CITY OF WATERVILLE
WATERVILLE, KANSAS

FINANCIAL STATEMENT
DECEMBER 31, 2022

CITY OF WATERVILLE, KANSAS

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council of the
City of Waterville, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying financial statements of the City of Waterville, Kansas (the City), which comprise the statement of cash and unencumbered cash balances as of December 31, 2022, and the related statement of revenues received and expenditures paid for the year then ended, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of the City, as of December 31, 2022, and the revenues it received and expenditures it paid for the year then ended, in accordance with the financial reporting provisions of *Kansas Municipal Audit and Accounting Guide* as described in Note 1.

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 Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2022, or changes in net position, or cash flows thereof for the year then ended.

Basis for Opinions

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

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1, the financial statements are 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 statements 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 and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Supplementary Information

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

James Gordon & Associates CPA, P.A.

James Gordon & Associates CPA, P.A.
Manhattan, Kansas
May 26, 2023

STATEMENT 1

CITY OF WATERVILLE, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2022

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances And Accounts Payable	Ending Cash Balance
General Funds						
General	$ 249,943	$ 970,939	$ 966,136	$ 254,746	$ -	$ 254,746
Special Purpose Funds						
Library	21,666	30,652	33,088	19,230	-	19,230
Library Restricted	232,607	-	-	232,607	67	232,674
Special Highway	49,129	92,814	83,721	58,222	563	58,785
Ambulance	175,753	120,721	116,795	179,679	7	179,686
Special Machinery (Equipment Reserve)	27,003	12,050	26,942	12,111	-	12,111
Capital Project Fund						
Opera House Renovation	35,499	476	35,975	-	-	-
Business Funds						
Sewer Utility	38,171	151,779	131,933	58,017	202	58,219
Water Utility	207,817	144,389	142,023	210,183	235	210,418
Lights Utility	170,648	873,914	910,203	134,359	724	135,083
Total	$ 1,208,236	$ 2,397,734	$ 2,446,816	$ 1,159,154	$ 1,798	$ 1,160,952

Composition of Cash and Investments	
Checking accounts	$ 369,857
Petty cash	143
Certificates of deposit	790,952
Total Cash and Investments	$ 1,160,952

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

Note 1 – Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Waterville, Kansas, (the City), is a municipal corporation governed by an elected five-member council plus a mayor. This regulatory financial statement presents the City of Waterville, Kansas, as the primary government. A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. The primary government financial statement referred to above does not include the component units of the City.

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 2022:

Regulatory Basis fund types

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

Special purpose fund – Used to account for the proceeds of specific revenue sources, other than major capital projects, that are restricted by law or administrative action to expenditures for specified purposes.

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

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

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 net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables, and payables, or any other assets, liabilities, or deferred inflows or outflows, other than those mentioned above.

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

Reimbursed Expenditures

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 a 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.

Note 2 – Budgetary Information (continued)

If the City holds 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 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 a 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 2022 budget.

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: library restricted and special machinery.

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

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

Note 3 – Deposits and Investments (continued)

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.

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance, or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has not designated "peak periods". All deposits were legally secured at December 31, 2022.

At December 31, 2022, the carrying amount of the City's deposits including certificates of deposit was $1,160,952 and the bank balance was $1,253,682. The bank balance was held at one bank resulting in a concentration of credit risk. The difference between the carrying amount and the bank balance is outstanding checks. 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 City's name. The third-party bank holding the pledged securities is independent of the pledging bank. The pledged securities are held under a tri-party custodial agreement signed by all three parties; the City, the pledging bank, and the independent third-party bank holding the pledged securities.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments during 2022.

Note 4 – Stewardship, Compliance and Accountability

Budget violation occurred in the Library Fund of $1,743, in violation of K.S.A. 79-2935.

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.

Note 6 – Interfund Transactions

The following operating transfers have been authorized for the year 2022:

From	To	Authority	Amount
General	Special Highway	K.S.A. 12-197	$ 72,000
Water Utility	General	K.S.A. 12-825d	93,700
Sewer Utility	General	K.S.A. 12-825d	35,000
Lights Utility	General	K.S.A. 12-825d	212,000
Lights Utility	Special Machinery (Equipment Reserve)	K.S.A. 12-825d	10,000
Opera House Renovation	General	K.S.A. 12-1,118	32,592

Note 7 – Long-Term Debt

The City and Citizens State Bank (the Bank) accepted the bid from A2Z for $264,827 to construct a firehouse on a property to be purchased by Citizens State Bank. On October 21, 2013, Resolution 13-4 was adopted to enter into a lease-purchase agreement between the City and the Bank. The City paid the first lease payment of $118,318 in 2014 and has ten subsequent annual payments not to exceed $18,318.

Note 7 – Long-Term Debt (continued)

Changes in long-term liabilities for the City for the year ended December 31, 2022, 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
Finance Leases									
Fire Department Station	3.90%	8/12/14	264,827	8/15/24	$ 48,139	$ -	$ 16,425	$ 31,714	$ 1,893
					$ 48,139	$ -	$ 16,425	$ 31,714	$ 1,893

Note 7 – Long-Term Debt (continued)

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

	2023	2024	Total
Principal			
Fire Department Station	$ 17,400	$ 14,314	$ 31,714
Total Principal	17,400	14,314	31,714
Interest			
Fire Department Station	1,218	551	1,769
Total Interest	1,218	551	1,769
Total Principal and Interest	$ 18,618	$ 14,865	$ 33,483

Note 8 – Other Leases

The City has entered into an operating lease with the Waterville Preservation Society for the Weaver Hotel. Under the lease terms, the City owns the Weaver Hotel which the Waterville Preservation Society operates. The Waterville Preservation Society pays an annual lease amount of $1 for the use of the building. No attempt has been made to determine the fair value of the rent. However, it is presumed that the income relating to any rental value over and above $1 and expenses for the subsequent contribution of rental property, would net to zero causing this difference to be immaterial.

Note 9 – Other Long-Term Obligations from Operations

Compensated Absences

Expenses for accumulated vacation and sick leave earned by the employees are recorded when paid or taken by the employees. Only full-time employees, defined as employees who work at least 1,000 hours per year, shall be entitled to benefits of leave accumulation, holidays, insurance programs, and other similar benefits. No benefits are available or can be accrued by a part-time or seasonal employee. Full-time employees are entitled to 12 days paid vacation leave after one year, based on an eight-hour workday. Employees earn 15 days of vacation per year after they have been employed five to ten years, 18 days of vacation per year after they have been employed eleven to fifteen years, 21 days of vacation per year after they have been employed sixteen to twenty years and 30 days of vacation per year after they have been employed twenty or more years. Vacation may be accumulated to 240 hours. Full-time employees earn 10 hours of sick leave for each full month of service. Sick leave may be accumulated to 720 hours or 90 days. An employee is able to collect 10% of their accumulated sick leave, up to 72 hours, upon retirement with KPERS. The total unpaid compensated absences were $22,545 at December 31, 2022.

Note 10 – 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.

Note 10 – Defined Benefit Pension Plan (continued)

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in 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 8.90% for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were $26,612 for the year ended December 31, 2022.

Net Pension Liability
At December 31, 2022, the City's proportionate share of the collective net pension liability reported by KPERS was $373,514. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's 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 these financial statements.

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

Note 11 – Other Long – Term Obligations from Operations

Other Post-Employment Benefits
As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government 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. There is no cost to the government under this program.

Note 12 – 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

Note 13 – 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

SCHEDULE 1

CITY OF WATERVILLE, KANSAS

Summary of Expenditures – Actual and Budget
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2022

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance-Over (Under)
General Funds					
General	$ 992,005	$ -	$ 992,005	$ 966,136	$ (25,869)
Special Purpose Funds					
Library	31,345	-	31,345	33,088	1,743
Library Restricted*	232,607	-	232,607	-	(232,607)
Special Highway	130,686	-	130,686	83,721	(46,965)
Ambulance	242,935	-	242,935	116,795	(126,140)
Special Machinery (Equipment Reserve)*	55,203	-	55,203	26,942	(28,261)
Capital Project Funds					
Opera House Renovation*	35,499	-	35,499	35,975	476
Business Funds					
Sewer Utility	150,468	-	150,468	131,933	(18,535)
Water Utility	390,096	-	390,096	142,023	(248,073)
Lights Utility	920,878	-	920,878	910,203	(10,675)

* These funds are not required to have a legal operating budget.

See independent auditor's report on regulatory-required supplementary information.

CITY OF WATERVILLE, KANSAS

General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem Tax	$ 240,770	$ 248,309	$ (7,539)
Delinquent Tax	1,784	-	1,784
Motor Vehicle Tax	39,678	36,153	3,525
Recreational Vehicle Tax	813	399	414
CMV Tax	602	283	319
16/20 M Vehicle Tax	45	157	(112)
Watercraft Tax	140	110	30
Local Alcoholic Liquor	-	123	(123)
Special Assessments	2,846	-	2,846
Local Sales Tax	132,059	95,000	37,059
Franchise Fees	19,076	12,200	6,876
Licenses and Permits	1,511	1,300	211
Grants Income	20,205	-	20,205
Fines	6,608	1,500	5,108
Interest Income	2,669	7,200	(4,531)
Rents	6,618	2,500	4,118
Concessions	2,641	3,000	(359)
Admissions	2,172	3,000	(828)
Miscellaneous	33,032	10,000	23,032
Donations	19,983	-	19,983
Rural Fire Appropriation	64,496	49,740	14,756
Neighborhood Revitalization Rebate	(101)	(102)	1
Transfer from Opera House Renovation Fund	32,592	-	32,592
Transfer from Lights Utility Fund	212,000	212,000	-
Transfer from Water Utility Fund	93,700	93,700	-
Transfer from Sewer Utility Fund	35,000	35,000	-
Total Receipts	970,939	$ 811,572	$ 159,367

See independent auditor's report on regulatory-required supplementary information.

CITY OF WATERVILLE, KANSAS

General Fund (Continued)
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022

	Actual	Budget	Variance Over (Under)
Expenditures			
General Administration and Streets:			
Personal Services	$ 338,315	$ 277,730	$ 60,585
Contractual Services	82,506	92,000	(9,494)
Commodities	56,744	82,000	(25,256)
Total General Administration and Streets	477,565	451,730	25,835
Police Department:			
Personal Services	58,356	48,150	10,206
Contractual	12,054	14,500	(2,446)
Commodities	11,513	9,500	2,013
Total Police Department	81,923	72,150	9,773
Other Expenditures:			
Employees' Health Insurance	147,390	142,800	4,590
Retirement Contributions	35,710	25,240	10,470
Fire - City	37,240	25,000	12,240
Community Service	4,208	5,500	(1,292)
Parks/Ballfield/Community Center Maintenance	23,962	25,500	(1,538)
Library Appropriation	19,000	19,000	-
Appropriations - USD #498	48,820	31,667	17,153
Lease Purchase Payment (Fire Station)	18,318	18,318	-
Transfer to Special Highway Fund	72,000	72,000	-
Cash Forward	-	103,100	(103,100)
Total Other Expenditures	406,648	468,125	(61,477)
Total Expenditures	966,136	$ 992,005	$ (25,869)
Receipts Over (Under) Expenditures	4,803		
Unencumbered Cash, Beginning	249,943		
Unencumbered Cash, Ending	$ 254,746		

See independent auditor's report on regulatory-required supplementary information.

CITY OF WATERVILLE, KANSAS

Library Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem Tax	$ 8,182	$ 8,436	$ (254)
Delinquent Tax	61	-	61
Motor Vehicle Tax	1,344	1,245	99
Recreational Vehicle Tax	28	14	14
CMV Tax	21	10	11
16/20 M Vehicle Tax	1	5	(4)
Watercraft Tax	5	4	1
Interest Income	471	1,300	(829)
Miscellaneous	226	-	226
Appropriation - City	19,000	19,000	-
Neighborhood Revitalization Rebate	(4)	(3)	(1)
Donations	500	-	500
Grants	817	-	817
Total Receipts	30,652	$ 30,011	$ 641
Expenditures			
Personal Services	19,306	$ 17,200	$ 2,106
Contractual Services	7,952	8,900	(948)
Commodities	5,830	5,245	585
Total Expenditures	33,088	$ 31,345	$ 1,743
Receipts Over (Under) Expenditures	(2,436)		
Unencumbered Cash, Beginning	21,666		
Unencumbered Cash, Ending	$ 19,230		

See independent auditor's report on regulatory-required supplementary information.

CITY OF WATERVILLE, KANSAS

Library Restricted Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022

	Actual	Budget	Variance Over (Under)
Receipts			
Transfer from Library Fund	$ -	$ -	$ -
Total Receipts	-	$ -	$ -
Expenditures			
Capital Outlay	-	$ 232,607	$ (232,607)
Total Expenditures	-	$ 232,607	$ (232,607)
Receipts Over (Under) Expenditures	-		
Unencumbered Cash, Beginning	232,607		
Unencumbered Cash, Ending	$ 232,607		

See independent auditor's report on regulatory-required supplementary information.

CITY OF WATERVILLE, KANSAS

Special Highway Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022

	Actual	Budget	Variance Over (Under)
Receipts			
State Gas Tax	$ 17,435	$ 16,350	$ 1,085
Miscellaneous	3,379	-	3,379
Transfer from General Fund	72,000	72,000	-
Total Receipts	92,814	$ 88,350	$ 4,464
Expenditures			
Contractual Services	680	$ 900	$ (220)
Commodities	83,041	92,500	(9,459)
Cash Forward	-	37,286	(37,286)
Total Expenditures	83,721	$ 130,686	$ (46,965)
Receipts Over (Under) Expenditures	9,093		
Unencumbered Cash, Beginning	49,129		
Unencumbered Cash, Ending	$ 58,222		

See independent auditor's report on regulatory-required supplementary information.

CITY OF WATERVILLE, KANSAS

Ambulance Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022

	Actual	Budget	Variance Over (Under)
Receipts			
Appropriation - Marshall County	$ 37,000	$ 37,000	$ -
Charges for Services	79,889	55,000	24,889
Donations	3,700	-	3,700
Interest Income	132	555	(423)
Total Receipts	120,721	$ 92,555	$ 28,166
Expenditures			
Personal Services	63,312	$ 64,820	$ (1,508)
Contractual Services	27,073	14,100	12,973
Commodities	26,410	14,700	11,710
Cash Forward	-	149,315	(149,315)
Total Expenditures	116,795	$ 242,935	$ (126,140)
Receipts Over (Under) Expenditures	3,926		
Unencumbered Cash, Beginning	175,753		
Unencumbered Cash, Ending	$ 179,679		

See independent auditor's report on regulatory-required supplementary information.

CITY OF WATERVILLE, KANSAS

Special Machinery (Equipment Reserve) Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022

	Actual	Budget	Variance Over (Under)
Receipts			
Miscellaneous income	$ 2,050	$ -	2,050
Transfer from Lights Fund	10,000	10,000	-
Total Receipts	12,050	$ 10,000	$ 2,050
Expenditures			
Capital Outlay	26,942	$ 55,203	$ (28,261)
Total Expenditures	26,942	$ 55,203	$ (28,261)
Receipts Over (Under) Expenditures	(14,892)		
Unencumbered Cash, Beginning	27,003		
Unencumbered Cash, Ending	$ 12,111		

See independent auditor's report on regulatory-required supplementary information.

CITY OF WATERVILLE, KANSAS

Opera House Renovation Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022

	Actual	Budget	Variance Over (Under)
Receipts			
Miscellaneous	$ 476	$ -	$ 476
Total Receipts	476	$ -	$ 476
Expenditures			
Transfer to General Fund	32,592	$ -	$ 32,592
Renovations	3,383	35,499	(32,116)
Total Expenditures	35,975	$ 35,499	$ 476
Receipts Over (Under) Expenditures	(35,499)		
Unencumbered Cash, Beginning	35,499		
Unencumbered Cash, Ending	$ -		

*Fund was closed in current year.

See independent auditor's report on regulatory-required supplementary information.

CITY OF WATERVILLE, KANSAS

Sewer Utility Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2022

	Actual	Budget	Variance Over (Under)
Receipts			
Charges for Services	$ 103,229	$ 103,270	$ (41)
Grants	48,530	-	48,530
Interest Income	20	550	(530)
Total Receipts	151,779	$ 103,820	$ 47,959
Expenditures			
Personal Services	21,366	$ -	$ 21,366
Contractual Services	16,593	5,700	10,893
Commodities	2,053	1,200	853
Capital Outlay	56,921	40,000	16,921
Transfer to General Fund	35,000	35,000	-
Cash Forward	-	68,568	(68,568)
Total Expenditures	131,933	$ 150,468	$ (18,535)
Receipts Over (Under) Expenditures	19,846		
Unencumbered Cash, Beginning	38,171		
Unencumbered Cash, Ending	$ 58,017		

See independent auditor's report on regulatory-required supplementary information.

CITY OF WATERVILLE, KANSAS

Water Utility Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2022

	Actual	Budget	Variance Over (Under)
Receipts			
Charges for Services	$ 143,230	$ 144,200	$ (970)
Interest Income	22	105	(83)
Miscellaneous	1,137	320	817
Total Receipts	144,389	$ 144,625	$ (236)
Expenditures			
Contractual Services	27,206	$ 21,500	$ 5,706
Commodities	21,117	33,500	(12,383)
Transfer to General Fund	93,700	93,700	-
Cash Forward	-	241,396	(241,396)
Total Expenditures	142,023	$ 390,096	$ (248,073)
Receipts Over (Under) Expenditures	2,366		
Unencumbered Cash, Beginning	207,817		
Unencumbered Cash, Ending	$ 210,183		

See independent auditor's report on regulatory-required supplementary information.

CITY OF WATERVILLE, KANSAS

Lights Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022

	Actual	Budget	Variance Over (Under)
Receipts			
Charges for Services	$ 864,267	$ 697,570	$ 166,697
Interest Income	3,168	-	3,168
Franchise fee	3,397	-	3,397
Miscellaneous	3,082	2,500	582
Total Receipts	873,914	$ 700,070	$ 173,844
Expenditures			
Contractual Services	596,494	$ 440,800	$ 155,694
Commodities	66,107	20,000	46,107
Meter Deposit Refunds	1,000	-	1,000
Transfer to General Fund	212,000	212,000	-
Transfer to Special Machinery Fund	10,000	10,000	-
Personal Services	743	-	743
Capital Outlay	23,859	-	23,859
Cash Forward	-	238,078	(238,078)
Total Expenditures	910,203	$ 920,878	$ (10,675)
Receipts Over (Under) Expenditures	(36,289)		
Unencumbered Cash, Beginning	170,648		
Unencumbered Cash, Ending	$ 134,359		

See independent auditor's report on regulatory-required supplementary information.