basis of accounting.

D. CASH AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available. Cash and investments consist of checking accounts and money market accounts. Earnings from these investments are allocated to designated funds. Cash and investments are stated at cost.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

E. AD VALOREM TAX REVENUE

The determination of assessed valuation 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 valuation and the County Clerk spreads the annual assessment on the tax rolls. One-half of the property taxes are due December 20 and distributed to the City by January 20. The second half is due May 10 and distributed to the City by June 5. The City Treasurer draws available funds from the County Treasurer at designated times throughout the year.

F. 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.

G. USE OF ESTIMATES

The preparation of the financial statement on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the amounts reported in the financial statement and accompanying notes. Actual results may differ from those estimates.

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 the budget for the succeeding calendar year on or before August 1st.

2. Publication in local newspaper on or before August 5th of the propoposed budget and notice of public hearing on the budget.

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 municipality 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 municipality did not hold a revenue neutral rate hearing for this year.

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

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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Note 2 - BUDGETARY INFORMATION (Cont'd.)

Adjustment for Qualifying Budget Credits: Cities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, reimbursements, gifts and donations and receipts authorized by law to be spent as if they were reimbursed expenses.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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:

Capital Improvement Fund
American Rescue Plan Act Grant Fund
CDBG Grant Fund

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

Note 3 - COMPLIANCE WITH KANSAS STATUTES

Management is aware of no statutory violations for the period covered by the audit.

Note 4 - DEPOSITS

K.S.A. 9-1401 established the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the bank 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 investments of idle funds to time deposits, open accounts, and certificates of deposit with the 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.

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

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

At December 31, 2021 the City's carrying amount of deposits was $1,814,085.37 and the bank balance was $1,845,031.87. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $300,796.29 was covered by federal depository insurance, and $1,544,235.58 was collateralized with securities held by the pledging financial institution's agents in the City's name.

Note 5 - LONG TERM DEBT

Changes in long-term liabilities for the municipality 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 Paid
General Obligation Bond:									
Bond Series 2016A	0.75%-2.25%	8/30/2016	$ 500,000.00	9/1/2028	$ 335,000.00	$ 0.00	$ 40,000.00	$ 295,000.00	$ 6,330.00
KDHE Loans:									
KDHE Water Pollution Loan - 2016	1.940%	12/29/2016	378,208.91	9/1/2038	345,997.78	0.00	16,231.35	329,766.43	5,779.11
Lease-Purchases:									
2020 Dodge Durango	3.50%	5/10/2021	29,350.00	5/10/2026	0.00	29,350.00	3,162.64	26,187.36	574.87
Total Contractual Indebtedness					$ 680,997.78	$ 29,350.00	$ 59,393.99	$ 650,953.79	$ 12,683.98

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

	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026	12/31/2027-12/31/2031	12/31/2032-12/31/2036	12/31/2037-12/31/2041	Total
PRINCIPAL:									
General Obligation Bonds	$ 45,000.00	$ 45,000.00	$ 45,000.00	$ 45,000.00	$ 40,000.00	$ 75,000.00	$ 0.00	$ 0.00	$ 295,000.00
KDHE loan	16,547.75	16,870.35	17,199.21	17,534.50	17,876.32	94,746.68	104,348.83	44,642.79	329,766.43
Lease purchases	5,579.65	5,778.11	5,983.62	6,196.44	2,649.54	0.00	0.00	0.00	26,187.36
TOTAL PRINCIPAL	67,127.40	67,648.46	68,182.83	68,730.94	60,525.86	169,746.68	104,348.83	44,642.79	650,953.79
INTEREST:									
General Obligation Bonds	5,750.00	5,030.00	4,242.50	3,387.50	2,487.50	2,587.50	0.00	0.00	23,485.00
KDHE loan	5,503.48	5,222.46	4,935.97	4,643.89	4,346.12	17,056.90	8,692.15	947.63	51,348.60
Lease-purchases	827.51	629.05	423.54	210.72	19.96	0.00	0.00	0.00	2,110.78
TOTAL INTEREST	12,080.99	10,881.51	9,602.01	8,242.11	6,853.58	19,644.40	8,692.15	947.63	76,944.38
TOTAL PRINCIPAL & INTEREST	$ 79,208.39	$ 78,529.97	$ 77,784.84	$ 76,973.05	$ 67,379.44	$ 189,391.08	$ 113,040.98	$ 45,590.42	$ 727,898.17

Note 6 - INTER-FUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
Utilities	Bond & Interest	K.S.A. 12-825d	$ 40,000.00
Utilities	Capital Imp Fund	K.S.A. 12-825d	45,000.00
Utilities	General Fund	K.S.A. 12-825d	108,000.00

Note 7 - OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

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

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 7 - OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Cont'd.)

Compensated Absences. Full-time employees accrue vacation and sick leave per pay period. Employees are required to use all vacation within twelve months following the anniversary date. Any vacation accrued but not taken will be paid at separation. Vacation is earned according to the following schedule:

0-4 years of employment: 80 hours
5-9 years of employment: 120 hours
10 years or more: 160 hours

Full time employees earn forty hours of sick leave during the first year of employment. After the first year of employment, employees receive 64 hours of sick leave per year. Full-time employees may accrue sick leave up to 720 hours. Upon resignation or termination, employees will forfeit their sick leave. The potential leave time for unused vacation at December 31, 2021 was $4,002.43.

Note 8 - 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. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.87% for KPERS and 22.80% for KP&F for the fiscal year ended December 31, 2021. Contributions to the pension plan from the City were $7,671.50 for KPERS and $7,958.62 for KP&F for the year ended December 31, 2021.

Net Pension Liability. At December 31, 2021 the City's proportionate share of the collective net pension liability reported was $52,666 for KPERS and $58,638 for KP&F. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup 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 9 - 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; injuries to employees; and natural disasters. The City has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Municipal Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for participating members.

The City pays an annual premium to the Kansas Municipal Insurance Trust for its workers compensation insurance coverage. The agreement to participate provides that the Kansas Municipal Trust will be self-sustaining through member premiums and will reinsure through commercial companies for excess claims for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by Kansas Municipal Insurance Trust's management.

The City continues to carry commercial insurance for all other risks of loss, including equipment, property and building coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 10 - CONTINGENCIES

During the ordinary course of its operations the City is a party to potential claims, legal actions and complaints. It is the opinion of the City's management that these matters are not anticipated to have a material effect on the City's financial statement.

Note 11 - CORONAVIRUS

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus 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 it 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 the year ended December 31, 2021.

As a result of the COVID-19 outbreak, numerous Federal and State grants have been made available to the City to assist with the risks and help offset incurred costs of the City.

Note 12 - SUBSEQUENT EVENTS

The City has evaluated events subsequent to year end through May 30, 2022, the date on which the financial statements were available to be issued, for potential recognition or disclosure in the financial statement. The extent to which COVID-19 may impact the City will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the serverity of COVID-19 and the actions required to contain the coronavirus. The City has not included any contingencies in the financial statement specific to this issue. The following other matters were noted:

In February 2021, the City approved South Central Slurry for a street sealing project in the amount of $40,019.20.

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

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

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund	$ 583,310.00	$ 0.00	$ 583,310.00	$ 477,154.99	$(106,155.01)
Special Purpose Funds:					
Employee Benefits Fund	103,695.00	0.00	103,695.00	45,217.93	(58,477.07)
Special Highway Fund	33,625.00	0.00	33,625.00	20,288.48	(13,336.52)
Library Fund	54,330.00	0.00	54,330.00	48,919.96	(5,410.04)
Special Street Fund	7,680.00	0.00	7,680.00	289.00	(7,391.00)
Special Parks and Recreation Fund	0.00	0.00	0.00	0.00	0.00
Bond & Interest Fund	78,810.00	0.00	78,810.00	68,340.46	(10,469.54)
Business Fund:					
Utilities Fund	921,351.00	0.00	921,351.00	457,623.16	(463,727.84)

CITY OF WAKEFIELD, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Taxes and Shared Receipts:				
Ad Valorem Tax	$ 113,814.21	$ 116,428.85	$ 117,492.00	$ (1,063.15)
Delinquent Tax	2,039.07	1,424.81	2,700.00	(1,275.19)
Motor Vehicle Tax	18,830.80	21,309.04	20,442.00	867.04
Recreational Vehicle Tax	270.72	321.12	259.00	62.12
Watercraft Tax	0.00	0.00	304.00	(304.00)
Sales and Compensating UseTax	118,753.88	139,916.21	110,000.00	29,916.21
Alcohol Tax	0.00	495.02	0.00	495.02
Franchise Tax	51,227.10	55,855.15	53,000.00	2,855.15
Commercial Vehicle	952.80	316.09	430.00	(113.91)
Licenses and Permits	1,997.00	2,212.00	2,000.00	212.00
Court Fines	3,981.50	15,722.45	11,000.00	4,722.45
Sanitation	76,979.35	82,002.29	76,000.00	6,002.29
Swimming Pool	8,973.35	7,583.60	10,000.00	(2,416.40)
Animal Licenses	294.00	180.00	300.00	(120.00)
Wakefield Recreation Association	95.00	4,440.67	9,000.00	(4,559.33)
Transfer from Utilities Fund	190,500.00	108,000.00	108,000.00	0.00
Miscellaneous	10,152.01	14,144.13	1,000.00	13,144.13
Reimbursements	21,218.50	42,981.95	0.00	42,981.95
Sale of PD Cruiser	0.00	21,500.00	0.00	21,500.00
Interest on Idle Funds	5,491.93	2,601.56	7,000.00	(4,398.44)
Total Receipts	625,571.22	637,434.94	$ 528,927.00	$ 108,507.94
Expenditures				
General Admin: Personnel	58,380.02	71,680.30	65,000.00	6,680.30
General Admin: Professional Fees	39,836.66	10,706.75	20,000.00	(9,293.25)
General Admin: Retirement	12,356.47	11,176.15	4,000.00	7,176.15
General Admin: Utilities	6,170.42	4,153.44	8,000.00	(3,846.56)
General Admin: Solid Waste	73,568.78	76,477.74	74,000.00	2,477.74
General Admin: Fireworks	9,000.00	10,000.00	11,000.00	(1,000.00)
General Admin: Capital Outlay	10,038.48	0.00	4,000.00	(4,000.00)
General Admin: Commodities	237.03	350.43	0.00	350.43
General Admin: Shop & Buildings	21,540.96	12,434.55	15,000.00	(2,565.45)
General Admin: Contractual	8,505.83	28,840.18	2,000.00	26,840.18
General Admin: Miscellaneous	17,525.29	15,831.35	24,000.00	(8,168.65)
Pool: Personnel	18,476.02	19,243.49	23,000.00	(3,756.51)
Pool: Commodities	10,485.14	9,251.64	11,000.00	(1,748.36)
Pool: Concessions	1,764.58	1,272.82	1,000.00	272.82
Fire: Personnel	1,780.00	2,585.00	3,000.00	(415.00)
Fire: Commodities	13,654.53	10,840.81	43,000.00	(32,159.19)
Fire: Capital Outlay	9,386.12	10,745.59	0.00	10,745.59

CITY OF WAKEFIELD, KANSAS
GENERAL FUND (Cont'd.)
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Expenditures (Cont'd.)				
Street: Commodities	$ 3,335.76	$ 9,457.76	$ 3,000.00	$ 6,457.76
Street: Capital Outlay	40,847.76	13,834.24	17,000.00	(3,165.76)
Street: Contractual	14,240.00	10,255.00	21,000.00	(10,745.00)
Wakefield Recreation Association	612.14	7,107.34	11,000.00	(3,892.66)
Police: Personnel	52,072.88	39,970.56	55,000.00	(15,029.44)
Police: Commodities	11,751.48	17,497.91	15,000.00	2,497.91
Police: Other	1,687.73	3,110.20	3,000.00	110.20
Street Lighting	12,874.64	12,849.49	14,500.00	(1,650.51)
Park: Commodities	3,419.60	6,923.91	9,000.00	(2,076.09)
Park: Personnel	7,103.00	8,266.20	13,000.00	(4,733.80)
Park: Capital Outlay	51,708.88	0.00	15,000.00	(15,000.00)
Park: Contractual	580.62	43,721.53	47,000.00	(3,278.47)
Library	5,397.58	4,833.10	5,000.00	(166.90)
Cash Forward	0.00	0.00	46,810.00	(46,810.00)
Lease Principal	3,754.48	3,162.64	0.00	3,162.64
Lease Interest	19.10	574.87	0.00	574.87
Total Expenditures	522,111.98	477,154.99	$ 583,310.00	$ (106,155.01)
Receipts Over (Under) Expenditures	103,459.24	160,279.95		
Unencumbered Cash, Beginning	53,252.21	156,711.45		
Unencumbered Cash, Ending	$ 156,711.45	$ 316,991.40		

CITY OF WAKEFIELD, KANSAS
EMPLOYEE BENEFITS
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 38,217.26	$ 39,058.14	$ 39,452.00	$ (393.86)
Delinquent Tax	934.75	495.57	1,500.00	(1,004.43)
Motor Vehicle Tax	7,087.01	7,284.51	6,864.00	420.51
Commercial Vehicle Tax	358.58	106.13	144.00	(37.87)
16/20 Motor Vehicle Tax	0.00	0.00	0.00	0.00
Recreational Vehicle Tax	101.87	109.62	87.00	22.62
Watercraft Tax	0.00	0.00	100.00	(100.00)
Transfer from General Fund	0.00	0.00	0.00	0.00
Total Receipts	46,699.47	47,053.97	$ 48,147.00	$ (1,093.03)
Expenditures				
Health Insurance	44,330.53	41,018.93	48,000.00	(6,981.07)
Retirement	30.08	0.00	0.00	0.00
Workers Compensation	4,366.00	4,199.00	1,000.00	3,199.00
Payroll Taxes	334.49	0.00	0.00	0.00
Cash Forward	0.00	0.00	54,695.00	(54,695.00)
Total Expenditures	49,061.10	45,217.93	$ 103,695.00	$ (58,477.07)
Receipts Over (Under) Expenditures	(2,361.63)	1,836.04		
Unencumbered Cash, Beginning	52,772.63	50,411.00		
Unencumbered Cash, Ending	$ 50,411.00	$ 52,247.04		

CITY OF WAKEFIELD, KANSAS
SPECIAL HIGHWAY FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year	Current Year		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
State of Kansas Gas Tax	$ 24,098.14	$ 26,702.16	$ 20,910.00	$ 5,792.16
Interest on Idle Funds	163.63	77.94	200.00	(122.06)
Total Receipts	24,261.77	26,780.10	$ 21,110.00	$ 5,670.10
Expenditures				
Contractual	21,591.93	20,288.48	33,625.00	(13,336.52)
Total Expenditures	21,591.93	20,288.48	$ 33,625.00	$ (13,336.52)
Receipts Over (Under) Expenditures	2,669.84	6,491.62		
Unencumbered Cash, Beginning	8,445.08	11,114.92		
Unencumbered Cash, Ending	$ 11,114.92	$ 17,606.54		

CITY OF WAKEFIELD, KANSAS
LIBRARY FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 39,732.97	$ 40,607.05	$ 41,016.00	$ (408.95)
Commercial Vehicle Tax	372.82	110.35	150.00	(39.65)
Delinquent Tax	838.19	515.23	1,300.00	(784.77)
16/20 Motor Vehicle Tax	0.00	0.00	0.00	0.00
Motor Vehicle Tax	7,368.08	7,573.37	7,136.00	437.37
Recreational Vehicle Tax	105.90	113.96	90.00	23.96
Watercraft Vehicle Tax	0.00	0.00	104.00	(104.00)
Total Receipts	48,417.96	48,919.96	$ 49,796.00	$ (876.04)
Expenditures				
Library Expenses	48,417.96	48,919.96	54,330.00	(5,410.04)
Total Expenditures	48,417.96	48,919.96	$ 54,330.00	$ (5,410.04)
Receipts Over (Under) Expenditures	0.00	0.00		
Unencumbered Cash, Beginning	0.00	0.00		
Unencumbered Cash, Ending	$ 0.00	$ 0.00		

CITY OF WAKEFIELD, KANSAS
AMERICAN RESCUE PLAN ACT GRANT FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020	2021
Receipts		
Federal Grant	$ 0.00	$ 70,200.21
Total Receipts	0.00	70,200.21
Expenditures		
Contractual	0.00	5,267.77
Total Expenditures	0.00	5,267.77
Receipts Over (Under) Expenditures	0.00	64,932.44
Unencumbered Cash, Beginning	0.00	0.00
Unencumbered Cash, Ending	$ 0.00	$ 64,932.44

CITY OF WAKEFIELD, KANSAS
CAPITAL IMPROVEMENT FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020	2021
Receipts		
Transfer from Utilities Fund	$ 45,000.00	$ 45,000.00
Total Receipts	45,000.00	45,000.00
Expenditures	0.00	0.00
Total Expenditures	0.00	0.00
Receipts Over (Under) Expenditures	45,000.00	45,000.00
Unencumbered Cash, Beginning	135,000.00	180,000.00
Unencumbered Cash, Ending	$ 180,000.00	$ 225,000.00

CITY OF WAKEFIELD, KANSAS
SPECIAL STREET FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 2,923.66	$ 2,993.65	$ 3,020.00	$ (26.35)
Commercial Vehicle Tax	27.37	8.13	11.00	(2.87)
Delinquent Tax	145.58	37.90	300.00	(262.10)
16/20 Motor Vehicle Tax	0.00	0.00	0.00	0.00
Motor Vehicle Tax	541.14	557.12	524.00	33.12
Recreational Vehicle Tax	7.78	8.37	7.00	1.37
Interest on Idle Funds	61.78	30.44	80.00	(49.56)
Total Receipts	3,707.31	3,635.61	$ 3,942.00	$ (306.39)
Expenditures				
Special Street Expenses	287.94	289.00	7,680.00	(7,391.00)
Total Expenditures	287.94	289.00	$ 7,680.00	$ (7,391.00)
Receipts Over (Under) Expenditures	3,419.37	3,346.61		
Unencumbered Cash, Beginning	4,748.73	8,168.10		
Unencumbered Cash, Ending	$ 8,168.10	$ 11,514.71		

CITY OF WAKEFIELD, KANSAS
CDBG GRANT FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020	2021
Receipts		
CV-3 Grant	$ 0.00	$ 142,113.26
Total Receipts	0.00	142,113.26
Expenditures		
CV-3 Grant Expenses	0.00	142,113.26
Total Expenditures	0.00	142,113.26
Receipts Over (Under) Expenditures	0.00	0.00
Unencumbered Cash, Beginning	0.00	0.00
Unencumbered Cash, Ending	$ 0.00	$ 0.00

CITY OF WAKEFIELD, KANSAS
SPECIAL PARKS & RECREATION FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Alcohol Tax	$ 0.00	$ 495.01	$ 0.00	$ 495.01
Total Receipts	0.00	495.01	$ 0.00	$ 495.01
Expenditures	0.00	0.00	0.00	0.00
Total Expenditures	0.00	0.00	$ 0.00	$ 0.00
Receipts Over (Under) Expenditures	0.00	495.01		
Unencumbered Cash, Beginning	0.00	0.00		
Unencumbered Cash, Ending	$ 0.00	$ 495.01		

CITY OF WAKEFIELD, KANSAS
BOND & INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 3,672.55	$ 3,758.93	$ 3,793.00	$ (34.07)
Commercial Vehicle Tax	34.47	10.20	14.00	(3.80)
Delinquent Tax	166.84	47.63	350.00	(302.37)
16/20 Motor Vehicle Tax	0.00	0.00	0.00	0.00
Motor Vehicle Tax	681.12	700.02	660.00	40.02
Recreational Vehicle Tax	9.80	10.54	8.00	2.54
Watercraft Tax	0.00	0.00	10.00	(10.00)
Special Assessments	23,604.43	24,384.55	28,000.00	(3,615.45)
Transfer from Utilities	45,000.00	40,000.00	40,000.00	0.00
Total Receipts	73,169.21	68,911.87	$ 72,835.00	$ (3,923.13)
Expenditures				
Principal	40,000.00	40,000.00	40,000.00	0.00
Interest	6,850.00	6,330.00	6,330.00	0.00
KDHE Loan - Principal	15,920.98	16,231.35	16,231.00	0.35
KDHE Loan - Interest	6,049.48	5,779.11	5,779.00	0.11
Cash Basis Reserve	0.00	0.00	10,470.00	(10,470.00)
Total Expenditures	68,820.46	68,340.46	$ 78,810.00	$ (10,469.54)
Receipts Over (Under) Expenditures	4,348.75	571.41		
Unencumbered Cash, Beginning	21,886.81	26,235.56		
Unencumbered Cash, Ending	$ 26,235.56	$ 26,806.97		

CITY OF WAKEFIELD, KANSAS
UTILITIES FUND
Schedule of Receipts and Expenditures - Actual and Budget - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Charges for Services	$ 299,228.75	$ 305,954.98	$ 295,000.00	$ 10,954.98
Fines, Forfeitures, and Penalties	8,245.52	6,103.71	6,000.00	103.71
Interest on Idle Funds	1,068.79	499.88	1,000.00	(500.12)
Water Deposit	14,685.59	5,895.00	28,000.00	(22,105.00)
Sales tax	1,698.68	1,613.92	1,500.00	113.92
Total Receipts	324,927.33	320,067.49	$ 331,500.00	$ (11,432.51)
Expenditures				
Personnel	61,887.95	63,534.87	75,000.00	(11,465.13)
Retirement	4,838.43	4,885.76	5,000.00	(114.24)
Contractual	9,780.00	25,753.00	10,000.00	15,753.00
Commodities	113,604.80	151,667.14	170,000.00	(18,332.86)
Water Fees	10,742.58	10,747.26	12,500.00	(1,752.74)
Taxes	4,366.46	4,433.28	8,000.00	(3,566.72)
Miscellaneous	8,038.89	3,601.85	10,000.00	(6,398.15)
Service Fees	0.00	0.00	1,000.00	(1,000.00)
Operating transfers:				
To Bond and Interest Fund	45,000.00	40,000.00	40,000.00	0.00
To Capital Improvement Fund	45,000.00	45,000.00	45,000.00	0.00
To General Fund	190,500.00	108,000.00	108,000.00	0.00
Cash Forward	0.00	0.00	436,851.00	(436,851.00)
Total Expenditures	493,759.11	457,623.16	$ 921,351.00	$ (463,727.84)
Receipts Over (Under) Expenditures	(168,831.78)	(137,555.67)		
Unencumbered Cash, Beginning	682,351.74	513,519.96		
Unencumbered Cash, Ending	$ 513,519.96	$ 375,964.29		

CITY OF WAKEFIELD, KANSAS
UTILITY CAPITAL RESERVE FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020	2021
Receipts		
Interest	$ 245.17	$ 124.94
Total Receipts	245.17	124.94
Expenditures	0.00	0.00
Total Expenditures	0.00	0.00
Receipts Over (Under) Expenditures	245.17	124.94
Unencumbered Cash, Beginning	135,370.56	135,615.73
Unencumbered Cash, Ending	$ 135,615.73	$ 135,740.67

CITY OF WAKEFIELD, KANSAS
LIBRARY ENDOWMENT FUND
Schedule of Receipts and Expenditures - Actual - Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020	2021
Receipts		
Interest	$ 3,746.81	$ 1,752.50
Total Receipts	3,746.81	1,752.50
Expenditures	0.00	0.00
Total Expenditures	0.00	0.00
Receipts Over (Under) Expenditures	3,746.81	1,752.50
Unencumbered Cash, Beginning	578,286.99	582,033.80
Unencumbered Cash, Ending	$ 582,033.80	$ 583,786.30