CITY OF TOWANDA, KANSAS

FINANCIAL STATEMENT

WITH INDEPENDENT AUDITOR'S REPORT

AND

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

December 31, 2021

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

CITY OF TOWANDA, KANSAS
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July 6, 2023

Mayor and City Council
City of Towanda, Kansas

Independent Auditor's Report

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

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

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2021, and the aggregate receipts and expenditures for they year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* (KMAAG) 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 KMAAG. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the 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 KMAAG, 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 the financial statement in accordance with KMAAG as described in Note 1; this includes determining 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 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.

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Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not required part of the basic financial statement; however, are required to be presented under the provisions of the KMAAG. 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 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.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

CITY OF TOWANDA, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2021

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	$ 195,813	$ -	$ 754,667	$ 910,702	$ 39,778	$ -	$ 39,778
Special Purpose Funds							
Library	44	-	52,211	52,255	-	-	-
Fire Rescue	100,390	-	180,110	220,902	59,598	-	59,598
Special Parks/Recreation	29,238	-	41,294	58,645	11,887	-	11,887
Consolidated Streets	25,876	-	51,810	40,229	37,457	-	37,457
Community Center	28,290	-	18,451	6,190	40,551	-	40,551
Fire Rescue Reserve	110,610	-	131,443	9,396	232,657	-	232,657
Equipment Reserve	8,290	-	35,772	3,000	41,062	-	41,062
Street Reserve	39,828	-	212,780	147,573	105,035	-	105,035
Capital Improvement	142,760	-	13,729	59,113	97,376	-	97,376
Township Cemetery Fund	1,189	-	5,040	1,950	4,279	-	4,279
Police Drug Fund	79	-	-	79	-	-	-
ARPA	-	-	110,292	-	110,292	-	110,292
Capital Projects Funds							
Lagoon Project	5	-	-	-	5	-	5
Bond and Interest	30,668	-	29,534	24,172	36,030	-	36,030
Business Funds							
Water Utility	100,296	-	350,884	381,794	69,386	-	69,386
Refuse Utility	1,410	-	118,927	115,818	4,519	-	4,519
Sewer Utility	7,294	-	122,566	128,719	1,141	-	1,141
Sewer Utility Reserve	144,277	-	133,458	147,206	130,529	-	130,529
Sewer Debt Service	1,857	-	-	4,393	(2,536)	-	(2,536)
Water Utility Reserve	90,750	-	27,842	12,961	105,631	-	105,631
Total Reporting Entity (Excluding Agency Funds)	$ 1,058,964	$ -	$ 2,390,810	$ 2,325,097	$ 1,124,677	$ -	$ 1,124,677

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

CITY OF TOWANDA, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH (CONTINUED)
Regulatory Basis
For the Year Ended December 31, 2021

	Ending Cash Balance
Composition of cash:	
Checking account - Towanda State Bank	$ 1,124,227
Petty cash	450
Total Cash	$ 1,124,677

STATEMENT 1 (CONTINUED)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

Note 1: Summary of Significant Accounting Policies

This summary of significant accounting policies of the City of Towanda, Kansas (the City) is presented to assist in understanding the City's financial statement. The financial statement and notes are representations of the City's management, who is responsible for their integrity and objectivity. These accounting policies conform to a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statement.

Municipal Financial Reporting Entity

The City is incorporated under the laws of the State of Kansas. The City operates under a Mayor-Council form of City government consisting of an elected Mayor and five council persons and provides services to the citizens in the areas of highways and streets, water and wastewater treatment services, public improvement, public safety, planning and zoning, recreation, and general administrative services.

Regulatory Basis Fund Types

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. In the financial statement in this report, the various funds are grouped into generic fund types and broad fund categories as follows:

General Fund - The general fund is the chief operating fund of the City. It is used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds - Special purpose funds are used to account for the proceeds of specific tax levies and other specific revenue sources intended for specified purposes.

Bond and Interest Fund - Bond and interest fund is 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 - Capital Project Funds are used to account for debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business Funds - Business funds are used to account for funds financed in whole or in part by fees charged to users of the goods or services.

Agency Funds - Agency funds are used to report assets held by the municipal reporting entity in a purely custodial capacity.

Basis of Accounting

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.

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Accounting (Continued)

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.

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 statues 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 proposed 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 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 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.

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: fire rescue reserve fund, equipment reserve fund, street reserve fund, capital improvement fund, Drug Dog fund and ARPA 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 2: 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 S. Kansas Avenue, Suite 100, Topeka, KS 66503) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.87% for the fiscal period ended December 31, 2021. Contributions to the pension plan from the City were $24,624 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 by KPERS was $166,110. 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 assumption 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 3: Other Long-Term Obligations from Operations

Other Post Employment Benefits. As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. The City pays 50% of the premium until age 62 to retirees with 10 or more years of service and each retiree is responsible for the balance. During the year ended December 31, 2021, there were no retirees participating in this plan.

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

Note 4: Compensated Absences

Full-time employees may earn between 10-20 vacation days during a calendar year, depending on their years of service, but no more than 5 days may be carried over from one year to the next. Upon termination or retirement, employees shall be compensated for all unused vacation days at their final pay rate. The cost of accumulated vacation is recorded at the time the benefits are paid to their employees.

Note 5: Interfund Transfers

Operating transfers were as follows:

From	To	Statute	Amount
General	Fire Rescue	Per Council	$ 30,000
General	Community Center	Per Council	15,483
General	Equipment Reserve	KSA 12-1, 117	35,772
General	Water Utility	KSA 12-825d	5,000
General	Street Reserve	KSA 12-1, 119	125,000
General	Sewer Utility Reserve	KSA 12-825d	2,000
Water	Street Reserve	KSA 12-1, 119	38,000
Fire Rescue	Fire Rescue Reserve	Per Council	131,443
Sewer Debt Service	General	KSA 10-117-a	4,393
Street Reserve	Capital Improvement	KSA 12-1, 118	13,650
Sewer Utility	Sewer Utility Reserve	KSA 12-825d	19,000
Fire Rescue Reserve	Fire Rescue	Per Council	958
Refuse Utility	General	KSA 12-825d	10,121
			$ 430,820

Note 6: Capital Projects

At December 31, 2021, there were no significant city-funded capital project authorizations outstanding.

Note 7: Deposits

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

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 coverage is 50%. The City does not utilize "peak periods". All deposits were legally secured at December 31, 2021.

Note 7: Deposits (Continued)

As of December 31, 2021, the City's carrying amount of the deposits was $1,124,227 and the bank balance was $1,142,135. The bank balance was held by Towanda State Bank, resulting in a concentration of credit risk. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, $250,000 was covered by federal depository insurance and the remaining amount was collateralized with securities held by the pledging financial institutions' agents 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.

Note 8: Risk Management

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

Note 9: Subsequent Events

Subsequent events have been evaluated through July 6, 2023, which is the date the financial statement was available to be issued. Events requiring disclosure were identified and disclosed.

Note 10: Compliance with Kansas Statutes

There were no material statute violations noted.

Note 11: COVID-19

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 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 2021.

Note 12: Long-Term Debt

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning Balance of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Internal improvements - Series 2007A	3.85-4.05%	6/15/2007	$ 315,000	10/1/2022	$ 55,000	$ -	$ 55,000	$ -	$ 2,446
Internal improvements - Series 2009A	1.75-4.0%	5/15/2009	209,000	10/1/2024	65,000	-	15,000	50,000	2,860
Internal improvements - Series 2009B	3.5-5.25%	10/29/2009	66,400	9/1/2025	25,000	-	5,000	20,000	1,525
Total General Obligation Bonds					$ 145,000	$ -	$ 75,000	$ 70,000	$ 6,831
Revolving Loans									
KWPCRLF Project No. C20-1737-01	2.52%	4/4/2007	1,700,000	9/1/2029	$ 568,908	$ -	$ 65,039	$ 503,869	$ 12,547
Total Contractual Indebtness					$ 713,908	$ -	$ 140,039	$ 573,869	$ 19,378

Note 12: Long-Term Debt (Continued)

Current maturities of long-term debt and interest through maturity are as follows:

Issue	2022	2023	2024	2025	2026	2027-2031	Total
Principal							
General obligation bonds							
Internal improvements - Series 2009A	$ 15,000	$ 15,000	$ 20,000	$ -	$ -	$ -	$ 50,000
Internal improvements - Series 2009B	5,000	5,000	5,000	5,000	-	-	20,000
Total General Obligation Bonds	$ 20,000	$ 20,000	$ 25,000	$ 5,000	$ -	$ -	$ 70,000
Revolving loans							
KWPCRLF Project No. C20-1737-01	$ 66,688	$ 68,380	$ 70,113	$ 71,892	$ 73,714	$ 153,082	$ 503,869
Total Principal	$ 86,688	$ 88,380	$ 95,113	$ 76,892	$ 73,714	$ 153,082	$ 573,869
Interest							
General obligation bonds							
Internal improvements - Series 2009A	$ 2,200	$ 1,540	$ 880	$ -	$ -	$ -	$ 4,620
Internal improvements - Series 2009B	1,050	788	525	263	-	-	2,626
Total General Obligation Bonds	$ 3,250	$ 2,328	$ 1,405	$ 263	$ -	$ -	$ 7,246
Revolving loans							
KWPCRLF Project No. C20-1737-01	$ 11,062	$ 9,538	$ 7,976	$ 6,375	$ 4,733	$ 4,371	$ 44,055
Total Interest	$ 14,312	$ 11,866	$ 9,381	$ 6,638	$ 4,733	$ 4,371	$ 51,301
Total Principal and Interest	$ 101,000	$ 100,246	$ 104,494	$ 83,530	$ 78,447	$ 157,453	$ 625,170

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

CITY OF TOWANDA, KANSAS
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Amended or Certified Budget	Expenditures Chargeable to Current Year	Variance Over (Under)
General	$ 960,672	$ 910,702	$ (49,970)
Special Purpose			
Library	55,030	52,255	(2,775)
Fire Rescue	220,902	220,902	-
Special Parks/Recreation	141,630	58,645	(82,985)
Consolidated Streets	40,690	40,229	(461)
Community Center	22,401	6,190	(16,211)
Bond and Interest	76,814	24,172	(52,642)
Business			
Water Utility	423,206	381,794	(41,412)
Refuse Utility	115,820	115,818	(2)
Sewer Utility	162,325	128,719	(33,606)
Cemetery	21,848	1,950	(19,898)
Total Receipts	$ 2,241,338	$ 1,941,376	$ (299,962)

CITY OF TOWANDA, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Current Year Actual	Budget	Variance Over (Under)
Receipts			
Taxes and Shared Revenue			
Ad Valorem Property Tax	$ 302,812	$ 322,541	$ (19,729)
Delinquent Tax	22,312	15,000	7,312
Motor Vehicle Tax	74,312	70,442	3,870
Sales Tax - Local	138,906	90,000	48,906
Franchise Fees	101,339	105,000	(3,661)
Licenses, Permits and Fees	13,187	13,700	(513)
Swimming Pool	11,921	10,000	1,921
Fines, Forfeitures and Penalties	18,736	15,000	3,736
Interest	984	1,000	(16)
Animal Control/Shelter	-	100	(100)
Other	55,644	15,000	40,644
Transfer from Refuse Utility Fund	10,121	20,000	(9,879)
Transfer from Sewer Debt Service Fund	4,393	5,000	(607)
Total Cash Receipts	$ 754,667	$ 682,783	$ 71,884
Expenditures			
General Government			
Administration	$ 328,045	$ 314,500	$ 13,545
Municipal Court	8,455	3,000	5,455
Legal	10,011	400	9,611
Planning and Zoning	5,264	2,000	3,264
Parks, Pool and Recreation	59,651	29,000	30,651
Library and Museum	10,308	13,400	(3,092)
Senior Center	7,811	7,100	711
Public Safety			
Police Department	187,446	232,500	(45,054)
Animal Control	303	500	(197)
Public Works	80,153	15,500	64,653
Transfer to Fire Rescue Fund	30,000	30,000	-
Transfer to Community Center Fund	15,483	5,000	10,483
Transfer to Equipment Reserve Fund	35,772	35,772	-
Transfer to Water Reserve Fund	5,000	5,000	-
Transfer to Capital Improvement Fund	-	140,000	(140,000)
Transfer to Street Reserve Fund	125,000	125,000	-
Transfer to Sewer Utility Reserve Fund	2,000	2,000	-
Total Expenditures	$ 910,702	$ 960,672	$ (49,970)
Receipts Over (Under) Expenditures	$ (156,035)		
Unencumbered Cash - Beginning	195,813		
Unencumbered Cash - Ending	$ 39,778		

CITY OF TOWANDA, KANSAS
LIBRARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Current Year Actual	Budget	Variance Over (Under)
Receipts			
Taxes and Shared Revenue			
Ad Valorem Property Tax	$ 40,894	$ 44,322	$ (3,428)
Delinquent Tax	2,599	2,500	99
Motor Vehicle Tax	8,718	7,984	734
Total Cash Receipts	$ 52,211	$ 54,806	$ (2,595)
Expenditures			
Appropriations to Library Board	$ 52,255	$ 55,030	$ (2,775)
Receipts Over (Under) Expenditures	$ (44)		
Unencumbered Cash - Beginning	44		
Unencumbered Cash - Ending	$ -		

CITY OF TOWANDA, KANSAS
FIRE RESCUE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Current Year Actual	Budget	Variance Over (Under)
Receipts			
Township Distributions	$ 145,771	$ 140,000	$ 5,771
Miscellaneous	3,381	-	3,381
Transfers from General Fund	30,000	30,000	-
Transfer from Fire Rescue Reserve Fund	958	-	958
Total Cash Receipts	$ 180,110	$ 170,000	$ 10,110
Expenditures			
Personnel Services (Salaries and Wages)	$ 15,108	$ 26,500	$ (11,392)
Contractual Services	5,713	14,000	(8,287)
Commodities	36,940	15,000	21,940
Utilities	4,858	6,500	(1,642)
Insurance	12,272	12,000	272
Fuels	964	2,500	(1,536)
Equipment Repairs	11,972	12,000	(28)
Miscellaneous	1,632	-	1,632
Transfers to Fire Rescue Reserve Fund	131,443	132,402	(959)
Total Expenditures	$ 220,902	$ 220,902	$ -
Receipts Over (Under) Expenditures	$ (40,792)		
Unencumbered Cash - Beginning	100,390		
Unencumbered Cash - Ending	$ 59,598		

CITY OF TOWANDA, KANSAS
SPECIAL PARKS/RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Current Year Actual	Budget	Variance Over (Under)
Receipts			
Recreation Fees	$ 41,294	$ 80,000	$ (38,706)
Concessions	-	40,000	(40,000)
Total Cash Receipts	$ 41,294	$ 120,000	$ (78,706)
Expenditures			
Contractual Services	$ 774	$ 60,000	$ (59,226)
Commodities	57,871	60,000	(2,129)
Capital Outlay	-	21,630	(21,630)
Total Expenditures	$ 58,645	$ 141,630	$ (82,985)
Receipts Over (Under) Expenditures	$ (17,351)		
Unencumbered Cash - Beginning	29,238		
Unencumbered Cash - Ending	$ 11,887		

CITY OF TOWANDA, KANSAS
CONSOLIDATED STREETS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Current Year Actual	Budget	Variance Over (Under)
Receipts			
State of Kansas Gas Tax	$ 48,777	$ 33,230	$ 15,547
County Transfers Gas	-	4,960	(4,960)
Miscellaneous	3,033	2,500	533
Total Cash Receipts	$ 51,810	$ 40,690	$ 11,120
Expenditures			
Personnel Services	$ 24,856	$ 33,690	$ (8,834)
Contractual Services	-	4,000	(4,000)
Commodities	15,373	3,000	12,373
Total Expenditures	$ 40,229	$ 40,690	$ (461)
Receipts Over (Under) Expenditures	$ 11,581		
Unencumbered Cash - Beginning	25,876		
Unencumbered Cash - Ending	$ 37,457		

CITY OF TOWANDA, KANSAS
COMMUNITY CENTER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Current Year Actual	Budget	Variance Over (Under)
Receipts			
Rent	$ 2,968	$ 3,000	$ (32)
Transfer from General Fund	15,483	5,000	10,483
Total Cash Receipts	$ 18,451	$ 8,000	$ 10,451
Expenditures			
Contractual Services	$ 5,581	$ 4,000	$ 1,581
Commodities	609	800	(191)
Building Repairs	-	12,601	(12,601)
Utilities	-	5,000	(5,000)
Total Expenditures	$ 6,190	$ 22,401	$ (16,211)
Receipts Over (Under) Expenditures	$ 12,261		
Unencumbered Cash - Beginning	28,290		
Unencumbered Cash - Ending	$ 40,551		

CITY OF TOWANDA, KANSAS
FIRE RESCUE RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts		
Transfer from Fire Rescue Fund	$	131,443
Expenditures		
Fire Equipment	$	8,438
Transfer to Fire Rescue Reserve Fund		958
Total Expenditures	$	9,396
Receipts Over (Under) Expenditures	$	122,047
Unencumbered Cash - Beginning		110,610
Unencumbered Cash - Ending	$	232,657

CITY OF TOWANDA, KANSAS
EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts		
Transfer from General Fund	$	35,772
Expenditures		
Capital outlay	$	3,000
Receipts Over (Under) Expenditures	$	32,772
Unencumbered Cash - Beginning		8,290
Unencumbered Cash - Ending	$	41,062

CITY OF TOWANDA, KANSAS
STREET RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts		
Other	$	49,780
Transfer from General Fund		125,000
Transfer from Water Fund		38,000
Total Receipts	$	212,780
Expenditures		
Contractual Services	$	133,923
Transfer to Capital Improvement Fund		13,650
Total Expenditures	$	147,573
Receipts Over (Under) Expenditures	$	65,207
Unencumbered Cash - Beginning		39,828
Unencumbered Cash - Ending	$	105,035

CITY OF TOWANDA, KANSAS
CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts		
Other	$	79
Transfer from Street Reserve Fund		13,650
Total Receipts	$	13,729
Expenditures		
Services and Supplies	$	59,113
Receipts Over (Under) Expenditures	$	(45,384)
Unencumbered Cash - Beginning		142,760
Unencumbered Cash - Ending	$	97,376

CITY OF TOWANDA, KANSAS
LAGOON PROJECT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Unencumbered Cash - Beginning	$ 5
Unencumbered Cash - Ending	$ 5

CITY OF TOWANDA, KANSAS
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Current Year Actual	Budget	Variance Over (Under)
Receipts			
Special Assessments	$ 6,015	$ 7,000	$ (985)
Street Impact Fee	23,519	20,000	3,519
Total Cash Receipts	$ 29,534	$ 27,000	$ 2,534
Expenditures			
Principal	$ 20,000	$ 18,520	$ 1,480
Interest	4,172	6,000	(1,828)
Other	-	52,294	(52,294)
Total Expenditures	$ 24,172	$ 76,814	$ (52,642)
Receipts Over (Under) Expenditures	$ 5,362		
Unencumbered Cash - Beginning	30,668		
Unencumbered Cash - Ending	$ 36,030		

CITY OF TOWANDA, KANSAS
WATER UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Current Year Actual	Budget	Variance Over (Under)
Receipts			
Charges for Services	$ 331,400	$ 325,000	$ 6,400
Tapping Fees	650	1,800	(1,150)
Miscellaneous	10,793	8,000	2,793
Late Charges/Set-Off	7,441	3,000	4,441
Fire Protection	600	500	100
Total Cash Receipts	$ 350,884	$ 338,300	$ 12,584
Expenditures			
Personnel Services	$ 127,489	$ 103,000	$ 24,489
Contractual Services	3,875	4,000	(125)
Commodities	19,672	15,000	4,672
Gasoline/Fuel	7,540	5,000	2,540
Insurance	9,350	10,000	(650)
Permit and Fees	2,366	1,200	1,166
Vehicle/Mobile Equipment	1,940	2,000	(60)
Utilities	1,919	3,000	(1,081)
Testing	1,163	1,500	(337)
Water Purchase	168,480	180,000	(11,520)
Miscellaneous	-	3,500	(3,500)
Transfer to Street Reserve Fund	38,000	95,006	(57,006)
Total Expenditures	$ 381,794	$ 423,206	$ (41,412)
Receipts Over (Under) Expenditures	$ (30,910)		
Unencumbered Cash - Beginning	100,296		
Unencumbered Cash - Ending	$ 69,386		

CITY OF TOWANDA, KANSAS
REFUSE UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Current Year Actual	Budget	Variance Over (Under)
Receipts			
Charges for Service	$ 118,927	$ 112,500	$ 6,427
Expenditures			
Collection Service/Landfill Charges	$ 96,092	$ 86,500	$ 9,592
Commodities	9,605	4,320	5,285
Transfer to General Fund	10,121	25,000	(14,879)
Total Expenditures	$ 115,818	$ 115,820	$ (2)
Receipts Over (Under) Expenditures	$ 3,109		
Unencumbered Cash - Beginning	1,410		
Unencumbered Cash - Ending	$ 4,519		

CITY OF TOWANDA, KANSAS
SEWER UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Current Year Actual	Budget	Variance Over (Under)
Receipts			
Charges for Service	$ 115,076	$ 120,000	$ (4,924)
Late Payment Charge	7,112	7,000	112
Miscellaneous	378	8,000	(7,622)
Total Revenues	$ 122,566	$ 135,000	$ (12,434)
Expenditures			
Personnel Services	$ 56,205	$ 84,000	$ (27,795)
Contractual Services	4,273	4,000	273
Commodities	49,241	39,325	9,916
Miscellaneous	-	5,000	(5,000)
Transfer to Sewer Reserve Fund	19,000	30,000	(11,000)
Total Expenditures	$ 128,719	$ 162,325	$ (33,606)
Receipts Over (Under) Expenditures	$ (6,153)		
Unencumbered Cash - Beginning	7,294		
Unencumbered Cash - Ending	$ 1,141		

CITY OF TOWANDA, KANSAS
SEWER DEBT SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts	
Sales Tax	$ -
Expenditures	
Transfer to General Fund	$ 4,393
Receipts Over (Under) Expenditures	$ (4,393)
Unencumbered Cash - Beginning	1,857
Unencumbered Cash - Ending	$ (2,536)

CITY OF TOWANDA, KANSAS
SEWER UTILITY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts		
Lagoon Fee	$	112,458
Transfer from Sewer Utility Fund		19,000
Transfer from General Fund		2,000
Total Receipts	$	133,458
Expenditures		
Principal	$	121,262
Interest		15,153
Miscellaneous Supplies		10,791
Total Expenditures	$	147,206
Receipts Over (Under) Expenditures	$	(13,748)
Unencumbered Cash - Beginning		144,277
Unencumbered Cash - Ending	$	130,529

CITY OF TOWANDA, KANSAS
WATER UTILITY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts		
Antenna Rental	$	22,842
Transfer from General Fund		5,000
Total Cash Receipts	$	27,842
Expenditures		
Commodities	$	12,961
Receipts Over (Under) Expenditures	$	14,881
Unencumbered Cash - Beginning		90,750
Unencumbered Cash - Ending	$	105,631

CITY OF TOWANDA, KANSAS
TOWANDA TOWNSHIP CEMETERY
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Current Year Actual	Budget	Variance Over (Under)
Receipts			
Miscellaneous	$ 5,040	$ 20,000	$ (14,960)
Expenditures			
Miscellaneous	$ 1,950	$ 21,848	$ (19,898)
Receipts Over (Under) Expenditures	$ 3,090		
Unencumbered Cash - Beginning	1,189		
Unencumbered Cash - Ending	$ 4,279		

CITY OF TOWANDA, KANSAS
DRUG DOG
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts	
Miscellaneous	$ -
Expenditures	
Miscellaneous	$ 79
Receipts Over (Under) Expenditures	$ (79)
Unencumbered Cash - Beginning	79
Unencumbered Cash - Ending	$ -

CITY OF TOWANDA, KANSAS
ARPA
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts	
Grant Proceeds	$ 110,292
Expenditures	
Miscellaneous	$ -
Receipts Over (Under) Expenditures	$ 110,292
Unencumbered Cash - Beginning	-
Unencumbered Cash - Ending	$ 110,292