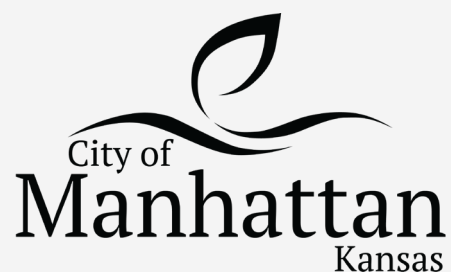


ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021



CITY OF MANHATTAN, KANSAS

Annual Comprehensive Financial Report

**Year Ended
December 31, 2021**

Prepared by:

Department of Finance

CITY OF MANHATTAN, KANSAS
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended December 31, 2021

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(Continued)
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ANNUAL COMPREHENSIVE FINANCIAL REPORT

Introductory Section

**For the Year Ended
December 31, 2021**



October 31, 2022

Honorable Mayor, City Commissioners, and Manhattan Citizens
City of Manhattan, Kansas

RE: 2021 Annual Comprehensive Financial Report

Dear Honorable Mayor, Members of the City Commission, and Manhattan Citizens:

The Finance Department is pleased to submit the Annual Comprehensive Financial Report of the City of Manhattan, Kansas (the "City") for the fiscal year ended December 31, 2021. State law requires that all general-purpose local governments publish a complete set of audited financial statements, presented in conformity with generally accepted accounting principles in the United States of America ("GAAP"). GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis ("MDA"). This letter of transmittal is designed to complement the MDA and should be read in conjunction with it. The MDA can be found immediately following the report of the independent auditor.

This report was prepared by the City's Finance Department, Allen Gibbs and Houlik, L.C. (AGH), CPAs & Advisors, and BT&Co., P.A., an independent firm of licensed certified public accountants. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal control should not outweigh the benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements. To the best of our knowledge, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by BT&Co., P.A. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the year ended December 31, 2021, are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. The independent auditors rendered unmodified opinions that the City's financial statements for the year ended December 31, 2021 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving administration of federal awards. These reports are included in the Single Audit Section of the Annual Comprehensive Financial Report.

Profile of the City of Manhattan

The City of Manhattan was chartered in 1857 and is a city of the first class. The City operates under a Commission-Manager form of government. The City Commission consists of five members. Elections are held every other year in odd-numbered years. Three City Commission positions are chosen at each election. The two highest vote recipients receive four-year terms while the third highest vote recipient receives a two-year term. The City Manager is appointed by the Commission and is charged with the efficient and effective administration of the City.

The City is in Pottawatomie and Riley Counties, and is located at the confluence of the Blue and Kansas Rivers in Northeast Kansas approximately 116 miles west of Kansas City (56 miles west of Topeka, the Kansas State Capital). The City encompasses approximately 18 square miles and has a current population of 54,763 persons.

The City provides a full range of services which include police (through the Riley County Police Department, a consolidated City/County entity) and fire protection, construction and maintenance of infrastructure, community development and planning, municipal court, recreational and cultural activities, and regional air service. The City also operates water, wastewater, and storm water utilities along with city administrative services, legal, finance, human resources and information technology.

Expenditures are authorized in the annual appropriated budget approved by the City Commission, as required by state statute. Activities of the General Fund, Special Revenue Funds, Debt Service Fund, and Enterprise Funds are included in the annual appropriated budget. A five-year Capital Improvement Plan is also adopted by the City Commission, and the first year of that plan is included in the City Budget. Expenditures cannot exceed the budgeted amount for each fund. Budgetary control is maintained through the use of an encumbrance system. As purchase orders are issued, corresponding amounts of appropriations are reserved, by the use of encumbrances for later payment, so that appropriations may not be overspent. Kansas statutes also require unencumbered cash be on hand before an obligation can be incurred. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated budget has been adopted. For the General Fund and the Riley County Police Department Fund these comparisons are presented as part of the basic financial statements. For the remaining governmental funds, these comparisons are presented in the governmental fund subsection of this report.

Primary City Functions

The City provides a full range of services including fire protection, construction and maintenance of streets, storm drainage facilities and other infrastructure, comprehensive parks and recreational activities, cemetery, zoo, Flint Hills Discovery Center and cultural events, planning, zoning, code enforcement, engineering, airport operations, municipal court and general administrative services. The water, wastewater, and storm water management utilities operate

as enterprise funds of the City. The City is self-insured for worker's compensation, health insurance, and most liability claims. The City pays for these claims as they become due. The City engages in an external actuary to provide an actuarial estimate of its liabilities for self-insured expenses, except for legal claims. The City is a member of both the Kansas Public Employee Retirement System (KPERS) and the Kansas Police and Fire Retirement System (KP&F) for all pension related activity.

The City is financially accountable for a legally separate public library and a legally separate housing authority. The Manhattan Public Library (MPL) and Manhattan Housing Authority (MHA) are reported separately within the City's financial statements. Additional information on MPL and MHA can be found on Note 1.A. in the notes to the financial statements. The City is also legally responsible for 80% of the operational budget for the Riley County Police Department, a City/Riley County consolidated law enforcement agency. This legally separate entity does not meet the criteria for inclusion as a component unit in the City's financial statements.

Local Economy

The major influences on the City's economy continue to be Fort Riley and Kansas State University. The University had an enrollment of 20,299 in the fall of 2021. Fort Riley has a military strength of approximately 15,096 soldiers and 15,177 family members. In addition to the military personnel at Fort Riley, approximately 5,439 civilians work at the installation and 4,752 military retirees along with 27,941 veterans live in the region. Fort Riley's direct fiscal year (FY) 2021 economic impact to the State of Kansas was \$1,862,249,924.

The City continues to grow and construction marks the landscape throughout the community. The construction of the 574,000 square feet, \$1.25 billion National Bio and Agro-Defense Facility was completed in 2022 and is anticipated to bring about 400 personnel to the community in the North Campus Corridor/Edge Collaboration District of Kansas State University. The Aggieville Business District is currently undergoing significant construction and redevelopment with a new hotel with internal parking garage and a new 5 story public parking garage in the center of town adjacent to K-State. A Tax Increment Financing District has been established as part of the Aggieville Vision with additional public infrastructure and streetscape along with higher density mixed used redevelopment.

The economy is varied and diverse, producing a wide variety of products and services. Approximately 64% of the sales taxes generated in the City come from retail sales. About 13% comes from accommodation and food services. In December 2021, the City's unemployment rate was 1.7% compared to the 1.7% for Riley County, 2.8% for the State of Kansas and the national rate of 3.9%.

Financial Policies

The City has focused on adopting policies which provide ongoing guidance in the administration of City financial decisions. The following policies are considered most relevant to this report:

- **Capital Improvements Program (CIP)**. This policy establishes a process for a five-year CIP which shall set priorities and provide for the scheduling of capital improvements, major purchases of equipment and major studies or surveys. The first year of the CIP is considered in the development of the annual operating budget. The CIP is adopted by

resolution approved by the City Commission after a public hearing has been conducted for the purpose of soliciting community comments on the proposed CIP.

- *Investment Policy.* This policy establishes that, giving due regard to the safety and risk of investments, all available funds shall be invested in conformance with legal and administrative guidelines and, to the maximum extent possible, at the highest rates obtainable at the time of investment. Annually, the City is granted expanded investment powers by the state's Pooled Money Investment Board (PMIB) and is one of only eight municipal entities in Kansas holding this designation.
- *Long-term Obligation Financing Policy.* This policy establishes a management committee to oversee the issuance of City debt. This policy also establishes benchmarks for the rapid payback of general obligation debt and present value savings to be achieved when refunding existing debt.

Acknowledgments

The preparation of this report could not have been accomplished without the professional, efficient, and dedicated services of Allen Gibbs and Houlik, L.C. and the staff of the Finance Department. We want to express our appreciation to all members of the department that contributed to its preparation. We would also like to thank the City Commission and the City Manager's office for the direction and support necessary to plan and conduct the financial operations of the City in a responsible, sound manner. Finally, we would like to extend the City's thanks to BT & Co. for the cooperation and professional assistance provided during the audit of the City's 2021 financial records.

Respectfully submitted,



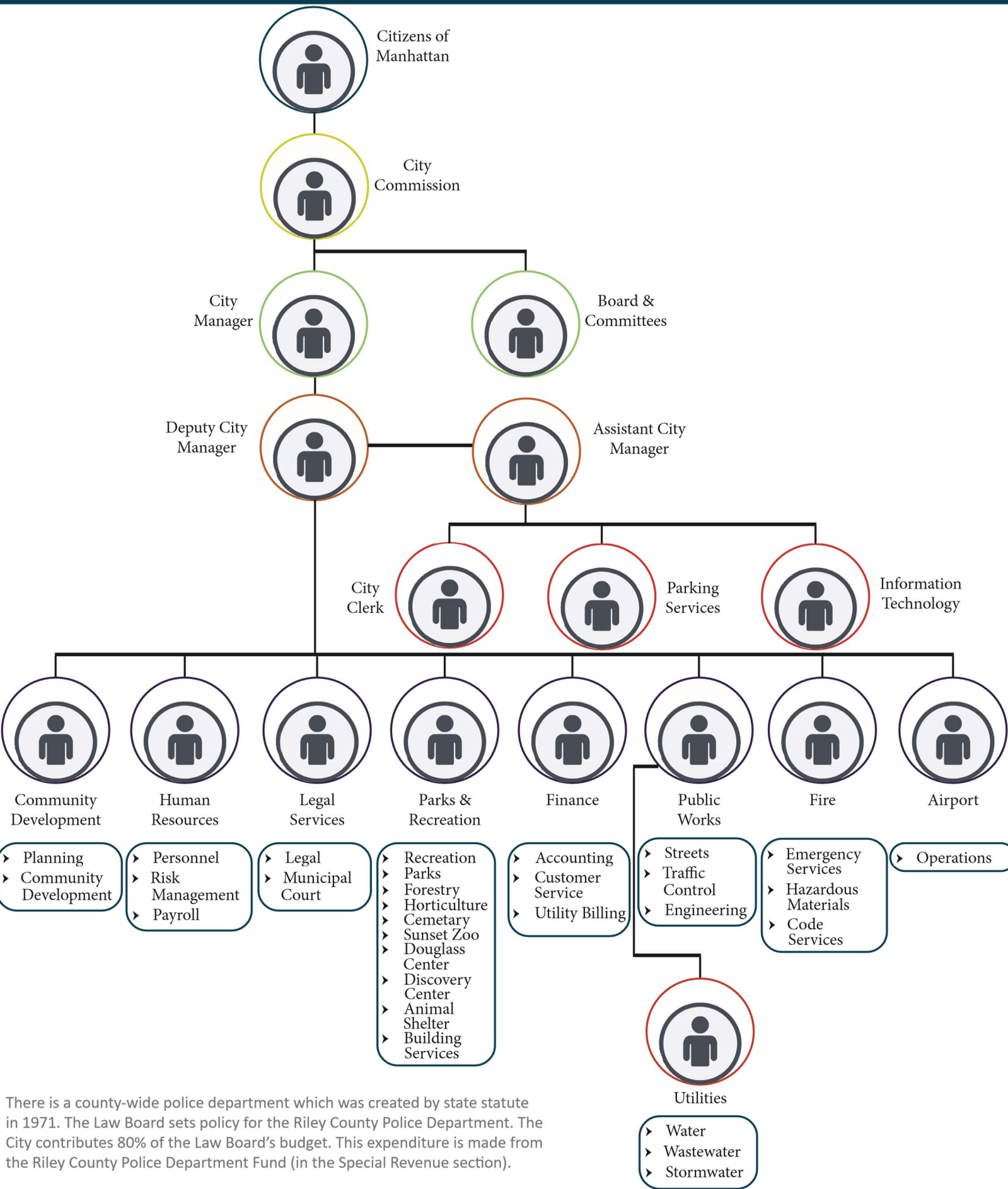
Ron R. Fehr
City Manager



Rina D. Neal
Director of Finance

Organization Chart

November 2021



There is a county-wide police department which was created by state statute in 1971. The Law Board sets policy for the Riley County Police Department. The City contributes 80% of the Law Board's budget. This expenditure is made from the Riley County Police Department Fund (in the Special Revenue section).



List of Principal Officials

Elected Officials



Mayor Wynn Butler



Commissioner Linda Morse



Commissioner Mark Hatesohl



Commissioner Usha Reddi



Commissioner Aaron Estabrook

Appointed Officials

City Manager	Ron R. Fehr
Deputy City Manager	Jason Hilgers
City Clerk	Brenda Wolf
City Attorney	Katherine Jackson
Airport Director	Jesse R. Romo
Director of Community Development	Eric Cattell
Director of Finance	Rina D. Neal
Director of Fire Services	Scott French
Director of Human Resources	Tammy Galvan
Director of Parks and Recreation	Edward Eastes
Director of Public Works/Utilities	Robert Ott



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Financial Section

**For the Year Ended
December 31, 2021**



INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and City Commission
City of Manhattan, Kansas:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Manhattan, Kansas (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and the Riley County Police Department fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Manhattan Public Library (the Library) or the Manhattan Housing Authority (the Authority) discretely presented component units as of December 31, 2021, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the Library and the Authority, are based solely on the reports of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States; and the Kansas Municipal Audit and Accounting Guide (KMAAG). Our responsibilities under those standards are further described in the "Auditors' 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. The financial statements of the Library were not audited in accordance with Government Auditing Standards. The financial statements of the Authority were not audited in accordance with the KMAAG.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the December 31, 2020 financial statements have been restated to correct misstatements. Our opinion is not modified with respect to this matter.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditors' 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 auditors' 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 and *Government 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 GAAS and *Government 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial

statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The statements and schedules listed under supplementary information in the accompanying table of contents, including the schedule of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations, (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, 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 statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections listed in the accompanying table of contents but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BT & Co., P.A.

October 31, 2022
Topeka, Kansas

Management's Discussion and Analysis

This section of the City of Manhattan's annual financial report presents our discussion and analysis of the City's financial performance during the year that ended on December 31, 2021. Please read it in conjunction with the City's financial statements, which follow this section, for a well-rounded picture of the City's financial condition.

Financial Highlights

- The assets of the City of Manhattan exceeded its liabilities at the close of 2021 by \$327,331,756. Of this amount, \$48,373,146 in governmental activities is unrestricted.
- The City's total net position increased by \$28,152,932 over the course of this year's operations. The net position of our governmental activities increased by \$22,351,206 (12.9 percent) and the net position of our business-type activities increased by \$5,801,726 (4.6 percent).
- As of the end of 2021, the City of Manhattan's governmental funds reported combined ending fund balances of \$107,178,994, an increase of \$46,297,321 in comparison with the prior year. Approximately 12 percent of this total amount, \$12,463,531, is unassigned and related to the general fund.
- The City's total debt increased by \$54,212,333 during 2021. General obligation bonds outstanding decreased by \$6,875,000 in 2021. General obligation bonds in the amount of \$4,940,000 were issued in 2021, while \$11,815,000 was retired. The balance of temporary notes increased by \$72,810,000 from 2020 to 2021. The commencement of several construction projects contributed to the increase in temporary notes issued.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Manhattan's basic financial statements. The City of Manhattan's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information and required supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Manhattan's finances, in a manner similar to private-sector businesses.

The statement of net position presents information on all of the City of Manhattan's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Manhattan is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the City of Manhattan that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City of Manhattan include general government, public safety, public works, urban development and housing, and culture and recreation. The business-type activities of the City of Manhattan include water, wastewater, and stormwater management.

The government-wide financial statements include not only the City of Manhattan itself (known as the primary government), but also the legally separate library and housing authority for which the City is financially accountable. Financial information for these two component units are reported separately from the financial information presented for the primary government itself in the government-wide financial statements. Separately issued audited financial statements for the Manhattan Public Library may be obtained at 629 Poyntz Avenue, Manhattan, KS 66502. Separately issued audited financial statements for the Manhattan Housing Authority may be obtained at 300 N. 5th Street, Manhattan, KS 66502.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Manhattan, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Manhattan can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Manhattan maintains 22 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, Riley County Police Department fund, debt service fund, and capital projects fund, all of which are considered to be major funds. Data from the other 18 governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Manhattan adopts an annual appropriated budget for its general fund and the Riley County Police Department fund. Budgetary comparison statements have been provided for these funds to demonstrate compliance with budget.

Proprietary funds. The City of Manhattan maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Manhattan uses enterprise funds to account for its water, wastewater, and stormwater management operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City of Manhattan's various functions. The City of Manhattan uses internal service funds to account for its motor pool services, its health care program, its workers' compensation program, and its photocopy services. Because these four services predominately benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, wastewater, and stormwater management operations. All three of these funds are considered to be major funds. Individual fund

data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the financial statements and the notes described above, this report also presents required supplementary information related to the City's net pension liability and other postemployment benefits and other supplementary information related to the combining statements for non-major governmental funds and internal service funds.

Government-wide Financial Analysis.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Manhattan, assets exceeded liabilities by \$327,331,756 at the close of 2021.

A large portion of the City of Manhattan's net position (63 percent) reflects its investment in capital assets (e.g. land, buildings, machinery, infrastructure, and equipment), less any related debt used to acquire those assets that is still outstanding plus any unspent proceeds of related debt. The City of Manhattan uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Manhattan's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	CITY OF MANHATTAN'S NET POSITION					
	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 244,146,097	\$ 192,120,898	\$ (16,388,594)	\$ 1,211,677	\$ 227,757,503	\$ 193,332,575
Capital assets	294,585,546	259,980,134	208,748,777	187,897,408	503,334,323	447,877,542
Total assets	538,731,643	452,101,032	192,360,183	189,109,085	731,091,826	641,210,117
Deferred outflows	6,899,806	7,649,139	1,005,996	1,124,883	7,905,802	8,774,022
Long-term liabilities outstanding	291,033,290	238,562,764	59,232,763	64,825,292	350,266,053	303,388,046
Other liabilities	21,378,507	15,149,846	1,272,593	1,481,524	22,651,100	16,631,370
Total liabilities	312,411,797	253,712,610	60,505,356	66,306,816	372,917,153	320,019,416
Deferred inflows	37,540,575	30,717,708	1,208,144	275,687	38,748,719	30,993,395
Net position:						
Net investment in capital assets	49,907,471	50,090,759	153,314,982	127,758,321	203,222,453	177,849,080
Restricted	97,398,460	49,933,194	-	-	97,398,460	49,933,194
Unrestricted	48,373,146	75,295,910	(21,662,303)	(4,106,856)	26,710,843	71,189,054
Total net position	\$ 195,679,077	\$ 175,319,863	\$ 131,652,679	\$ 123,651,465	\$ 327,331,756	\$ 298,971,328

An additional portion of the City's net position (28 percent) represents resources that are subject to external restrictions on how they may be used. The positive balance of net position for governmental activities represents the city's growth in capital assets, specifically construction in progress. The city has met all statutory funding levels set by the State of Kansas.

The City's balance for restricted net position increased in 2021, while investment in capital assets net position increased by 17 percent since the end of 2020. In 2021, the City's net position, for governmental and business activities, increased by \$28,152,932.

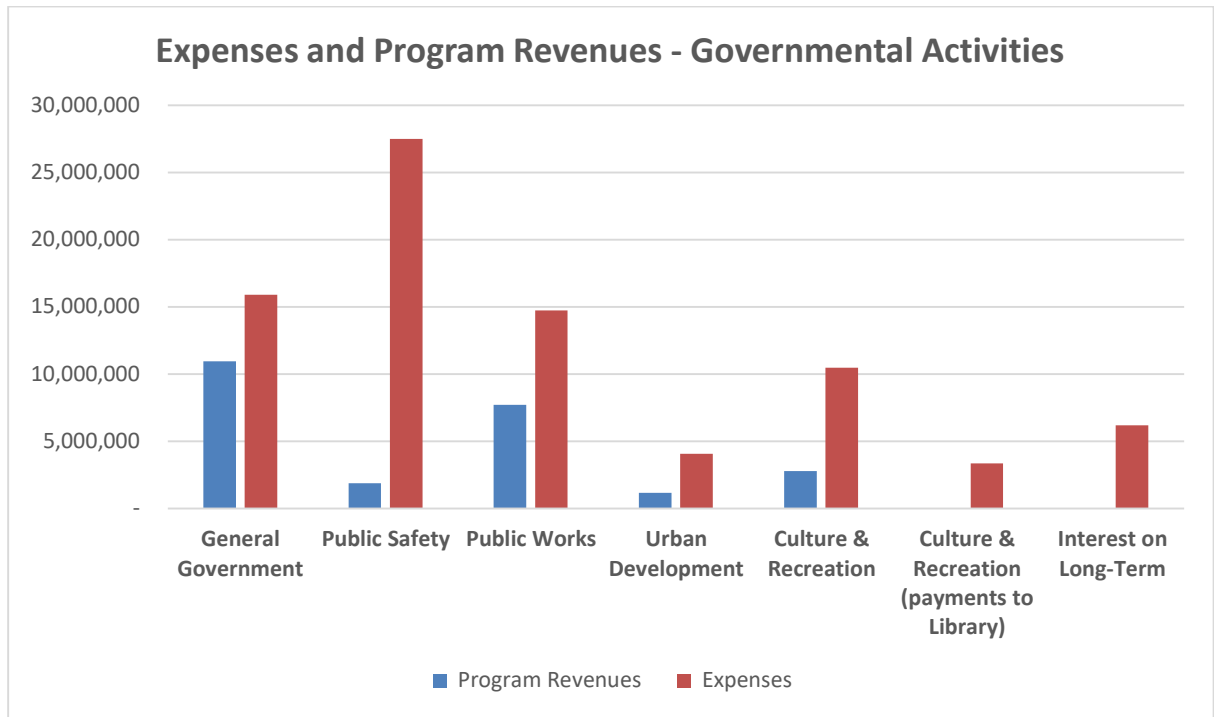
Governmental activities. Governmental activities increased the City's net position by \$22,351,206. Key elements of this increase are as follows:

CITY OF MANHATTAN'S CHANGES IN NET POSITION						
	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 6,141,558	\$ 4,348,590	\$ 29,377,942	\$ 25,655,619	\$ 35,519,500	\$ 30,004,209
Operating grants and contributions	4,784,088	6,885,189	-	-	4,784,088	6,885,189
Capital grants and contributions	13,558,615	8,612,937	-	-	13,558,615	8,612,937
General revenues:						
Property taxes	33,812,531	33,290,871	-	-	33,812,531	33,290,871
Other taxes	41,184,184	34,923,250	-	-	41,184,184	34,923,250
Other	2,604,251	3,179,416	425,956	517,211	3,030,207	3,696,627
Total revenues	102,085,227	91,240,253	29,803,898	26,172,830	131,889,125	117,413,083
Expenses:						
General government	15,891,759	17,869,773	-	-	15,891,759	17,869,773
Public safety	27,489,565	28,252,971	-	-	27,489,565	28,252,971
Public works	14,722,396	14,436,411	-	-	14,722,396	14,436,411
Urban development and housing	4,150,196	3,940,005	-	-	4,150,196	3,940,005
Culture and recreation	10,475,640	6,637,158	-	-	10,475,640	6,637,158
Culture and recreation (payments to Library)	3,347,403	3,335,074	-	-	3,347,403	3,335,074
Interest on long-term debt	6,183,019	6,613,536	-	-	6,183,019	6,613,536
Water	-	-	9,984,403	10,460,436	9,984,403	10,460,436
Wastewater	-	-	9,163,309	8,784,370	9,163,309	8,784,370
Storm Water Management	-	-	2,328,503	2,785,488	2,328,503	2,785,488
Total expenses	82,259,978	81,084,928	21,476,215	22,030,294	103,736,193	103,115,222
Increase in net position before transfers	19,825,249	10,155,325	8,327,683	4,142,536	28,152,932	14,297,861
Transfers	2,525,957	4,280,734	(2,525,957)	(4,280,734)	-	-
Increase in net position	22,351,206	14,436,059	5,801,726	(138,198)	28,152,932	14,297,861
Net position - 01/01	175,319,863	160,883,804	123,651,465	123,789,663	298,971,328	284,673,467
Prior period adjustment	(1,991,992)	-	2,199,488	-	207,496	-
Net position, beginning as restated	173,327,871	160,883,804	125,850,953	123,789,663	299,178,824	284,673,467
Net position - 12/31	\$ 195,679,077	\$ 175,319,863	\$ 131,652,679	\$ 123,651,465	\$ 327,331,756	\$ 298,971,328

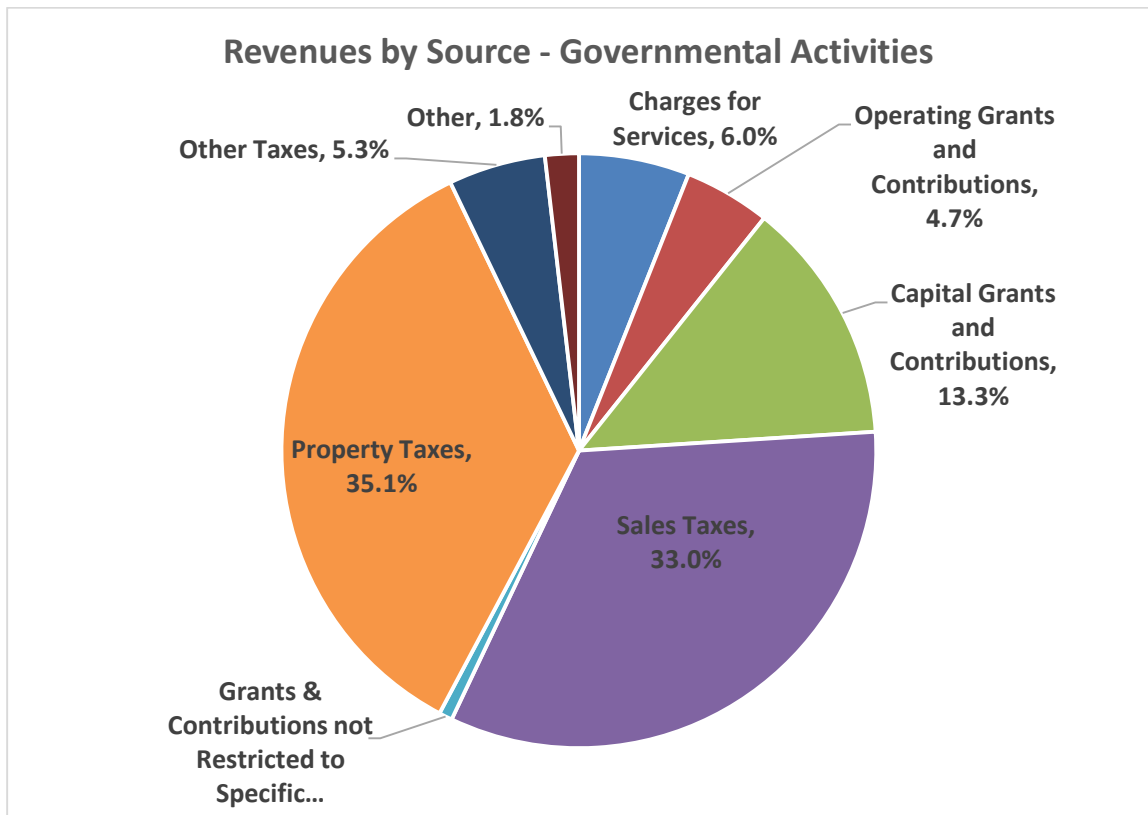
- Capital grants for governmental activities increased by \$4,945,678 from 2020 to 2021. These increases were primarily attributed to general government program revenues. General government capital grant revenues increased by \$5,014,018 while public works capital grant revenues decreased by \$98,453 from 2020 to 2021.
- Operating grants and contributions decreased by \$2,101,101 from 2020 to 2021. This decrease can be attributed to operating grants and contributions for public safety.
- Property taxes increased by \$521,660 from 2020 to 2021. Other taxes increased by \$6,260,934 during 2021.
- Other general revenues decreased by \$666,420 from 2020 to 2021.

Total expenses increased by \$620,971 from 2020 to 2021. In 2021, expenses for public works, urban development and housing, culture and recreation and payments to library increased by \$4,346,987. The general government function decreased expenses by \$1,978,014 (11.07 percent) from 2020 to 2021. Expenditures related to public safety and interest on long-term debt decreased by \$1,193,923 (3.42 percent) from 2020 to 2021.

The following chart compares expenses with program revenues for the various governmental activities of the City.



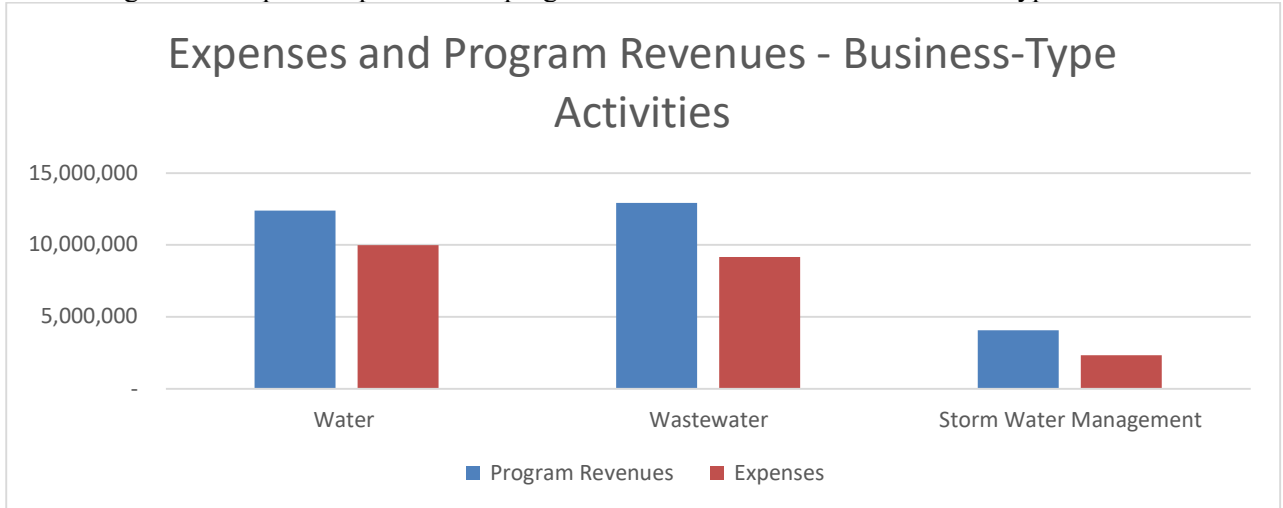
The following graph shows the composition of 2021 revenues for the governmental activities.



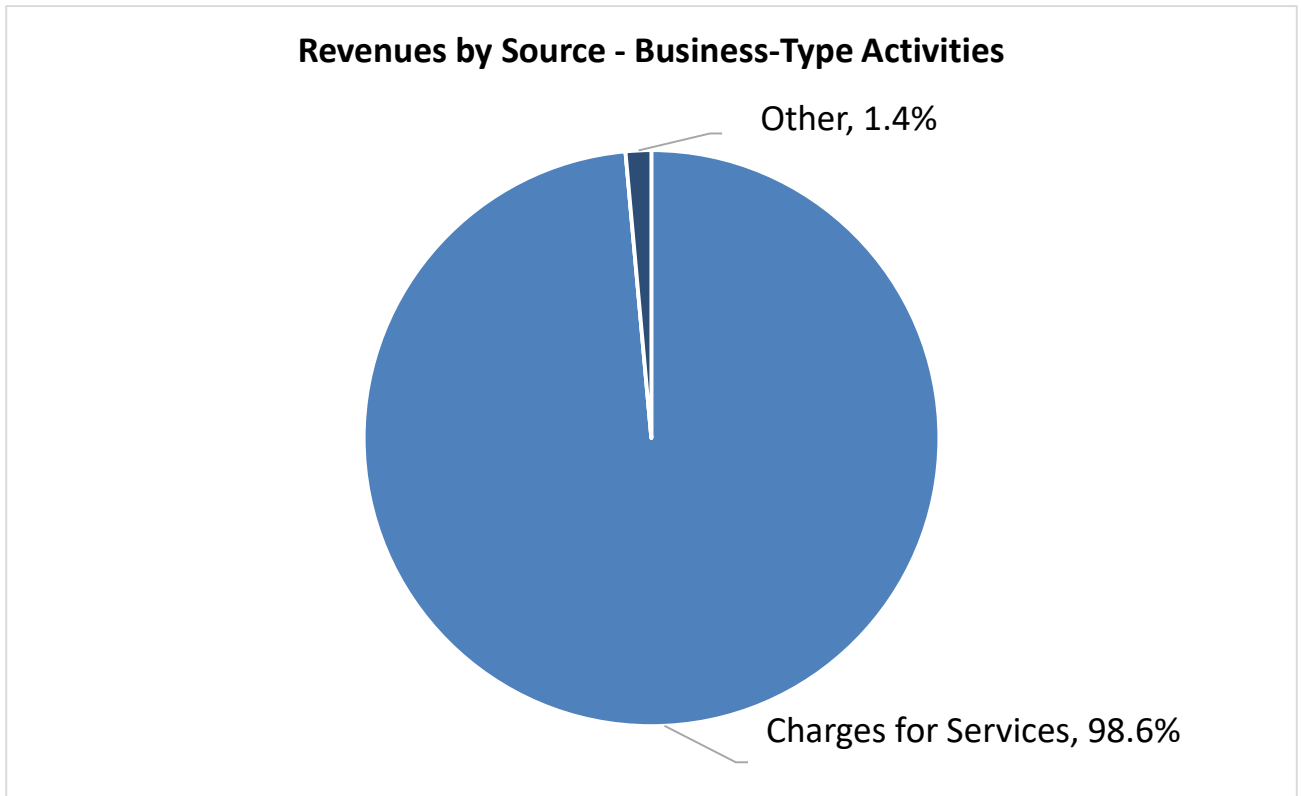
Business-type activities. Business-type activities increased the City's net position by \$5,801,726 in 2021. Revenue received from service charges in 2021 totaled \$29,377,942 compared to \$25,655,619 in 2020. This is an increase of \$3,722,323 (14.5 percent) from 2020 to 2021.

A rate increase of 6% went into effect January 1, 2021 for water and wastewater. Stormwater had a rate increase of 9% for residential customers and 17% for commercial customers. Capital contributions received in 2021 totaled \$5,772,887 while these contributions totaled \$5,871,203 in 2020. Total expenses decreased \$554,079 (2.5 percent) from 2020 to 2021.

The following chart compares expenses with program revenues for the various business-type activities of the City.



The following graph shows the composition of 2021 revenues for the business-type activities.



Financial Analysis of the City's Funds

As noted earlier, the City of Manhattan uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of 2021, the City of Manhattan's governmental funds reported combined ending fund balances of \$107,178,994 an increase of \$46,297,321 in comparison with the prior year. The available unassigned balance for governmental funds was \$12,463,531 at the completion of the 2021 fiscal year. The remainder of fund balance is classified as assigned, committed, restricted, or non-spendable, as described in the notes to the financial statements.

The general fund is the chief operating fund of the City of Manhattan. At the end of 2021, unassigned fund balance of the general fund was \$12,477,036. As a measure of the general fund's liquidity, it may be useful to compare the unassigned and assigned fund balance as well as the total fund balance to total fund expenditures. In total, the unassigned/total fund balance represents 33 percent of total general fund expenditures.

In 2021, the City's general fund balance increased by \$3,460,165. An increase of \$3,024,106 was shown in 2020. Key elements of this are as follows:

- Taxes increased by \$1,861,381 in 2021. The increase is attributable to an increase in sales taxes, compensating use taxes and franchise fees.
- Licenses and permits increased by \$218,429 in 2021. Most of this increase was related to more building permits being issued in 2021 compared to 2020.
- Intergovernmental revenues decreased by \$2,281,778 from 2020 to 2021. This change was primarily related to not receiving federal grant proceeds related to the COVID-19 Pandemic in 2021.
- Charges for services increased by \$1,317,282 from 2020 to 2021. This change was related to the reopening of various Parks and Recreation facilities and providing recreation programs and services in 2021 since the COVID-19 pandemic.
- Investment income decreased by \$74,734 from 2020 to 2021. This decrease was due to investment interest rates being low in 2021 as a result of the COVID-19 pandemic. The City did not purchase any investments in 2021 as a result.
- Expenditures increased by \$2,230,283 in 2021. The increase is primarily attributed to the City resuming spending habits since the COVID-19 pandemic.
- Net transfers increased by \$1,781,843 from 2020 to 2021. This increase is primarily attributed to the consolidation of the Employee Benefit Contribution fund, Fire Equipment Reserve fund and Fire Pension KP&F fund into the general fund for financial reporting purposes.

The Riley County Police Department fund provides for expenditures made to the Riley County Police Department (RCPD). Police protection is provided to the City by the RCPD under a statutory arrangement whereby the City is responsible for 80 percent of the RCPD's budget. This fund had a balance of \$0 at the end of 2021.

The debt service fund has a total fund balance of \$5,826,379 at the end of 2021, which is restricted for future debt service payments. The net increase in the debt service fund balance during the current year was \$215,447. Debt service expenditures were greater than revenues by \$1,677,901. However, this deficit was offset by issuance of general obligation bonds, premiums on general obligation bonds, and transfers in from other funds. The deficit of revenues over debt service expenditures in 2021 was \$957,585 less than in 2020.

The capital projects fund is used to account for the acquisition and construction of major facilities which are financed predominately through the issuance of general obligation bonds. This fund has a total fund balance of \$60,052,301 of which all is restricted. The capital projects fund balance increased by \$43,058,740 during 2021.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Fund at the end of 2021 amounted to \$2,567,336; the Wastewater Fund amounted to negative \$546,280, and the Stormwater Management Fund amounted to negative \$23,683,359. The Water Fund reported an increase of \$544,648 in net position; the Wastewater Fund reported an increase of \$2,022,829 in net position, and the Stormwater Management Fund reported an increase in net position of \$3,234,249. A key element of these changes is as follows:

- For the Water Fund, an increase in charges for services was the key element to the change in net position. The total charges for services for 2021 were \$12,386,348 compared to \$10,979,584 in 2020.
- For the Wastewater Fund, a change in capital asset balances was the key element for the change in net position. A prior period adjustment of \$2,199,488 plus the increase in charges for services of \$1,093,626 equals an increase of \$3,293,114 in net position over 2020.
- For the Stormwater Management Fund, an increase in charges for services was the key element to the change in net position. The total charges for services for 2021 were \$4,065,133 compared to \$2,843,200 in 2020.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

Revenues exceeded budgetary estimates in all categories with the exceptions of charges for services, fines and forfeitures, miscellaneous revenues and investment income. The most significant variance from budget was investment income, which fell short of the budgeted amount by approximately \$441,651. Investment income has declined dramatically since 2007. In 2020, the City didn't invest due to the COVID-19 pandemic. Total expenditures were less than budgetary estimates by \$3,481,500 (11 percent) of total budgeted expenditures.

Capital Asset and Debt Administration

Capital assets. The City of Manhattan's investment in capital assets for its governmental and business-type activities as of December 31, 2021, amounts to \$503,334,323 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, vehicles, machinery and equipment, park and pool facilities, streets, storm sewers, bridges, and water and sewer lines. The total increase in the City's investment in capital assets was 12.4 percent.

Major capital asset events during 2021 included the following:

- Improvements to the Levee increased assets by \$18,791,704.
- Construction of the Aggieville Parking Garage increased assets by \$11,256,953.
- Construction of the Joint Maintenance Facility increased assets by \$8,712,275.
- Construction of the Anthony and Eisenhower Recreation Centers increased assets by \$5,800,765.
- Construction of the Expedition Asia Exhibit increased assets by \$3,833,794.

CITY OF MANHATTAN'S CAPITAL ASSETS
(Net of depreciation)

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 20,645,386	\$ 20,645,386	\$ 505,833	\$ 505,833	\$ 21,151,219	\$ 21,151,219
Buildings and improvements	83,460,983	87,117,908	42,054,530	43,364,104	125,515,513	130,482,012
Contents and equipment	2,467,057	2,793,144	1,986,590	2,217,711	4,453,647	5,010,855
Vehicles	3,239,891	3,631,369	1,171,124	1,145,388	4,411,015	4,776,757
Infrastructure	75,814,318	81,040,987	108,928,505	109,912,781	184,742,823	190,953,768
Construction in progress	108,957,911	62,551,845	54,102,195	32,951,086	163,060,106	95,502,931
Total	\$ 294,585,546	\$ 257,780,639	\$ 208,748,777	\$ 190,096,903	\$ 503,334,323	\$ 447,877,542

Additional information on the City's capital assets can be found in note 3. E on pages 45-47 of this report.

Long-term debt. At the end of 2021, the City had total bonded debt outstanding of \$126,395,00. Of this amount, \$59,470,946 comprises debt backed by the full faith and credit of the City and \$45,741,998 special assessment debt for which the City is liable in the event of default by the property owners subject to the assessment. The remainder of the City's bonded debt represents bonds secured solely by specific revenue sources (i.e., special obligation bonds).

CITY OF MANHATTAN'S OUTSTANDING DEBT
General Obligation and Special Obligation Bonds

	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	\$ 49,938,002	\$ 46,413,890	\$ 13,535,000	\$ 14,900,000	\$ 63,473,002	\$ 61,313,890
General obligation bonds (special assessment debt with governmental commitment)	45,741,998	54,776,110	-	-	45,741,998	54,776,110
Sales tax revenue bonds	4,040,000	4,255,000	-	-	4,040,000	4,255,000
Special obligation bonds	13,140,000	20,990,000	-	-	13,140,000	20,990,000
Total	\$ 112,862,021	\$ 126,437,020	\$ 13,537,021	\$ 14,902,020	\$ 126,397,021	\$ 141,337,020

The City's total outstanding general obligation and special obligation debt decreased by \$14,940,000 during 2021. General obligation bonds outstanding decreased by \$6,875,000 in 2021. General obligation bonds in the amount of \$4,940,000 were issued in 2021, while \$11,815,000 were retired. There was an increase of \$72,810,000 in temporary notes outstanding at the end of 2021 as compared to 2020. This increase was due to the commencement of several construction projects related to Aggieville, the Joint Maintenance Facility, the North Campus Corridor, and Levee Storm Drainage Improvements.

The City has a "Aa3" rating from Moody's for its general obligation bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 30 percent of its total assessed valuation. The current debt limitation for the City is \$193,119,076 which is significantly greater than the City's outstanding general obligation bonds.

Additional information on the City's long-term debt can be found in note 3.I on pages 49-60 of this report.

Economic Factors and Next Year's Budget and Rates

- The unemployment rate for the City of Manhattan at the end of 2021 was 1.7 percent. This rate decreased by 2.1 percent compared to the end of 2020. The decrease is due to individuals returning to work after the COVID-19 pandemic. The City of Manhattan's unemployment rate remains very favorable compared to the state's average unemployment rate of 2.8 percent and the national average rate of 3.9 percent at the end of 2021.

- Inflationary trends in the region compare favorably to national indices.
- The 2022 budget authority for expenditures totaled \$170,982,754 which was a \$6.2 million increase over the 2021 budget of \$164,766,993.
- There was a mill levy rate increase of had a slight increase of 2.299 mills, with a total mill levy rate of 52.134 for 2022.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any information provided in this report or requests for additional information should be addressed to the Finance Department, City of Manhattan, 1101 Poyntz Avenue, Manhattan, Kansas 66502.



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Basic Financial Statements

**For the Year Ended
December 31, 2021**

CITY OF MANHATTAN, KANSAS
STATEMENT OF NET POSITION
December 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Manhattan Public Library	Manhattan Housing Authority
ASSETS					
Cash and cash equivalents	\$ 87,751,353	\$ 13,265,231	\$ 101,016,584	\$ 2,237,609	\$ 761,272
Investments with fiscal agent	2,614,939	-	2,614,939	-	-
Receivables:					
Accounts (net of allowance for uncollectibles)	918,255	3,337,442	4,255,697	-	246,324
Intergovernmental	735,666	-	735,666	-	-
Franchise tax	346,837	-	346,837	-	-
Sales tax	5,406,213	-	5,406,213	-	-
Transient guest tax	646,295	-	646,295	-	-
Property tax	31,219,562	-	31,219,562	3,529,040	-
Other loans	3,273,839	-	3,273,839	-	-
Notes:					
Current	200,000	-	200,000	-	-
Noncurrent	5,700,000	-	5,700,000	-	-
Inventories	49,605	88,021	137,626	-	3,411
Prepaid items	-	-	-	74,408	-
Internal balances	33,378,716	(33,378,716)	-	-	-
Restricted assets:					
Cash and cash equivalents					
Construction accounts	-	299,428	299,428	-	-
Other	-	-	-	-	74,195
Special assessments:					
Current	7,522,323	-	7,522,323	-	-
Noncurrent	64,382,494	-	64,382,494	-	-
Capital assets:					
Land	20,645,386	505,833	21,151,219	-	-
Infrastructure, net of accumulated depreciation	75,814,318	108,928,505	184,742,823	-	-
Other capital assets, net of accumulated depreciation	89,167,931	45,212,244	134,380,175	725,346	8,382,711
Construction in progress	108,957,911	54,102,195	163,060,106	155,344	-
Total Assets	538,731,643	192,360,183	731,091,826	6,721,747	9,467,913
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	721,512	-	721,512	-	-
Deferred outflows - pensions	5,740,356	862,766	6,603,122	450,081	115,986
Deferred outflows - OPEB	437,938	143,230	581,168	-	-
Total Deferred Outflows of Resources	\$ 6,899,806	\$ 1,005,996	\$ 7,905,802	\$ 450,081	\$ 115,986

(Continued)

CITY OF MANHATTAN, KANSAS
STATEMENT OF NET POSITION
(Continued)
December 31, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total	Manhattan Public Library	Manhattan Housing Authority
LIABILITIES					
Accounts payable	\$ 13,540,013	\$ 642,851	\$ 14,182,864	\$ 54,868	\$ 146,735
Accrued payroll	354,358	77,640	431,998	40,511	29,358
Estimated insurance claims payable	1,073,547	-	1,073,547	-	-
Unearned revenue	1,320,843	20,172	1,341,015	-	640,340
Accrued interest payable	734,746	531,930	1,266,676	-	1,256
Tenant security deposits	-	-	-	-	58,732
Temporary notes payable	4,355,000	-	4,355,000	-	-
Long-term liabilities:					
Due within one year	20,326,457	6,247,737	26,574,194	-	138,276
Due in more than one year	270,706,833	52,985,026	323,691,859	1,426,816	2,696,218
Total Liabilities	312,411,797	60,505,356	372,917,153	1,522,195	3,710,915
DEFERRED INFLOWS OF RESOURCES					
Deferred receivable - property taxes	31,219,562	-	31,219,562	3,529,040	-
Deferred inflows - pensions	5,738,205	1,017,534	6,755,739	541,287	118,340
Deferred inflows - OPEB	582,808	190,610	773,418	-	-
Total Deferred Inflows of Resources	37,540,575	1,208,144	38,748,719	4,070,327	118,340
NET POSITION					
Net investment in capital assets	49,907,471	153,314,982	203,222,453	880,690	5,855,354
Restricted for:					
Perpetual care:					
Nonexpendable	260,684	-	260,684	734,168	-
Urban development and housing	8,237,944	-	8,237,944	-	769
Public safety	-	-	-	-	-
Culture and recreation	7,970,363	-	7,970,363	-	-
Public works	70,475,684	-	70,475,684	-	-
Debt service	9,014,384	-	9,014,384	-	-
Other purposes	1,439,401	-	1,439,401	-	-
Unrestricted	48,373,146	(21,662,303)	26,710,843	(35,552)	(101,479)
Total Net Position	\$ 195,679,077	\$ 131,652,679	\$ 327,331,756	\$ 1,579,306	\$ 5,754,644

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

FUNCTIONS/PROGRAMS	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Primary government			
Governmental activities			
General government	\$ 15,891,759	\$ 2,921,260	\$ 491,667
Public safety	27,489,565	770,484	1,102,635
Public works	14,722,396	-	1,719,657
Urban development and housing	4,150,196	164,847	1,003,142
Culture and recreation	10,475,640	2,284,967	466,987
Culture and recreation (payments to Library)	3,347,403	-	-
Interest on long-term debt	6,183,019	-	-
Total governmental activities	<u>82,259,978</u>	<u>6,141,558</u>	<u>4,784,088</u>
Business-type activities			
Water	9,984,403	12,386,348	-
Wastewater	9,163,309	12,926,461	-
Stormwater management	2,328,503	4,065,133	-
Total business-type activities	<u>21,476,215</u>	<u>29,377,942</u>	<u>-</u>
Total primary government	<u>\$ 103,736,193</u>	<u>\$ 35,519,500</u>	<u>\$ 4,784,088</u>
Component units			
Manhattan Public Library	\$ 3,476,099	\$ 58,258	\$ 237,975
Manhattan Housing Authority	<u>\$ 3,706,861</u>	<u>\$ 519,009</u>	<u>\$ 2,753,379</u>

(Continued)

CITY OF MANHATTAN, KANSAS
STATEMENT OF ACTIVITIES
(Continued)
For the Year Ended December 31, 2021

FUNCTIONS/PROGRAMS	Net (Expense) Revenue and Changes in Net Position			Component Units	
	Primary Government			Manhattan Public Library	Manhattan Housing Authority
	Governmental Activities	Business-Type Activities	Total		
Primary government					
Governmental activities					
General government	\$ (4,944,549)	\$ -	\$ (4,944,549)	\$ -	\$ -
Public safety	(25,616,446)	-	(25,616,446)	-	-
Public works	(7,008,520)	-	(7,008,520)	-	-
Urban development and housing	(2,982,207)	-	(2,982,207)	-	-
Culture and recreation	(7,693,573)	-	(7,693,573)	-	-
Culture and recreation (payments to Library)	(3,347,403)	-	(3,347,403)	-	-
Interest on long-term debt	(6,183,019)	-	(6,183,019)	-	-
Total governmental activities	(57,775,717)	-	(57,775,717)	-	-
Business-type activities					
Water	-	2,401,945	2,401,945	-	-
Wastewater	-	3,763,152	3,763,152	-	-
Stormwater management	-	1,736,630	1,736,630	-	-
Total business-type activities	-	7,901,727	7,901,727	-	-
Total primary government	(57,775,717)	7,901,727	(49,873,990)	-	-
Component units					
Manhattan Public Library				(2,955,535)	
Manhattan Housing Authority					(378,285)
General revenues:					
Taxes:					
Property taxes, levied for general purposes	30,553,288	-	30,553,288	-	-
Property taxes, levied for debt service	3,259,243	-	3,259,243	-	-
Franchise taxes	3,532,877	-	3,532,877	-	-
Sales taxes	35,791,351	-	35,791,351	-	-
Transient guest taxes	1,859,956	-	1,859,956	-	-
Payments from the City of Manhattan	-	-	-	3,347,403	-
Grants and contributions not restricted to specific programs	742,579	-	742,579	-	-
Unrestricted investment earnings	187,399	11,278	198,677	12,240	774
Miscellaneous	1,613,844	414,678	2,028,522	854	71,373
Gain on sales of capital assets	60,429	-	60,429	-	-
Transfers-internal activities	2,525,957	(2,525,957)	-	-	-
Total general revenues and transfers	80,126,923	(2,100,001)	78,026,922	3,360,497	72,147
Change in net position	22,351,206	5,801,726	28,152,932	404,962	(306,138)
Net position-beginning, as previously reported	175,319,863	123,651,465	298,971,328	1,174,344	6,059,477
Prior period adjustments	(1,991,992)	2,199,488	207,496	-	1,305
Net position, beginning, as restated	173,327,871	125,850,953	299,178,824	1,174,344	6,060,782
Net position-ending	\$ 195,679,077	\$ 131,652,679	\$ 327,331,756	\$ 1,579,306	\$ 5,754,644

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
BALANCE SHEET - GOVERNMENTAL FUNDS
December 31, 2021

	General	Riley County Police Department	Debt Service	Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 11,989,605	\$ -	\$ 5,602,695	\$ 43,192,630	\$ 22,874,806	\$ 83,659,736
Investments with fiscal agent	-	-	-	-	2,614,939	2,614,939
Receivables:						
Accounts	547,754	-	15,747	100,000	16,527	680,028
Intergovernmental	112,377	-	-	519,788	103,501	735,666
Franchise tax	346,837	-	-	-	-	346,837
Sales tax	1,964,723	-	229,198	-	3,212,292	5,406,213
Transient guest tax	-	-	-	-	646,295	646,295
Property tax	7,802,331	17,040,915	3,037,276	-	3,339,040	31,219,562
Interfund	-	-	-	33,378,716	-	33,378,716
Other loans	-	-	-	-	4,121,249	4,121,249
Special assessments:						
Current	-	-	7,522,323	-	-	7,522,323
Noncurrent	-	-	64,382,494	-	-	64,382,494
Total Assets	\$ 22,763,627	\$ 17,040,915	\$ 80,789,733	\$ 77,191,134	\$ 36,928,649	\$ 234,714,058
LIABILITIES						
Accounts payable	\$ 1,213,402	\$ -	\$ 5,514	\$ 11,524,717	\$ 711,488	\$ 13,455,121
Accrued payroll	351,329	-	-	-	3,029	354,358
Unearned revenue	157,842	-	-	1,159,116	3,885	1,320,843
Temporary notes payable	-	-	-	4,355,000	-	4,355,000
Total Liabilities	1,722,573	-	5,514	17,038,833	718,402	19,485,322
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	7,802,331	17,040,915	3,037,276	-	3,339,040	31,219,562
Unavailable revenue - receivables	671,840	-	15,747	100,000	4,137,776	4,925,363
Unavailable revenue - special assessments	-	-	71,904,817	-	-	71,904,817
Total Deferred Inflows of Resources	8,474,171	17,040,915	74,957,840	100,000	7,476,816	108,049,742
FUND BALANCES						
Nonspendable:						
Perpetual care	-	-	-	-	260,684	260,684
Restricted:						
Urban development and housing	-	-	-	-	9,077,762	9,077,762
General government	-	-	-	-	1,439,401	1,439,401
Capital projects	-	-	-	60,052,301	2,568	60,054,869
Culture and recreation	-	-	-	-	7,970,363	7,970,363
Public works	-	-	-	-	6,013,216	6,013,216
Debt service	-	-	5,826,379	-	3,922,751	9,749,130
Assigned:						
Purchases on order	89,847	-	-	-	60,191	150,038
Unassigned	12,477,036	-	-	-	(13,505)	12,463,531
Total Fund Balances	12,566,883	-	5,826,379	60,052,301	28,733,431	107,178,994
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 22,763,627	\$ 17,040,915	\$ 80,789,733	\$ 77,191,134	\$ 36,928,649	\$ 234,714,058

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2021

Fund balances of governmental funds		\$ 107,178,994
Amounts reported for governmental activities in the statement of net position are different because:		
Certain receivables, net of an allowance for doubtful accounts, are not available to pay current period expenditures and therefore are deferred in the funds.		9,977,953
Capital assets net of depreciation are not financial resources and therefore have not been included in the funds.		294,585,546
Long-term debt and compensated absences are not due and payable in the current period and therefore are not reported in the governmental funds.		
General obligation bonds payable	\$ (95,680,000)	
Special obligation bonds payable	(17,180,000)	
Temporary notes payable	(145,335,000)	
Premium on bonds payable	(5,754,282)	
Transportation revolving fund loan payable	(939,761)	
Capital leases payable	(4,418,018)	
Compensated absences	(2,859,022)	(272,166,083)
Deferred outflows represent a consumption of net position that applies to a future period and so will not be recognized as an expenditure of resources until then:		
Deferred charge on refunding		721,512
Accrued interest payable on long-term debt has not been reported in the governmental funds.		(734,746)
Other long-term assets related to special assessments are not available to pay current period expenditures and therefore are deferred in the funds.		71,904,817
In the statement of net position, a long-term liability is recorded for the unfunded portion of postemployment benefits other than pensions as well as the related deferred inflows and outflows of resources.		
Total other postemployment benefit liability	(1,676,235)	
Deferred outflows of resources - OPEB	437,938	
Deferred inflows of resources - OPEB	(582,808)	(1,821,105)
In the statement of net position, a long-term liability is recorded for the net pension liability as well as deferred inflows and outflows of resources related to the pension.		
Net pension liability	(17,190,972)	
Deferred outflows of resources - pension	5,740,356	
Deferred inflows of resources - pension	(5,738,205)	(17,188,821)
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		3,221,010
Net position of governmental activities		\$ 195,679,077

See accompanying notes to basic financial statements.

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

		Riley County	
		Police	Debt
	General	Department	Service
REVENUES			
Taxes	\$ 21,431,614	\$ 17,387,425	\$ 4,511,625
Special assessments	7,978	-	7,606,734
Licenses and permits	803,253	-	-
Intergovernmental revenues	1,968,078	-	-
Charges for services	2,967,960	-	289,050
Fines and forfeitures	933,682	2,925	-
Investment income	21,783	-	1,185
Miscellaneous	403,792	-	-
Total Revenues	28,538,140	17,390,350	12,408,594
EXPENDITURES			
Current			
General government	13,077,404	-	36,191
Public safety	8,687,832	17,566,982	-
Public works	4,368,254	-	-
Urban development and housing	853,856	-	-
Culture/recreation	8,170,713	-	-
Culture/recreation-payments to Library	-	-	-
Capital outlay	1,224,861	-	-
Debt service			
Principal	905,136	-	10,269,301
Bond issuance costs	-	-	131,096
Interest and fiscal charges	84,661	-	3,649,907
Total Expenditures	37,372,717	17,566,982	14,086,495
EXCESS (DEFICIENCY) OF REVENUES OVER			
(UNDER) EXPENDITURES	(8,834,577)	(176,632)	(1,677,901)
OTHER FINANCING SOURCES (USES)			
General obligation bonds issued	-	-	110,464
Premium on general obligation bonds	-	-	11,205
Temporary notes issued	-	-	-
Leases issued	1,050,000	-	-
Sales of capital assets	-	-	-
Transfers in	11,690,253	166,830	1,960,403
Transfers out	(445,511)	-	(188,724)
Total Other Financing Sources (Uses)	12,294,742	166,830	1,893,348
NET CHANGE IN FUND BALANCES	3,460,165	(9,802)	215,447
FUND BALANCES - BEGINNING OF YEAR,			
AS PREVIOUSLY STATED	8,899,215	9,802	5,610,932
PRIOR PERIOD ADJUSTMENTS	207,503	-	-
FUND BALANCES - BEGINNING OF YEAR,			
AS RESTATED	9,106,718	9,802	5,610,932
FUND BALANCES - END OF YEAR	\$ 12,566,883	\$ -	\$ 5,826,379

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
(Continued)
For the Year Ended December 31, 2021

	Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ -	\$ 31,666,051	\$ 74,996,715
Special assessments	51,910	-	7,666,622
Licenses and permits	-	-	803,253
Intergovernmental revenues	8,536,173	3,625,492	14,129,743
Charges for services	-	165,606	3,422,616
Fines and forfeitures	194,776	-	1,131,383
Investment income	-	(12,406)	10,562
Miscellaneous	1,052,386	657,895	2,114,073
Total Revenues	9,835,245	36,102,638	104,274,967
EXPENDITURES			
Current			
General government	15,164	449,082	13,577,841
Public safety	-	-	26,254,814
Public works	44,827	2,696,721	7,109,802
Urban development and housing	-	3,188,564	4,042,420
Culture/recreation	-	45,593	8,216,306
Culture/recreation-payments to Library	-	3,347,403	3,347,403
Capital outlay	53,249,112	1,363,718	55,837,691
Debt service			
Principal	6,715,000	8,189,425	26,078,862
Bond issuance costs	380,907	-	512,003
Interest and fiscal charges	948,745	1,347,341	6,030,654
Total Expenditures	61,353,755	20,627,847	151,007,796
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(51,518,510)	15,474,791	(46,732,829)
OTHER FINANCING SOURCES (USES)			
General obligation bonds issued	4,339,536	-	4,450,000
Premium on general obligation bonds	495,533	-	506,738
Temporary notes issued	79,030,000	-	79,030,000
Leases issued	-	-	1,050,000
Sales of capital assets	75,001	-	75,001
Transfers in	10,875,314	313,036	25,005,836
Transfers out	(238,134)	(16,215,056)	(17,087,425)
Total Other Financing Sources (Uses)	94,577,250	(15,902,020)	93,030,150
NET CHANGE IN FUND BALANCES	43,058,740	(427,229)	46,297,321
FUND BALANCES - BEGINNING OF YEAR, AS PREVIOUSLY STATED	16,993,561	29,160,660	60,674,170
PRIOR PERIOD ADJUSTMENTS	-	-	207,503
FUND BALANCES - BEGINNING OF YEAR, AS RESTATED	16,993,561	29,160,660	60,881,673
FUND BALANCES - END OF YEAR	\$ 60,052,301	\$ 28,733,431	\$ 107,178,994

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

Net change in fund balances - total governmental funds \$ 46,297,321

Amounts reported for governmental activities in the statement of activities differ because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Expenditures for capital assets	\$ 49,703,013	
Less current year depreciation	(12,883,533)	36,819,480

The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, disposals, donations) is to decrease net position. (14,572)

Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases liabilities in the statement of net position. Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This is the net effect of these differences in the treatment of long-term debt and related items.

Long-term debt issued	(84,530,000)	
Premium on debt issued	(506,738)	
Amortization of bond premium	358,985	
Amortization on deferred charge on refunding	(97,283)	
Principal reductions	26,078,862	(58,696,174)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated absences	29,168	
Other postemployment benefits other than pensions	33,026	
Net pension liability	232,670	
Accrued interest on bonds	97,936	392,800

Some revenues reported in the statement of activities do not provide current financial resources and therefore are not reported as revenues in the funds.

Receivables	(221,724)	
Special assessments	(2,699,482)	(2,921,206)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds.

The net revenues of the internal service funds are reported with governmental activities.

473,557

Change in net position of governmental activities	\$	22,351,206

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GENERAL FUND

For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final Budget
REVENUES				
Taxes	\$ 15,832,783	\$ 15,832,783	\$ 18,017,561	\$ 2,184,778
Licenses and permits	618,450	618,450	803,253	184,803
Intergovernmental revenues	539,600	539,600	1,840,095	1,300,495
Charges for services	2,768,776	2,768,776	2,418,587	(350,189)
Fines and forfeitures	1,279,270	1,279,270	933,682	(345,588)
Investment income	462,755	462,755	21,104	(441,651)
Miscellaneous revenues	312,693	312,693	278,475	(34,218)
Total Revenues	21,814,327	21,814,327	24,312,757	2,498,430
EXPENDITURES				
Current				
General government				
Administration	916,825	916,825	885,890	30,935
Finance	1,610,685	1,610,685	1,249,387	361,298
Airport	1,523,365	1,523,365	1,518,247	5,118
Animal shelter	631,650	631,650	472,739	158,911
Human resources	598,272	598,272	512,840	85,432
Legal services	1,389,015	1,389,015	1,351,247	37,768
General services	2,732,705	2,732,705	2,452,432	280,273
Outside services	686,152	686,152	511,310	174,842
Municipal parking lots	46,550	46,550	53,761	(7,211)
Public safety				
Fire department				
Administration	627,305	627,305	699,838	(72,533)
Operations	5,914,110	5,914,110	5,604,634	309,476
Technical services	1,040,000	1,040,000	933,630	106,370
Public works				
Administration	210,350	210,350	203,788	6,562
Street	2,338,060	2,338,060	2,202,086	135,974
Engineering	1,089,625	1,089,625	915,793	173,832
Traffic control	763,225	763,225	724,666	38,559
Urban development and housing	700,600	700,600	627,021	73,579
Culture/recreation				
Administration	287,650	287,650	271,458	16,192
Douglass Center	276,010	276,010	212,629	63,381
City parks	2,868,270	2,868,270	2,325,503	542,767
Swimming pools	839,400	839,400	759,350	80,050
Sunset Zoo	1,244,700	1,244,700	1,275,662	(30,962)
Blue Earth Park	35,250	35,250	31,352	3,898
Recreation	2,198,770	2,198,770	1,544,044	654,726
Discovery Center	1,076,775	1,076,775	824,512	252,263
Anthony Center	237,370	237,370	139,401	97,969
Eisenhower Center	177,375	177,375	79,000	98,375
Total Expenditures	32,060,064	32,060,064	28,382,220	3,677,844
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	\$ (10,245,737)	\$ (10,245,737)	\$ (4,069,463)	\$ 6,176,274

(Continued)

CITY OF MANHATTAN, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
GENERAL FUND

(Continued)

For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final
				Budget
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 7,128,794	\$ 7,128,794	\$ 7,555,385	\$ 426,591
Transfers out	-	-	(571,993)	(571,993)
Total Other Financing Sources (Uses)	<u>7,128,794</u>	<u>7,128,794</u>	<u>6,983,392</u>	<u>(145,402)</u>
NET CHANGE IN FUND BALANCES	<u>\$ (3,116,943)</u>	<u>\$ (3,116,943)</u>	2,913,929	<u>\$ 6,030,872</u>
FUND BALANCE - BEGINNING OF YEAR			<u>8,002,522</u>	
FUND BALANCE - END OF YEAR			10,916,451	
Fund balance for separately budgeted funds included with the General Fund on GAAP basis financials:				
Employee Benefit Contribution			351,541	
Fire Equipment Reserve			131,473	
Fire Pension KP&F			-	
General Improvement			172,021	
Industrial Promotion			414,937	
Park Development			49,660	
Special Sunset Zoo			245,770	
Risk Management Reserve			146,110	
Equipment Reserve			1,418	
Fund balance for non-budgeted funds included with the General Fund on GAAP basis financials:				
Capital Improvement Reserve			35,402	
Alcohol and Drug Safety			-	
Special Taxi			45,259	
Cafeteria Plan			56,841	
FUND BALANCE - GAAP BASIS			<u>\$ 12,566,883</u>	

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
RILEY COUNTY POLICE DEPARTMENT FUND
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final
				Budget
REVENUES				
Taxes	\$ 17,460,490	\$ 17,460,490	\$ 17,387,425	\$ (73,065)
Fines and forfeitures	-	-	2,925	2,925
Total Revenues	<u>17,460,490</u>	<u>17,460,490</u>	<u>17,390,350</u>	<u>(70,140)</u>
EXPENDITURES				
Current				
Public safety	17,566,982	17,566,982	17,566,982	-
Total Expenditures	<u>17,566,982</u>	<u>17,566,982</u>	<u>17,566,982</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>(106,492)</u>	<u>(106,492)</u>	<u>(176,632)</u>	<u>(70,140)</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	166,830	166,830
NET CHANGE IN FUND BALANCES	<u>\$ (106,492)</u>	<u>\$ (106,492)</u>	<u>(9,802)</u>	<u>\$ 96,690</u>
FUND BALANCE - BEGINNING OF YEAR			<u>9,802</u>	
FUND BALANCE - END OF YEAR			-	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE - GAAP BASIS			<u>\$ -</u>	

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
PROPRIETARY FUNDS - STATEMENT OF NET POSITION
December 31, 2021

	Business-Type Activities-Enterprise Funds				Governmental Activities-Internal Service Funds
	Water	Wastewater	Stormwater Management	Total	
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 6,608,273	\$ 3,524,529	\$ 3,132,429	\$ 13,265,231	\$ 4,091,617
Accounts receivable (net of allowance for uncollectibles)	1,133,898	1,633,958	569,586	3,337,442	238,227
Inventories	84,021	4,000	-	88,021	49,605
Total Current Assets	7,826,192	5,162,487	3,702,015	16,690,694	4,379,449
Noncurrent Assets					
Restricted cash and cash equivalents	109,586	189,842	-	299,428	-
Capital assets:					
Land	281,430	217,842	6,561	505,833	-
Buildings and improvements	26,112,416	37,090,850	29,827	63,233,093	-
Equipment, contents and vehicles	3,272,492	4,111,236	1,502,042	8,885,770	-
Infrastructure	70,213,464	99,126,959	28,983,306	198,323,729	-
Construction in progress	4,876,974	11,421,478	37,803,743	54,102,195	-
Less accumulated depreciation	(40,506,475)	(67,388,028)	(8,407,340)	(116,301,843)	-
Total capital assets (net of accumulated depreciation)	64,250,301	84,580,337	59,918,139	208,748,777	-
Total Noncurrent Assets	64,359,887	84,770,179	59,918,139	209,048,205	-
TOTAL ASSETS	72,186,079	89,932,666	63,620,154	225,738,899	4,379,449
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows - pension	385,187	375,484	102,095	862,766	-
Deferred outflows - OPEB	63,946	62,335	16,949	143,230	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ 449,133	\$ 437,819	\$ 119,044	\$ 1,005,996	\$ -

(Continued)

CITY OF MANHATTAN, KANSAS
PROPRIETARY FUNDS - STATEMENT OF NET POSITION
(Continued)
December 31, 2021

	Business-Type Activities-Enterprise Funds				Governmental Activities- Internal Service Funds
	Water	Wastewater	Stormwater Management	Total	
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 407,327	\$ 184,812	\$ 50,712	\$ 642,851	\$ 84,892
Accrued payroll	37,459	30,896	9,285	77,640	-
Estimated insurance claims payable	-	-	-	-	1,073,547
Unearned revenue	14,700	4,125	1,347	20,172	-
Interfund payable	2,911,728	3,595,682	26,871,306	33,378,716	-
Accrued interest payable	252,739	240,260	38,931	531,930	-
Current portion of compensated absences	185,163	275,834	16,521	477,518	-
Current portion of capital leases payable	44,495	106,736	99,047	250,278	-
Current portion of state revolving loan	1,242,839	2,572,102	-	3,814,941	-
Current portion of general obligation bonds payable	855,000	230,000	620,000	1,705,000	-
Total Current Liabilities	5,951,450	7,240,447	27,707,149	40,899,046	1,158,439
Noncurrent Liabilities					
Compensated absences	91,200	135,859	8,138	235,197	-
Net pension liability	1,133,120	1,104,575	300,338	2,538,033	-
Total OPEB liability	244,756	238,590	64,874	548,220	-
Capital leases payable	135,258	228,472	217,171	580,901	-
State revolving loan	14,505,041	22,245,438	-	36,750,479	-
General obligation bonds payable	5,856,969	1,450,000	5,025,227	12,332,196	-
Total Noncurrent Liabilities	21,966,344	25,402,934	5,615,748	52,985,026	-
TOTAL LIABILITIES	27,917,794	32,643,381	33,322,897	93,884,072	1,158,439
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows - pension	454,284	442,840	120,410	1,017,534	-
Deferred inflows - OPEB	85,099	82,955	22,556	190,610	-
TOTAL DEFERRED INFLOWS OF RESOURCES	539,383	525,795	142,966	1,208,144	-
NET POSITION					
Net investment in capital assets	41,610,699	57,747,589	53,956,694	153,314,982	-
Unrestricted	2,567,336	(546,280)	(23,683,359)	(21,662,303)	3,221,010
TOTAL NET POSITION	\$ 44,178,035	\$ 57,201,309	\$ 30,273,335	\$ 131,652,679	\$ 3,221,010

See accompanying notes to basic financial statements.

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

	Business-Type Activities-Enterprise Funds				Governmental Activities- Internal Service Funds
	Water	Wastewater	Stormwater Management	Total	
OPERATING REVENUES					
Charges for services	\$ 12,386,348	\$ 12,926,461	\$ 4,065,133	\$ 29,377,942	\$ 6,020,586
Rent income	277,878	-	-	277,878	-
Miscellaneous revenue	32,856	84,833	19,111	136,800	364,357
Total Operating Revenues	12,697,082	13,011,294	4,084,244	29,792,620	6,384,943
OPERATING EXPENSES					
Personnel services	2,570,805	2,613,299	760,389	5,944,493	-
Commodities	1,700,452	356,575	141,533	2,198,560	43,110
Contractual services	2,427,707	2,365,406	271,504	5,064,617	6,252,276
Depreciation	2,493,938	3,001,136	937,937	6,433,011	-
Total Operating Expenses	9,192,902	8,336,416	2,111,363	19,640,681	6,295,386
OPERATING INCOME	3,504,180	4,674,878	1,972,881	10,151,939	89,557
NON-OPERATING REVENUE (EXPENSE)					
Investment income	5,345	2,349	3,584	11,278	3,567
Gain (loss) on sales of capital assets	(13,353)	(42,933)	-	(56,286)	-
Interest and fiscal charges	(778,148)	(783,960)	(217,140)	(1,779,248)	-
Total Non-Operating Revenue (Expense)	(786,156)	(824,544)	(213,556)	(1,824,256)	3,567
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	2,718,024	3,850,334	1,759,325	8,327,683	93,124
Capital contributions	1,162,198	655,942	3,954,747	5,772,887	-
Transfers in	-	-	24,433	24,433	380,433
Transfers out	(3,335,574)	(2,483,447)	(2,504,256)	(8,323,277)	-
CHANGE IN NET POSITION	544,648	2,022,829	3,234,249	5,801,726	473,557
TOTAL NET POSITION - BEGINNING OF YEAR, AS PREVIOUSLY STATED	43,633,387	52,978,992	27,039,086	123,651,465	2,747,453
PRIOR PERIOD ADJUSTMENT	-	2,199,488	-	2,199,488	-
BEGINNING OF YEAR, AS RESTATED	43,633,387	55,178,480	27,039,086	125,850,953	2,747,453
TOTAL NET POSITION - END OF YEAR	\$ 44,178,035	\$ 57,201,309	\$ 30,273,335	\$ 131,652,679	\$ 3,221,010

See accompanying notes to basic financial statements.

CITY OF MANHATTAN, KANSAS
PROPRIETARY FUNDS - STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2021

	Business-Type Activities-Enterprise Funds				Governmental Activities-Internal Service Funds
	Water	Wastewater	Stormwater Management	Total	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 12,474,324	\$ 12,736,969	\$ 3,847,233	\$ 29,058,526	\$ 6,159,725
Cash paid to vendors and suppliers	(4,366,808)	(2,708,174)	(401,970)	(7,476,952)	(6,440,092)
Cash paid to employees	(2,557,064)	(2,469,349)	(734,960)	(5,761,373)	-
Cash received from miscellaneous sources	32,856	84,833	19,111	136,800	-
Net Cash Flows from Operating Activities	5,583,308	7,644,279	2,729,414	15,957,001	(280,367)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Cash received from other funds	-	-	24,433	24,433	380,433
Cash paid to other funds	(3,335,574)	(2,626,294)	(2,504,256)	(8,466,124)	(16,948)
Net Cash Flows from Non-Capital Financing Activities	(3,335,574)	(2,626,294)	(2,479,823)	(8,441,691)	363,485
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Cash received from issuance of debt	109,586	194,162	778,410	1,082,158	-
Cash paid for purchase of capital assets	(255,567)	(59,110)	(280,427)	(595,104)	-
Cash paid for interest on long-term debt	(813,246)	(809,105)	(232,433)	(1,854,784)	-
Cash paid for principal on long-term debt	(2,055,825)	(2,844,328)	(860,012)	(5,760,165)	-
Net Cash Flows from Capital and Related Financing Activities	(3,015,052)	(3,518,381)	(594,462)	(7,127,895)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash received from investment of idle funds	5,345	2,349	3,584	11,278	3,567
Net Cash Flows from Investing Activities	5,345	2,349	3,584	11,278	3,567
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(761,973)	1,501,953	(341,287)	398,693	86,685
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	7,479,832	2,212,418	3,473,716	13,165,966	4,004,932
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 6,717,859	\$ 3,714,371	\$ 3,132,429	\$ 13,564,659	\$ 4,091,617

(Continued)

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

	Business-Type Activities-Enterprise Funds				Governmental Activities-Internal Service Funds
	Water	Wastewater	Stormwater Management	Total	
Reconciliation of operating income to net cash flows from operating activities:					
Operating income	\$ 3,504,180	\$ 4,674,878	\$ 1,972,881	\$ 10,151,939	\$ 89,557
Adjustments to reconcile operating income to net cash flows from operating activities:					
Depreciation	2,493,938	3,001,136	937,937	6,433,011	-
(Increase) decrease in accounts receivable	(199,183)	(186,470)	(216,113)	(601,766)	(225,218)
(Increase) decrease in inventory	(29,047)	(563)	-	(29,610)	(7,070)
(Increase) decrease in deferred outflows - pension	68,161	72,120	12,475	152,756	-
(Increase) decrease in deferred outflows - OPEB	(15,125)	(14,133)	(4,611)	(33,869)	-
Increase (decrease) in accounts payable and accrued expenses	(204,466)	168,205	16,211	(20,050)	(137,636)
Increase (decrease) in unearned revenue	9,281	(3,022)	(1,787)	4,472	-
Increase (decrease) in net pension liability	(493,849)	(501,778)	(110,828)	(1,106,455)	-
Increase (decrease) in total OPEB liability	33,107	29,623	11,386	74,116	-
Increase (decrease) in deferred inflows - pension	425,533	414,454	113,144	953,131	-
Increase (decrease) in deferred inflows - OPEB	(9,222)	(10,171)	(1,281)	(20,674)	-
Total Adjustments	2,079,128	2,969,401	756,533	5,805,062	(369,924)
Net Cash Flows from Operating Activities	\$ 5,583,308	\$ 7,644,279	\$ 2,729,414	\$ 15,957,001	\$ (280,367)
Noncash capital and related financing activities:					
Capital assets acquired through contributions from governmental funds	\$ 1,162,198	\$ 655,942	\$ 3,954,747	\$ 5,772,887	\$ -

See accompanying notes to basic financial statements.



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Notes to the Financial Statements

**For the Year Ended
December 31, 2021**

CITY OF MANHATTAN, KANSAS

NOTES TO THE BASIC FINANCIAL STATEMENTS

December 31, 2022

Note 1: Summary of Significant Accounting Policies

The City of Manhattan, Kansas was chartered May 30, 1857, under the first session of the legislature of the Kansas Territory.

The City operates under a Commission-Manager form of government.

The accounting policies of the City of Manhattan, Kansas relating to the funds included in the accompanying combined financial statements conform to accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to state and local governments. U.S. GAAP for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB). The more significant policies of the City are described below.

A. Financial Reporting Entity

The City's combined financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City

The City has two entities that meet the criteria as listed above, the Manhattan Public Library (MPL) and the Manhattan Housing Authority (MHA). The City's policy is to discretely present the financial information of these entities on the government-wide financial statements.

Manhattan Public Library

The Manhattan Public Library Board is appointed by the City Commission and oversees the operations of the Library. Acquisition or disposition of real property by the board must be approved by the City. The issuance of bonds must also be approved by the City. Complete financial statements for the Manhattan Public Library may be obtained at the entity's administrative offices, located at 629 Poyntz Avenue.

Manhattan Housing Authority

Effective January 1, 2001, the City of Manhattan Housing Authority became a separate entity and agent of the City. The City of Manhattan Housing Authority consists of seven (7) commissioners appointed by the Mayor of the City with the consent of the City Commission and oversees the operations of the Housing Authority. The issuance of bonds must be approved by the City. Complete financial statements for the Manhattan Housing Authority may be obtained at the entity's administrative offices, located at 300 North 5th Street.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the City and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period (within 60 days of year-end). Most expenditures, including capital outlays, are recorded when a liability is incurred. However, principal and interest on general long-term debt which have not matured are recognized when paid.

Sales taxes, franchise taxes, licenses, interest, and certain state and federal grants and entitlements associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Property taxes and special assessments, though measurable, are not available to finance current period obligations, as they are legally required to fund the expenditures of the upcoming fiscal year. Therefore, property tax and special assessment receivables are recorded and offset by deferred inflows of resources until they become available.

The City reports the following major governmental funds:

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

Riley County Police Department Fund – The Riley County Police Department Fund is a special revenue fund used to account for ad valorem property tax revenue received by the City to fund expenditures made to the Riley County Police Department for police protection.

Debt Service Fund – The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

Capital Projects Fund – The Capital Projects Fund accounts for the financing and acquisition and construction of various citywide improvements.

The City reports the following major proprietary funds:

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Water Fund – The Water Fund is used to account for revenues and expenditures related to the operation and maintenance of the water system operated within the City.

Wastewater Fund – The Wastewater Fund is used to account for revenues and expenditures related to the operation and maintenance of the wastewater system operated within the City.

Stormwater Management Fund – The Stormwater Management Fund is used to account for revenues and expenditures related to the operation and maintenance of the stormwater system operated within the City.

Additionally, the City reports the following fund types:

Internal service funds account for motor pool and photocopy services provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis. These funds also account for the City's partially self-funded health care and workers' compensation programs.

Permanent funds are used to account for the perpetual care endowment of Sunrise Cemetery.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water, wastewater, and stormwater management functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all of the City's proprietary funds are charges to customers for sales and services. The City's water utility also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position
Cash, Cash Equivalents and Investments

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

In accordance with the City's formal investment policy adopted by the governing body, the City may pool idle cash from all funds for the purpose of increasing income through temporary investment activities. Cash and investments of the individual funds are combined to form a pool which is managed by the Director of Finance. Each fund's equity in the pool is included in "cash and cash equivalents" in the financial statements. These pooled investments consist primarily of operating accounts, nonnegotiable certificates of deposit and money market investments, such as U.S. Treasury and Agency obligations. The nonnegotiable certificates of deposit are recorded at cost, as they are not affected by market rate changes. The City reports all other investments at fair value. Fair value was determined using the bid price of each security as reported in the *Wall Street Journal*. There were no material changes in fair value and therefore no investment gain or loss was recorded. Investment earnings are allocated to the funds required to accumulate earnings based upon their average daily equity balances.

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

If a fund is not required to account for its own earnings by law or regulation, the earnings are allocated to the General Fund. For the fiscal year ended December 31, 2021, investment earnings allocated to the various funds were \$ 25,408.

Receivables and Payables

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

All trade receivables are shown net of an allowance for uncollectibles. Trade accounts receivable are considered uncollectible in varying percentages based on the specific type of receivable and its age. However, the majority are considered uncollectible in the percentages below based on the following criteria:

Up to one year old	25%
More than one and up to two years old	65%
More than two and up to four years old	85%
More than four and up to five years old	95%
More than five years old	100%

No allowance for uncollectibles has been established for property taxes receivable, as the actual delinquency rate on property taxes has historically been very low.

Inventories

Inventories which benefit future periods, other than those recorded in the proprietary fund types, are recorded as expenditures during the year of purchase. For the proprietary fund types, inventories are stated at the lower of cost or market, cost being determined by the first-in, first-out method.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (streets, drainage systems and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	45 years
Improvements other than buildings	20 years
Vehicles	10 years
Machinery	10-15 years
Office equipment	7-10 years
Treatment plants	40 years

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Water and sewer mains	40 years
Streets	20 years
Storm drainage systems	40 years

Deferred Inflows of Resources and Deferred Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has several items that qualify for reporting in this category in the government-wide statement of net position and proprietary funds statement of net position, deferred charge on refunding, deferred outflows for other postemployment benefits (OPEB) and deferred outflows for pensions. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. See Note 4C for more information on the deferred outflow for pensions, and Note 4D for more information on the deferred outflows for OPEB.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has several items, unavailable revenue, deferred inflows for OPEB, and deferred inflows for pensions, which qualify for reporting in this category. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property tax receivable, other receivables and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows are reported in the government-wide statement of net position for property tax receivable. Property taxes are not recognized as revenue until the period for which they are levied. The last items, deferred inflows for pensions and deferred inflows for OPEB are reported in both the government-wide statement of net position and the proprietary funds statement of net position. See Note 4C and 4D for more information on these deferred inflows.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of KPERS and additions to/deductions from KPERS's fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Vacation and Sick Pay

The City's policy regarding vacation pay permits employees to accumulate vacation leave not to exceed two (2) times their annual rate (maximum hours depending on the rate are 192, 264, 312, 384 or 432) unless approved by the City Manager, as of December 31 of each year. The accumulated vacation is governed by agreements with the International Association of Fire Fighters (IAFF) for union employees, and the City's Personnel Rules and Regulations for non-union employees. Policy prohibits payment for vacation time in lieu of time off. At December 31, 2021, the City estimates the accumulated unpaid vacation amount to be \$1,590,793 for governmental funds and \$402,562 for proprietary funds.

There is no limit to the amount of sick leave that may be accumulated. However, there are limits to the amount of accumulated sick leave that will be paid on the date of employment termination. Shift employees who belong to the IAFF with from one to nineteen years of service with the City will receive payment for 1/3 of accumulated sick

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

leave up to a maximum of 480 hours. Shift employees who belong to the IAFF with twenty or more years of service with the City will receive payment for 1/2 of accumulated sick leave up to a maximum of 720 hours. Other City employees with from one to nineteen years of service with the City will receive payment for 1/3 of accumulated sick pay up to a maximum of 320 hours. Other City employees with twenty or more years of service with the City will receive payment for 1/2 of accumulated sick pay up to a maximum of 480 hours. At December 31, 2021, the City estimates the accumulated unpaid sick pay amount to be \$1,268,229 for governmental funds and \$310,153 for proprietary funds. These amounts include only accumulated sick leave that would be paid on the date of employment termination.

The total liability for compensated absences for vacation and sick leave for governmental funds is \$2,859,022. This liability is recorded in the governmental activities column of the government-wide financial statements but not the governmental fund financial statements. The total liability for compensated absences for vacation and sick leave for proprietary funds is \$712,715. This liability is recorded in both the business-type activities column of the government-wide financial statements and the proprietary fund financial statements.

Long-term Liabilities

The accounting treatment of long-term debt depends on whether the debt relates to governmental fund operations or proprietary fund operations and whether it is being reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental resources is reported as liabilities in the government-wide statements. This long-term debt consists primarily of bonds and notes payable and accrued compensated absences. Long-term debt for governmental funds is not reported as liabilities in the governmental fund financial statements. The debt proceeds are reported as other financing sources and principal payments are reported as expenditures.

The long-term debt and other long-term obligations of the proprietary fund types are recorded as liabilities in both the proprietary fund statements and the government-wide statements.

Special Assessments

Kansas Statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments received prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the Debt Service Fund. Accordingly, special assessments receivable are accounted for within the Debt Service Fund. Special assessments may be levied over various periods, but are generally levied over 20 years. The annual installments are due and payable with the annual ad valorem property taxes. Special assessments receivable are offset with a corresponding amount of deferred inflow of resources in the governmental fund financial statements, but not in the government-wide financial statements. Special assessments in the amount of \$414,341 were delinquent at December 31, 2021.

Fund Balance

Through various City ordinances and resolutions approved by the City Commission, in addition to policies set by the City Manager, the Finance Director assigns fund balances across all budgeted and non-budgeted funds of the City for any given fiscal year.

In the governmental fund financial statements, fund balances are classified as follows:

- Non-Spendable: amounts legally or contractually required to be maintained or not in spendable form, such as inventory or prepaid items. Such constraint is binding until the legal requirement is repealed or the amounts become spendable.

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

- Restricted: amounts with externally imposed constraints, such as those mandated by creditors, grantors and contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, law or regulations.
- Committed: amounts with a purpose formally imposed by resolution by the City Commission of the City, binding unless modified or rescinded by the City Commission.
- Assigned: amounts constrained by the express intent of the City Commission, City Manager or Finance Director. Encumbrances shall be considered as assigned, unless they specifically meet the requirements to be committed or restricted.
- Unassigned: all amounts not included in other fund balance classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balances.

In circumstances when an expenditure is made for a purpose which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned and unassigned.

Net Position

In the government-wide statements, equity is shown as net position and classified into three components:

1. Net investment in capital assets – consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted – consisting of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
3. Unrestricted – all other net position that do not meet the definition of “restricted” or “net investment in capital assets”

Interfund Receivable/Liability

As previously discussed, the City pools cash from all funds. From time to time, a fund will overdraw its share of pooled cash. The overdrawn amount is reported as a liability in the overdrawn fund. An interfund receivable is reported in the General Fund or another fund as determined by management.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Pending Governmental Accounting Standards Board Statements

At December 31, 2021, the Governmental Accounting Standards Board (GASB) had issued several statements not yet implemented by the City. The statements that might impact the City are as follows:

GASB Statement No. 87, Leases, issued June 2017, will be effective for the City beginning with its fiscal year ending December 31, 2022, with earlier adoption encouraged. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. Under this statement, a government entity that

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

is a lessee must recognize (1) a lease liability and (2) an intangible asset representing the lessee's right to use the leased asset. In addition, the City must report the (1) amortization expense for using the lease asset over the shorter of the term of the lease or the useful life of the underlying asset, (2) interest expense on the lease liability and (3) note disclosures about the lease. The Statement provides exceptions from the single-approach for short term leases, financial purchases, leases of assets that are investments and certain regulated leases. This statement also addresses accounting for lease terminations and modifications, sale-leaseback transactions, non-lease components embedded in lease contracts (such as service agreements), and leases with related parties.

GASB Statement No. 91, Conduit Debt Obligations, will be effective for the City beginning with its year ending December 31, 2022. This Statement establishes a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. Under Statement 91 a government entity no longer reports a liability for any conduit debt that it has issued; however, the issuer should recognize a liability for any additional commitments or voluntary commitments to support the debt service.

GASB Statement No. 92, Omnibus 2020, addresses practice issues that have been identified during implementation and application of certain GASB statements. In particular, this Statement addresses the effective date of GASB Statement No. 87, Leases and Implementation Guide No. 2019-3, Leases, which is effective upon issuance. It also addresses 1.) Reporting of intra-entity transfers of assets between the primary government employer and component unit defined benefit retirement plans; 2.) The applicability of Statements No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits; 3.) The applicability of certain requirements of Statement No. 84, Fiduciary Activities, to postemployment benefit arrangements; 4.) Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; 5.) Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; 6.) Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature; and 7.) Terminology used to refer to derivative instruments, all of which are effective for the City with its year ending December 31, 2022.

GASB No. 93, Replacement of Interbank Offered Rates establishes how the City will report the change of any of its variable payment debt that are tied to the London Interbank Offered Rate (LIBOR) when the LIBOR standard is no longer used after December 31, 2021. This statement will be effective for the City with its year ending December 31, 2021 except for provision relating to the removal of the LIBOR rate, which will be effective for the fiscal year ending December 31, 2022.

GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements will improve financial reporting by addressing issues related to public-private and public-public partnerships and provides guidance for accounting and reporting for availability payment arrangements. This statement will be effective for the City with its year ending December 31, 2023.

GASB Statement No. 96, Subscription-Based Information Technology Arrangements provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosure regarding a SBITA. This statement will be effective for the City with its year ending December 31, 2023.

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GASB Statement No. 97, Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, provides the following guidance: 1) increases consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; 2) mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution OPEB plans and employee benefit plans other than pension or OPEB plans as fiduciary component units in fiduciary fund financial statements; and 3) addresses relevance, consistency and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefit provided through those plans. The first two provisions of this statement are effective immediately. The last provision will be effective for the City's fiscal year ending December 31, 2022.

GASB Statement No. 99, Omnibus 2022, enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This statement addresses a variety of topics including: 1) classification and reporting of derivative instruments within the scope of Statement No. 53 that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument; 2) clarification of certain provisions in Statement No. 87, Statement No. 94 and Statement No. 96; 3) extension of the period during which the London Interbank offered Rate (LIBOR) is considered an appropriate benchmark interest rate of the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt; 4) accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program; 5) disclosures related to nonmonetary transactions; 6) pledges of future revenues when resources are not received by the pledging government; 7) clarification of provisions in Statement No 34 related to the focus of the government-wide financial statements; terminology updates related to certain provisions of Statement No. 63; and 8) terminology used in Statement No. 53 to refer to resource flows statements. The provisions of this statement for items 1 and 2 are effective for financial statements for the City's fiscal year ending December 31, 2024 and December 31, 2023, respectively. All other provisions of this statement are effective upon issuance.

GASB Statement No. 100, Accounting Changes and Error Corrections - An Amendment of GASB Statement No. 62, enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement will be effective for the City with its year ending December 31, 2024.

GASB Statement No. 101, Compensated Absences, updates the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This statement will be effective for the City with its year ending December 31, 2024.

E. Prior Period Adjustments

The City determined that assets related to a land acquisition were erroneously reported as land in governmental activities and should have been recorded as construction in progress in the wastewater fund for the fiscal year ended December 31, 2020. Therefore, governmental activities land was overstated and transfers out was understated by \$2,199,488, and wastewater fund construction in progress was understated and transfers in was understated by \$2,199,488 for the fiscal year ended December 31, 2020.

Additionally, the City determined that accounts payable within its general fund were overstated and revenues were understated by \$207,503 for the fiscal year ended December 31, 2020.

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The Manhattan Housing Authority determined that cash was understated by \$1,305 for the fiscal year ended December 31, 2020.

The effects on net position and fund balance of correcting these errors are shown in the table below.

	12/31/2020		12/31/2020
	As Previously	Error	As Restated
	Reported	Correction	
Government-Wide			
Governmental Activities	\$ 175,319,863	\$ (1,991,992)	\$ 173,327,871
Business-Type Activities	123,651,465	2,199,488	125,850,953
Total Primary Government	<u>\$ 298,971,328</u>	<u>\$ 207,496</u>	<u>\$ 299,178,824</u>
 Governmental Funds			
Major Funds:			
General Fund	<u>\$ 8,899,215</u>	<u>\$ 207,503</u>	<u>\$ 9,106,718</u>
 Proprietary Funds			
Major Funds:			
Wastewater Fund	<u>\$ 52,978,992</u>	<u>\$ 2,199,488</u>	<u>\$ 55,178,480</u>
 Discretely Presented Component Units			
Manhattan Housing Authority	<u>\$ 6,059,477</u>	<u>\$ 1,305</u>	<u>\$ 6,060,782</u>

Note 2: Stewardship, Compliance, and Accountability

A. Budgets and Budgetary Accounting

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Revenue Funds (unless specifically exempted by statute), the Debt Service Fund and all Enterprise Funds.

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any funds must be approved by the City Commission. The legal level of control is at the fund level basis.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Budgeted Special Revenue Funds, Enterprise Funds, and Budgeted Debt Service Funds.

Budgets for the General, Budgeted Special Revenue, and Budgeted Debt Service Funds are adopted on a basis consistent with U.S. GAAP except that encumbrances are included in expenditures. Budgetary comparisons for the General, Special Revenue, and Debt Service Funds in this report are on this non-GAAP budgetary basis. Budgeted amounts are as originally adopted or amended by the City Commission.

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

CITY OF MANHATTAN, KANSAS
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(Continued)

must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time.

The funds below are included in the general fund and have legally adopted annual budgets:

- Employee Benefit Contribution
- Fire Equipment Reserve
- Fire Pension KP&F
- General Improvement
- Industrial Promotion
- Park Development
- Special Sunset Zoo
- Risk Management Reserve
- Equipment Reserve

The funds below were included as budgeted special revenue funds and have legally adopted annual budgets:

- Aggieville Business Improvement District
- City/University Projects
- Downtown Business Improvement District
- Economic Development
- Library
- Library Employee Benefit Contribution
- Recreation and Trails Sales Tax
- Riley County Police Department
- Sales Tax
- Special Alcohol Programs
- Special Parks and Recreation
- Special Street and Highway
- Special Street Maintenance
- Tourism and Convention Promotion

The following debt service funds also have legally adopted annual budgets:

- Debt Service
- Downtown Redevelopment Senior Lien TIF Bonds

The following enterprise funds also have legally adopted annual budgets:

- Water
- Wastewater
- Stormwater Management

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Fund. Encumbrances outstanding at year-end are reported as commitments of fund balances in the governmental

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

fund statements since they do not constitute expenditures or liabilities, except in budgetary comparisons shown. All unencumbered appropriations lapse at year-end.

Deficit Net Position – The State and Federal Grants fund had a deficit fund balance of \$ 12,820 at December 31, 2021.

Excess of Expenditures Over Appropriations – Expenditures exceeded appropriations in the Equipment Reserve Fund by \$ 25,524, in the City/University Projects fund by \$ 1,576, and in the Downtown Redevelopment Senior Lien TIF Bonds fund by \$ 6,143,380.

B. Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis, levied by the County Treasurer on November 1 of each year, and become a lien on the property on November 1 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 or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year. At December 31 such taxes are a lien on the property and are recorded as taxes receivable with a corresponding amount recorded as unavailable revenue.

Note 3: Detailed Notes on All Funds

A. Cash and Investments

At December 31, 2021, the City's deposit and investment balances were:

	Reported Amount/ Fair Value
Investment Type:	
Repurchase agreements	\$ 80,915,467
Money market mutual funds	2,614,939
Total Investments	<u>83,530,406</u>
Deposits	20,394,370
Cash on Hand	6,175
Total Deposits	<u>20,400,545</u>
TOTAL DEPOSITS AND INVESTMENTS	<u><u>\$ 103,930,951</u></u>
Reconciliation of Government-wide Statement of Net Position to Total Deposits and Investments:	
Cash and Cash Equivalents	\$ 101,016,584
Investments with Fiscal Agent	2,614,939
Restricted Construction Accounts	299,428
TOTAL DEPOSITS AND INVESTMENTS	<u><u>\$ 103,930,951</u></u>

Interest rate risk – The City's exposure to declines in fair values is limited by the fact that, in accordance with Kansas statutes and expanded investment powers, investments are purchased with maturities of four years or less.

CITY OF MANHATTAN, KANSAS
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(Continued)

Credit Risk - Kansas statutes authorize Kansas Municipalities to invest in U.S. Treasury bills and notes, repurchase agreements, and the State Municipal Investment Pool. In October, 1995 the Kansas State Pooled Money Investment Board granted the City expanded investment powers. In addition to the above, the City is allowed to invest in U.S. Agency discount notes with a maturity of four years or less, agency bullet bonds with a maturity of four years or less, and repurchase agreements, through primary security dealers, with a maturity of less than 30 days. The City's credit risk is minimized due to these limitations on the types of investments that may be purchased.

Concentration of Credit Risk - The City's investment policy does not place any limitations on the percentage of the City's total investments that may be with any one issuer. Kansas statutes indirectly prohibit such a limitation, as local banks must be given preference on each investment of idle funds.

Custodial Credit Risk—Deposits - In the case of deposits, this is the risk that in the event of bank failure, the City's deposit may not be returned to it. The City's investment policy requires that 100% of the City's deposits not covered by FDIC insurance be collateralized. All collateral must be held by a third-party custodian in the City's name. Consequently, the City is not exposed to custodial credit risk.

Custodial Credit Risk—Investments - For an investment, this is the risk that, in the event of the failure of the 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. The City's investment policy and Kansas statutes require that all securities purchased be held by a safekeeping agent independent of the counterparty in the City's account and in the City's name. This requirement, along with the statutory limitations on the types of investments that may be purchased, limits the City's exposure to this type of custodial credit risk.

Fair Value Measurement - The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the investment.

Level 1 inputs are quoted prices in active markets for identical assets;

Level 2 inputs are significant other observable inputs, either directly or indirectly observable, and fair value can be determined through models or other valuation methodologies;

Level 3 inputs are significant unobservable inputs in situations where there is little or no market activity for the asset or liability and the entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

The City has the following recurring fair value measurements as of year-end:

- Money market mutual funds are valued using quoted market prices (level 1 inputs).
- The repurchase agreement is an overnight instrument, with fair value of the collateral underlying the repurchase agreement in excess of the amount invested. Given the short-term nature of the agreement, it is measured at amortized cost.

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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

	Investment Maturities (in Years)				Fair Value Hierarchy
	Fair Value	Less Than One	1-5		
Repurchase Agreements	\$80,915,467	\$80,915,467	\$	-	N/A
Assets held by trustee:					
Money Market Mutual Funds	2,614,939	2,614,939			Level 1
Total Investments	\$83,530,406	\$83,530,406	\$	-	

Manhattan Public Library component unit cash and cash equivalents of \$2,237,609 are stated at cost which approximates fair value. As the Manhattan Public Library is governed by the same Kansas statutes as the City, and their exposure to the various investment-related risks is similar to that of the City.

Manhattan Housing Authority component unit cash and cash equivalents of \$761,272 and restricted cash and cash equivalents of \$74,195 are stated at cost which approximates fair value. As the Manhattan Housing Authority is governed by the same Kansas statutes as the City, their exposure to the various investment-related risks is similar to that of the City.

B. Receivables

Accounts receivable for the governmental activities are reported net of an allowance for uncollectible accounts in the amount of \$918,255.

Accounts receivable for the enterprise funds are reported net of allowances for uncollectible accounts. The allowances at December 31, 2021, are as follows:

Water Fund	\$90,026
Wastewater Fund	161,460
Stormwater Management Fund	<u>20,177</u>
Total	<u>\$271,663</u>

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

C. Economic Development Loans

Economic Development Loans receivable, aggregating \$911,488 at December 31, 2021, consist of loans to three companies in Manhattan as part of an economic development incentive program which included grants and tax abatements. The loans were funded from the Economic Development Fund. An allowance for uncollectible amounts of \$10,024 has been recorded as of December 31, 2021. The loan balance is also presented net of \$901,464 of forgivable loans that will not be collected if specified terms are met.

CITY OF MANHATTAN, KANSAS
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(Continued)

D. Conference Center Promissory Note

In December 2009, the City entered into an economic development agreement with HCW-Manhattan, LLC for the construction of several components within the South End Redevelopment including the construction of a 30,000 square foot conference center as required by the Amended South Project Final Development Agreement (the 'Amended South FDA'). According to the Amended South FDA, the City passed Ordinance 6810 authorizing the issuance of up to \$9,500,000 in economic development funds for the design and construction of the conference center. Per the economic development agreement, the City is required to provide HCW-Manhattan, LLC up to \$5,000,000 in the form of a repayable note followed by \$4,500,000 in the form of a forgivable note. The repayable note shall be repaid in annual installments of \$100,000 per year for 29 years with a single balloon payment in the amount of \$2,100,000 or the remaining unpaid balance in year 30. Under the forgivable note, 1/30 of the note shall be deemed forgiven on each due date of the repayable loan, as long as the developer is in compliance with the terms of the notes. The payment of these notes is secured by a mortgage on the property which contains the conference center and that mortgage is subordinate to a lien in favor of the developer's lending bank. In February 2019, the City entered into a Second Addendum to provide for the construction of a 15,000 square foot addition to the Conference Center. The City passed Ordinance 7461 authorizing the issuance of up to \$4,990,000 in economic development funds relating to the development and construction of the New Addition. Per the economic development agreement, the City is to provide up to \$1,790,000 repayable note followed by a forgivable loan up to \$3,200,000. Under the forgivable loan, 1/28 of the note shall be deemed forgiven on each due date of the new repayable loan as long as the developer is in compliance with the terms in the notes. In 2020, \$230,729 was forgiven. In 2021, \$100,000 was paid on the loan and then a request to rebate the payment was made in March 2021 and was approved due to COVID. The repayable note shall be repaid in annual installments of \$90,000 for 2021 and 2022; \$99,000 from 2023 to 2029; \$129,000 from 2030 to 2032 and \$120,000 from 2033 to 2046 with the exception of a one-time \$100,000 reduction in 2019. A single balloon payment in the amount of \$2,950,000 is due in 2047 for the remaining unpaid balance. The balance as of December 31, 2021 is \$11,898,956 and is reported net expected of the forgivable note balance of \$5,998,956 on the government-wide financial statements.

E. Capital Assets

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

Primary Government

	Beginning Balance as Restated	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 20,645,386	\$ -	\$ -	\$ 20,645,386
Construction in progress	62,551,845	49,054,304	2,648,238	108,957,911
TOTAL	83,197,231	49,054,304	2,648,238	129,603,297
Capital assets being depreciated:				
Buildings and improvements	140,539,250	-	-	140,539,250
Contents and equipment	11,860,976	275,641	40,105	12,096,512
Vehicles	11,495,379	308,518	109,156	11,694,741
Infrastructure	188,825,087	2,712,787	-	191,537,874
TOTAL	352,720,692	3,296,946	149,261	355,868,377

CITY OF MANHATTAN, KANSAS
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(Continued)

	Beginning Balance as Restated	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Less accumulated depreciation:				
Buildings and improvements	53,421,342	3,656,925	-	57,078,267
Contents and equipment	9,067,832	587,156	25,533	9,629,455
Vehicles	7,864,010	699,996	109,156	8,454,850
Infrastructure	107,784,100	7,939,456	-	115,723,556
TOTAL	178,137,284	12,883,533	134,689	190,886,128
Total capital assets being depreciated, net	174,583,408	(9,586,587)	14,572	164,982,249
Governmental activities capital assets, net	\$ 257,780,639	\$ 39,467,717	\$ 2,662,810	\$ 294,585,546
	Beginning Balance as Restated	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 505,833	\$ -	\$ -	\$ 505,833
Construction in progress	32,951,086	24,506,801	3,355,692	54,102,195
TOTAL	33,456,919	24,506,801	3,355,692	54,608,028
Capital assets being depreciated:				
Buildings and improvements	63,233,093	-	-	63,233,093
Contents and equipment	5,639,913	110,965	166,985	5,583,893
Vehicles	3,066,425	401,937	166,485	3,301,877
Infrastructure	194,846,567	3,477,162	-	198,323,729
TOTAL	266,785,998	3,990,064	333,470	270,442,592
Less accumulated depreciation:				
Buildings and improvements	19,868,989	1,309,574	-	21,178,563
Contents and equipment	3,422,202	328,735	153,634	3,597,303
Vehicles	1,921,037	333,264	123,548	2,130,753
Infrastructure	84,933,786	4,461,438	-	89,395,224
TOTAL	110,146,014	6,433,011	277,182	116,301,843
Total capital assets being depreciated, net	156,639,984	(2,442,947)	56,288	154,140,749
Business-type activities capital assets, net	\$ 190,096,903	\$ 22,063,854	\$ 3,411,980	\$ 208,748,777

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NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Discretely Presented Component Units

	Beginning Balance	Additions/ Transfers	Deletions/ Transfers	Ending Balance
Manhattan Public Library				
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 155,344	\$ -	\$ 155,344
Works of art	32,400	-	-	32,400
	<u>32,400</u>	<u>155,344</u>	<u>-</u>	<u>187,744</u>
Capital assets being depreciated:				
Furniture and equipment	513,146	76,116	145,336	443,926
Leasehold improvements	930,306	-	-	930,306
TOTAL	<u>1,443,452</u>	<u>761,16</u>	<u>145,336</u>	<u>1,374,232</u>
Less accumulated depreciation	<u>717,951</u>	<u>108,671</u>	<u>145,336</u>	<u>\$ 681,286</u>
Total capital assets being depreciated, net	<u>725,501</u>	<u>(32,555)</u>	<u>-</u>	<u>692,946</u>
Library capital assets, net	<u>\$ 757,901</u>	<u>\$ 122,789</u>	<u>\$ -</u>	<u>\$ 880,690</u>
Manhattan Housing Authority				
Capital assets being depreciated:				
Buildings and leasehold improvements	\$ 17,251,216	\$ 38,298	\$ -	\$ 17,289,514
Contents and equipment	181,823	37,013	11,411	207,425
TOTAL	<u>17,433,039</u>	<u>75,311</u>	<u>11,411</u>	<u>17,496,939</u>
Less accumulated depreciation	<u>8,589,071</u>	<u>536,568</u>	<u>11,411</u>	<u>9,114,228</u>
Housing Authority capital assets, net	<u>\$ 8,843,968</u>	<u>\$ (461,257)</u>	<u>\$ -</u>	<u>\$ 8,382,711</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 2,087,134
Public safety	844,593
Public works	7,553,404
Urban development and housing	80,862
Culture/recreation	2,106,138
Downtown redevelopment	<u>211,402</u>
Total depreciation expense for governmental activities	<u>\$ 12,883,533</u>
Business-type activities:	
Water	\$ 2,493,938
Wastewater	3,001,136
Stormwater Management	<u>937,937</u>
Total depreciation expense for business-type activities	<u>\$ 6,433,011</u>

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

F. Capital Projects

At December 31, 2021 the City had contractual commitments for the construction of various projects:

	<u>Expenditures to Date</u>	<u>Amount Authorized</u>
Miscellaneous Governmental Activities	\$ 59,853,830	\$ 81,160,826
Airport Improvements	7,119,894	7,496,794
Stormwater Improvements	37,794,060	51,560,439
Sanitary Sewer Improvements	11,431,161	14,905,433
Street Improvements	42,036,385	61,140,553
Water Improvements	4,876,974	8,061,612
Total	<u>\$ 163,112,304</u>	<u>\$ 224,325,657</u>

G. Interfund Receivable/Payable

Individual fund receivable/payable balances at December 31, 2021, are as follows.

	<u>Receivable</u>	<u>Payable</u>
Major Funds:		
Governmental Funds:		
Capital Projects Fund	\$ 33,378,716	\$ -
Proprietary Funds:		
Water Fund	-	2,911,728
Wastewater Fund	-	3,595,682
Stormwater Management Fund	-	26,871,306
TOTAL	<u>\$ 33,378,716</u>	<u>\$ 33,378,716</u>

The amounts payable to the Capital Projects Fund relate to amounts drawn by the Water and Wastewater Fund for KDHE Loan draws and temporary notes.

H. Interfund Transfers

A summary of 2021 interfund transfers is as follows:

	<u>Transfer In</u>	<u>Transfer Out</u>
Major Funds:		
Governmental Funds:		
General	\$ 11,690,253	\$ 445,511
Riley County Police Department	166,830	-
Debt Service	1,960,403	188,724
Capital Projects	10,875,314	238,134
Proprietary Funds:		
Water	-	3,335,574
Wastewater Fund	-	2,483,447
Stormwater Management Fund	24,433	2,504,256
Non-major Governmental Funds	313,036	16,215,056
Internal Service Funds	380,433	-
TOTAL TRANSFERS	<u>\$ 25,410,702</u>	<u>\$ 25,410,702</u>

CITY OF MANHATTAN, KANSAS
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Transfers are used primarily to move revenues from the funds with collection authorization to finance the expenditures of other funds in need of additional revenue sources.

On the government-wide statement of activities, capital asset transfers of \$5,772,887 were made from the business-type activities to the governmental activities.

I. Long-Term Debt

The following is a summary of the debt transactions of the City for the year ended December 31, 2021:

	Balance January 1, 2021	Issued	Retired/ Refunded	Balance December 31, 2021	Due Within One Year
Governmental Activities:					
General obligation bonds	\$ 101,190,000	\$ 4,450,000	\$ (9,960,000)	\$ 95,680,000	\$ 9,140,000
General obligation bonds-premium	5,606,529	506,738	(358,985)	5,754,282	-
Senior lien special obligation bonds- Series 2009-A – direct borrowings	10,755,000	-	(1,745,000)	9,010,000	1,640,000
Subordinate lien special obligation bonds- Series 2009-B – direct borrowings	4,130,000	-	-	4,130,000	-
Taxable STAR bonds-Series 2009-2 – direct borrowings	6,105,000	-	(6,105,000)	-	-
Temporary notes – direct borrowings	73,020,000	79,030,000	(6,715,000)	145,335,000	6,220,000
Transportation Development District Sales Tax Revenue Bonds-Series 2010 – direct borrowings	4,255,000	-	(215,000)	4,040,000	235,000
Transportation Revolving Fund Loan – direct borrowings	1,249,062	-	(309,301)	939,761	320,807
Capital leases – direct borrowings	4,397,579	1,050,000	(1,029,561)	4,418,018	855,105
Other postemployment benefits	1,526,059	386,255	(236,079)	1,676,235	-
Compensated absences	2,888,190	1,732,103	(1,761,271)	2,859,022	1,915,545
Net pension liability	23,440,335	6,011,804	(12,261,167)	17,190,972	-
Total for governmental activities	\$ 238,562,754	\$ 93,166,900	\$ (40,696,364)	\$291,033,290	\$ 20,326,457
Business-type Activities:					
General obligation bonds	\$ 14,900,000	\$ 490,000	\$ (1,855,000)	\$ 13,535,000	\$ 1,705,000
General obligation bonds-premium	473,683	55,798	(27,285)	502,196	-
State revolving loans – direct borrowings	44,275,692	4,320	(3,714,592)	40,565,420	3,814,941
Capital leases – direct borrowings	489,712	532,040	(190,573)	831,179	250,278
Other postemployment benefits	474,104	145,165	(71,049)	548,220	-
Compensated absences	567,613	491,242	(346,140)	712,715	477,518
Net pension liability	3,644,488	1,105,887	(2,212,342)	2,538,033	-
Total for business-type activities	\$ 64,825,292	\$ 2,824,452	\$ (8,416,981)	\$ 59,232,763	\$ 6,247,737

Of the \$95,680,000 in general obligation bond debt shown above, \$45,741,998 is special assessment debt with government commitment.

For governmental activities, compensated absences, other postemployment benefits, the net pension liability, and other long-term debt are generally liquidated by the general fund.

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

General Obligation Bonds and Temporary Notes

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital assets. General obligation bonds currently outstanding consist of the following:

General Obligation Bonds	Type of Bond	Original Issue Amount	Date of Issue	Remaining Principal Annual Installments		Interest Rate	Maturity Date	Balance December 31, 2021
				Lowest	Highest			
2011 Series 2011A	Serial	\$10,535,000	12/1/11	\$ 110,000	\$ 145,000	2.0% to 3.75%	11/1/31	\$ 1,245,000
2011 Refunding Series 2011B	Serial	2,790,000	12/1/11	160,000	280,000	2.0% to 3.0%	11/1/23	440,000
2012 Series 2012A	Serial	1,465,000	6/1/12	80,000	85,000	1.5% to 3.75%	1/1/32	805,000
2012 Series 2012B	Serial	12,885,000	12/1/12	45,000	1,095,000	1.5% to 3.0%	1/1/32	3,660,000
2012 Refunding Series 2012C	Serial	4,895,000	12/20/12	430,000	555,000	2.0% to 4.0%	11/1/26	2,455,000
2013 Series 2013A	Serial	6,400,000	12/1/13	45,000	695,000	3.0% to 4.0%	11/1/33	1,875,000
2014 Series 2014A	Serial	12,310,000	6/2/14	485,000	805,000	2.0% to 5.0%	11/1/34	7,860,000
2014 Series 2014B	Serial/Term	9,685,000	6/2/14	435,000	670,000	3.0% to 4.25%	11/1/34	6,985,000
2014 Series 2014C	Serial/Term	3,940,000	12/8/14	175,000	235,000	2.0% to 3.375%	11/1/34	2,625,000
2015 Series 2015A	Serial/Term	5,475,000	12/7/15	105,000	285,000	2.0% to 5.0%	11/1/35	2,215,000
2015 Refunding Series 2015B	Serial	4,805,000	12/7/15	495,000	595,000	2.0% to 5.0%	11/1/27	3,220,000
2016 Refunding and Improvement Series 2016A	Serial	18,050,000	6/6/16	195,000	1,985,000	2.0% to 5.0%	11/1/36	14,835,000
2016 Series 2016B	Serial/Term	2,065,000	12/5/16	50,000	165,000	2.0% to 3.5%	11/1/36	1,335,000
2017 Series 2017A	Serial/Term	1,235,000	6/5/17	55,000	80,000	0.90% to 3.30%	11/1/37	1,035,000
2017 Series 2017B Subject to AMT	Serial/Term	3,075,000	6/5/17	130,000	205,000	3.0% to 3.5%	11/1/37	2,600,000
2017 Series 2017C Taxable	Serial/Term	1,075,000	6/5/17	25,000	60,000	3.0% to 4.1%	11/1/36	990,000
2017 Series 2017D Refunding and Improvements	Serial/Term	9,230,000	12/15/17	65,000	640,000	3.0% to 5.0%	11/1/37	4,165,000
2018 Series 2018A	Serial/Term	17,630,000	6/4/18	615,000	1,340,000	3.0% to 5.0%	11/1/38	14,915,000
2019 Series 2019A Refunding and Improvements	Serial/Term	11,780,000	6/14/19	390,000	845,000	3.0% to 5.0%	11/1/39	10,395,000
2019 Series 2019B Taxable	Serial/Term	3,720,000	6/14/19	215,000	300,000	2.30% to 3.15%	11/1/34	3,300,000
2020 Refunding and Improvements Series 2020A	Serial	18,670,000	6/15/20	290,000	1,315,000	2.85%	11/1/40	15,770,000
2020 Refunding Series 2020B	Serial	1,690,000	9/15/20	155,000	195,000	3.00%	11/1/30	1,550,000
2021 Series 2021A	Serial	4,940,000	06/07/21	165,000	365,000	2.0% to 4.0%	11/1/41	4,940,000
Subtotal								109,215,000
Less amount to be paid by Enterprise Funds								(13,535,000)
Total General Obligation Bonds Payable – Governmental Activities								<u>\$ 95,680,000</u>

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

The annual requirements to amortize governmental activities general obligation bonds outstanding as of December 31, 2021, are as follows:

Years Ending December 31,	Principal	Interest	Total
2022	\$ 9,140,000	\$ 3,312,754	\$ 12,452,754
2023	8,545,000	2,968,874	11,513,874
2024	8,070,000	2,639,424	10,709,424
2025	8,055,000	2,317,854	10,372,854
2026	8,315,000	2,007,927	10,322,927
2027-2031	29,285,000	6,544,327	35,829,327
2032-2036	18,285,000	2,492,994	20,777,994
2037-2041	5,655,000	417,491	6,072,491
2042-2046	270,000	46,385	316,385
2047-2050	60,000	2,460	62,460
TOTAL	\$ 95,680,000	\$ 22,750,490	\$ 118,430,490

General obligation bonds in the amount of \$13,535,000 are included as liabilities of the Water, Wastewater, and Stormwater Funds because the City intends to retire them through the operations of these funds. The annual requirements to amortize business-type activities general obligation bonds outstanding as of December 31, 2021, are as follows:

Years Ending December 31,	Principal	Interest	Total
2022	\$ 1,705,000	\$ 540,434	\$ 2,245,434
2023	1,795,000	469,844	2,264,844
2024	1,725,000	396,734	2,121,734
2025	1,445,000	324,889	1,769,889
2026	1,500,000	263,967	1,763,967
2027-2031	4,765,000	492,570	5,257,570
2032-2036	520,000	52,764	572,764
2037-2041	80,000	2,400	82,400
TOTAL	\$ 13,535,000	\$ 2,543,602	\$ 16,078,602

\$5,826,379 is available in the Debt Service Fund to service the general obligation and special assessment bonds. Future tax revenues will pay off the remaining general long-term debt.

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Temporary notes currently outstanding consist of the following:

Series	Maturity Date	Rate	12/31/21 Balance
2018-02	06/15/2022	2.125%	\$ 1,145,000
2019-01	06/15/2022	1.750%	435,000
2019-01	06/15/2023	1.875%	7,270,000
2019-02	06/15/2022	1.200%	870,000
2019-02	06/15/2023	1.200%	250,000
2019-03	06/15/2022	1.500%	5,815,000
2020-01	06/15/2023	1.125%	20,960,000
2020-02	06/15/2023	1.700%	5,090,000
2020-03	06/15/2023	0.500%	4,010,000
2020-03	06/15/2024	0.750%	21,370,000
2021-01	6/15/2024	0.200%	40,390,000
2021-02	6/15/2025	0.400%	25,765,000
2021-03	6/15/2023	0.375%	1,285,000
2021-03	6/15/2025	0.800%	15,035,000
Total			<u>\$149,690,000</u>

Bond proceeds and temporary notes issued have been reported in the Capital Projects Fund. Temporary notes paid have also been reported in the Capital Projects Fund.

Upon authorization for the issuance of general obligation bonds for certain improvements, Kansas law permits the temporary financing of such improvements by the issuance of temporary notes. Temporary notes issued may not exceed the aggregate amount of bonds authorized, are interest bearing and have a maturity date not later than four years from the date of issuance of such temporary notes. Most temporary notes issued by the City have initial maturities of at least two years. Therefore, they are considered long-term debt and have been included in long-term liabilities on the statement of net position. Temporary notes outstanding are retired from the proceeds of the sale of general obligation bonds or other available funds or refinanced with temporary notes. Temporary notes in the amount of \$13,010,000 outstanding at December 31, 2021, will be retired on June 15, 2022, with funds on hand. Temporary notes in the amount of \$136,680,000 will mature in 2023, 2024, and 2025.

At December 31, 2021, there were temporary notes in the amount of \$4,355,000 maturing in 2022 for which the legal steps and the ability to consummate refinancing have not been met. Therefore, this balance is reported as a fund liability in the Capital Projects Fund at December 31, 2021.

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Changes in this short-term debt during 2021 are summarized in the following table:

Balance at January 1, 2021	\$ 3,860,000
Issued	4,355,000
Retired	<u>(3,860,000)</u>
Balance at December 31, 2021	<u>\$ 4,355,000</u>

Debt Service Limit

The December 31, 2021 debt limit is \$193,119,076. There was \$152,759,116 in outstanding long and short-term G.O. debt applicable to the debt limit as of December 31, 2021. Sewer, Water, Stormwater and refunding G.O. bonds are exempt from the state-imposed debt limit.

Transportation Development District Sales Tax Revenue Bonds-Series 2010

In 2010, the City issued Transportation Development District Sales Tax Revenue bonds in the amount of \$5,610,000. The proceeds were used to finance infrastructure improvements needed for the north project area of the downtown redevelopment project. An excise/sales tax has been imposed on purchases made within the transportation development district. The excise/sales tax collected will be used to retire the bonds. The bonds are considered a special obligation to the City secured by a pledge of the excise/sales tax revenues. The bonds are not a general obligation of the City, nor do they go against the City's debt limit. Interest on the bonds is payable semiannually. The interest rates on the bonds range from 2.0 to 5.0 percent.

The bonds include term bonds that are subject to mandatory redemption and payment prior to stated maturity. The annual requirement to amortize the bonds under these mandatory redemption provisions are as follows:

Years Ending December 31,	Principal	Interest	Total
2022	\$ 235,000	\$ 196,750	\$ 431,750
2023	250,000	186,175	436,175
2024	270,000	174,925	444,925
2025	295,000	162,775	457,775
2026	315,000	149,500	464,500
2027-2031	1,980,000	485,250	2,465,250
2032-2034	695,000	34,750	729,750
TOTAL	<u>\$ 4,040,000</u>	<u>\$ 1,390,125</u>	<u>\$ 5,430,125</u>

Senior Lien Tax Increment Financing (TIF) Special Obligation Bonds-Series 2009A and Subordinate Lien TIF Special Obligation Bonds-Series 2009B

The Senior Lien TIF Special Obligation Bonds-Series 2009A and the Subordinate Lien TIF Special Obligation Bonds-Series 2009B were issued December 1, 2009, at a principal amount of \$21,220,000 and \$4,160,000, respectively. These bonds were issued to retire the Taxable Special Obligation Revenue Bonds-Series 2006 issued to finance land acquisition and site preparation of the North Redevelopment District. Funds from these issuances will also be used to construct a public plaza in the North District. The Series 2009B Bonds shall constitute subordinate lien bonds and shall be junior and subordinate with respect to the payment of debt service from the incremental tax revenues to the Series 2009A Bonds. Both series of bonds shall not constitute a debt or liability of the City nor any pledge of the full faith and credit of the City. Revenue available for debt service from the North

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

District consists of incremental property taxes, City sales tax, compensating use tax, and the City's portion of the County's sales tax. Revenue available from the South District consists of incremental property taxes.

The 2009 TIF bonds shall become due on the stated maturity dates and in the amounts listed below. Interest is payable semiannually at the following annual rates:

Series 2009A Bonds

Term Bonds		
Stated Maturity December 1	Principal Amount	Annual Rate of Interest
2026	\$9,010,000	5.000%

Series 2009B Bonds

Stated Maturity December 1	Principal Amount	Annual Rate of Interest
2027	\$4,130,000	7.500%

At the option of the City, the Series 2009A bonds maturing on or after December 1, 2019 are subject to redemption and payment prior to their stated maturity on December 1, 2018 at the redemption prices set forth below plus accrued interest to the redemption date.

Redemption Dates	Redemption Price
December 1, 2019 and thereafter	100%

The Series 2009B Bonds are subject to redemption and payment prior to their stated maturity at the Redemption Price of 100% plus accrued interest to the redemption date; provided, however, the Series 2009B Bonds cannot be redeemed prior to maturity until all Senior Lien Bonds have been paid and are no longer outstanding.

The Series 2009A term bonds maturing December 1, 2026, are subject to mandatory redemption and payment prior to maturity on December 1 in the years set forth below at a redemption price of 100% of the principal amount plus accrued interest to the redemption date:

Principal Amount	Year
\$1,640,000	2022
\$1,775,000	2023
\$1,910,000	2024
\$2,055,000	2025
\$1,630,000	2026

Taxable STAR Bonds-Series 2009-2

The Taxable STAR Bonds-Series 2009-2 were issued December 1, 2009, at a principal amount of \$33,145,000. This series of STAR Bonds was issued to finance eligible facilities and infrastructure costs within the South Redevelopment District. The 2009-2 STAR Bonds were treated as "Build America Bonds" under the Recovery Act and received a cash subsidy from the United States Treasury equal to 35% of the interest payable on the bonds. These bonds did not constitute a debt or liability of the City nor any pledge of the full faith and credit of the City. Revenue available for debt service from the North District consisted of State sales tax. Revenue available from the South District consisted of State sales tax, City sales tax, compensating use tax, and the City's portion of the

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

County's sales tax. In 2021, \$6,105,000 in principal was redeemed on the 2009-2 STAR Bonds, resulting in a balance of \$0.

Capital Leases

In the current and prior years, the City agreed to lease equipment through capital leasing arrangements. The assets acquired through capital leases outstanding are as follows:

Equipment Leased	Amount Financed	Gross Cost of Assets Under Capital Leases	Accumulated Amortization 12/31/2021	Lease Balance 12/31/2021
Governmental Activities:				
Facilities Conservation Improv. Prog.	\$ 930,000	\$ -	\$ -	\$ -
Narrow Band Equipment	303,804	-	-	-
Pumper Truck	529,802	610,742	427,519	80,554
Quint Pumper Truck	950,000	993,985	496,993	502,421
Rubber Tire Loader	92,118	92,118	36,847	-
Dump Truck	84,579	84,579	84,579	-
Paint Machine	30,892	39,257	13,086	-
Dump Truck	126,693	151,402	121,122	32,896
Brush Truck	88,897	109,460	43,784	23,057
2 Ford F350 Trucks	70,222	99,424	39,770	18,095
Backhoe	85,300	96,492	25,731	34,726
Peace Memorial	460,000	793,059	70,494	236,952
Phone System	519,543	519,543	415,634	207,817
Thermal imaging cameras	39,200	51,534	12,884	20,231
Aerial truck	953,091	1,094,876	328,463	762,762
Groundskeeper mower	32,385	32,385	6,477	16,396
Skid steer loader	18,743	18,743	18,743	6,302
Compact excavator	26,150	26,150	26,150	15,815
Storm warning sirens	45,484	58,962	8,844	23,001
Forestry large aerial truck	126,784	153,739	46,122	76,468
Peace Memorial - new roof	205,774	228,237	68,471	179,098
2019 Ford F-350 SD and related equipment	65,900	67,320	13,464	50,039
Airfield Lighting	28,013	35,357	7,071	22,629
State Bid Vehicles (11)	237,934	249,603	49,921	205,366
Airport Deicer Trailer	42,854	54,660	10,932	34,475
Fire Radios	462,773	462,698	185,079	399,265
Chipper Truck	55,461	75,454	15,091	47,641
Four (4) 2020 Three Quarter Ton 4WD Standard Cab				
Pickup Truck	127,058	146,884	41,967	109,377
2 Ford SUV's	69,784	84,146	16,829	56,060
Dump Truck and Pickup Truck	257,148	308,518	61,704	206,575
Replacement 1992 Fire Truck	1,050,000	1,050,000	-	1,050,000
Total	\$ 8,116,386	\$ 7,789,327	\$ 2,693,771	\$ 4,418,018
Business-type Activities:				
Biosolids farm row crop tractor	\$ 190,420	\$ 255,517	\$ 51,103	\$ 96,629
Mower	138,176	160,136	53,379	-
Street Sweeper	153,263	200,435	200,435	-
Street Sweeper	165,075	210,000	126,000	83,606
International Dump Truck	87,345	109,808	21,962	70,167
One Ton Pickup Truck	60,670	75,721	7,572	48,738
Street Sweeper	232,612	289,223	57,845	232,612
Trunk-Mounted Sewer Jet	189,842	189,842	-	189,842
1.5 Ton Pickup Truck	109,586	135,790	-	109,585
Total	\$ 1,326,989	\$ 1,626,472	\$ 518,296	\$ 831,179

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Future minimum lease obligations as of December 31, 2021, are:

Year Ending December 31,	Governmental Activities	Business-type Activities
2022	\$ 936,127	\$ 261,399
2023	885,270	261,399
2024	732,005	167,855
2025	597,991	167,855
2026	513,789	-
2027-2031	985,564	-
2032	113,639	-
Total Minimum Lease Payments	4,764,385	858,508
Less: Amount representing interest	(346,367)	(27,329)
Present Value of Minimum Lease Payments	\$ 4,418,018	\$ 831,179

Amortization on these assets acquired through capital leases totaled \$765,319 for governmental activities and \$186,195 for business-type activities in 2021 and has been included in depreciation expense.

State Revolving Loans

During 2001, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement enabled the City to borrow up to \$6,411,155 on a low-interest loan with a 20-year repayment period to finance improvements to the wastewater system. The interest rate on the loan is 3.14%. The City completed the draw-down process in 2004 and drew down a total of \$6,175,678. This loan was amended in 2007 and 2009 to allow the City to borrow an additional \$2,510,637 to finance the cost of designing the wastewater treatment plant upgrade and expansion project. Principal in the amount of \$561,042 was paid in 2021. The balance on the loan as of December 31, 2021, is \$578,797 and is shown as a liability to the Wastewater Fund in the accompanying financial statements. The annual amounts to amortize the loan are as follows:

Years Ending December 31,	Principal	Interest	Total
2022	\$ 578,797	\$ 13,666	\$ 592,463

During 2009, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement will enable the City to borrow up to \$39,506,000 on a low-interest loan with a 20-year repayment period to finance the construction phase of the wastewater treatment plant upgrade and expansion project. The interest rate on the loan is 2.72%. The City completed the draw-down process in 2014 and drew down a total of \$36,732,684. Principal in the amount of \$1,722,245 was paid in 2021. The balance on the loan as of December 31, 2021, is \$20,041,695 and is shown as a liability to the Wastewater Fund in the accompanying financial statements. The annual amounts to amortize the loan are as follows:

Years Ending December 31,	Principal	Interest	Total
2022	\$ 1,769,409	\$ 533,183	\$ 2,302,592
2023	1,817,864	484,728	2,302,592
2024	1,867,646	434,946	2,302,592
2025	1,918,792	383,801	2,302,593
2026	1,971,338	331,255	2,302,593
2027-2031	10,696,646	816,316	11,512,962
Totals	\$ 20,041,695	\$ 2,984,229	\$ 23,025,924

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

During 2010, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement enabled the City to borrow up to \$1,537,000 on a low-interest loan with a 20-year repayment period to finance the City's share of the cost of connecting the Pottawatomie County Blue Township Sewer District service area and adjacent tributary areas to the City's wastewater treatment facilities. The interest rate on the loan is 2.55%. The City started the draw-down process in 2010. The loan was amended to allow a total borrowing of \$1,642,258, with principal forgiveness of \$246,339. The balance on the loan as of December 31, 2021, is \$789,045 and is shown as a liability to the Wastewater Fund in the accompanying financial statements. Principal in the amount of \$68,459 was paid in 2021. The annual amounts to amortize the loan are as follows:

Years Ending December 31,	Principal	Interest	Total
2022	\$ 70,215	\$ 19,676	\$ 89,891
2023	72,017	17,874	89,891
2024	73,865	16,026	89,891
2025	75,761	14,130	89,891
2026	77,705	12,186	89,891
2027-2031	419,482	29,975	449,457
Totals	<u>\$ 789,045</u>	<u>\$ 109,867</u>	<u>\$ 898,912</u>

In 2018, the City entered into a loan agreement with the Kansas Department of Health and Environment to borrow up to \$3,782,594 on a low-interest loan with a 20-year repayment period to finance the cost of wastewater treatment plant improvements. Drawdowns totaling \$3,766,274 have been made on this loan. Principal in the amount of \$159,199 was paid in 2021. The balance on the loan as of December 31, 2021, is \$3,408,003 and is shown as a liability to the Wastewater Fund in the accompanying financial statements. This loan is payable from the revenues of the wastewater utility. The annual amounts to amortize the loan are as follows:

Years Ending December 31,	Principal	Interest	Total
2022	\$ 153,681	\$ 80,201	\$ 233,882
2023	157,361	76,522	233,883
2024	161,128	72,755	233,883
2025	164,986	68,897	233,883
2026	168,936	64,947	233,883
2027-2031	907,322	262,093	1,169,415
2032-2036	1,021,261	148,154	1,169,415
2037-2039	673,328	28,321	701,649
Totals	<u>\$ 3,408,003</u>	<u>\$ 801,890</u>	<u>\$ 4,209,893</u>

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

During 2007, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement will enable the City to borrow funds on a low-interest loan with a 20-year repayment period to finance the design and construction of the water treatment plant and wellfield improvements. During 2010 the loan was amended to increase the maximum loan amount to \$17,975,861. The interest rate on the loan is 3.63%. The City started the draw-down process in 2010. The balance on the loan as of December 31, 2021, is \$10,996,476 and is shown as a liability to the Water Fund in the accompanying financial statements. Payments on the loan began in 2012. Principal in the amount of \$846,591 was paid in 2021. The annual amounts to amortize the loan will be as follows:

Years Ending December 31,	Principal	Interest	Total
2022	\$ 877,601	\$ 391,279	\$ 1,268,880
2023	909,747	359,133	1,268,880
2024	943,070	325,810	1,268,880
2025	977,614	291,266	1,268,880
2026	1,013,424	255,456	1,268,880
2027-2031	5,651,889	692,511	6,344,400
2032	623,131	11,310	634,441
Totals	\$ 10,996,476	\$ 2,326,765	\$ 13,323,241

During 2011, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement will enable the City to borrow funds up to \$1,395,461 on a low-interest loan with a 20-year repayment period to finance the extension of the Konza water main. The interest rate on the loan is 2.62%. This project is eligible for 20% principal forgiveness on the construction costs and an additional 20% principal forgiveness for any qualifying green infrastructure component, or energy or water efficiency component. The City completed the draw-down process in 2013. Draws in the amount of \$506,899 were made during 2013, with principal forgiveness of \$126,725. The balance on the loan as of December 31, 2021, is \$248,755 and is shown as a liability to the Water Fund in the accompanying financial statements. Principal in the amount of \$17,432 was paid in 2021. The annual amounts to amortize the loan will be as follows:

Years Ending December 31,	Principal	Interest	Total
2022	\$ 17,892	\$ 6,401	\$ 24,293
2023	18,364	5,929	24,293
2024	18,848	5,445	24,293
2025	19,345	4,948	24,293
2026	19,855	4,438	24,293
2027-2031	107,413	14,053	121,466
2032-2033	47,038	1,550	48,588
Totals	\$ 248,755	\$ 42,764	\$ 291,519

During 2013, the City entered into a loan agreement with the Kansas Department of Health and Environment. This agreement will enable the City to borrow funds up to \$3,091,960 on a low-interest loan with a 10-year repayment period to finance the replacement and upgrade of water meters. The interest rate on the loan is 2.08%. This project is eligible for up to 40% principal forgiveness for any qualifying green infrastructure component, or energy or water efficiency component. The estimated principal forgiven amount is \$1,233,700. The City started the draw-down process in 2013. The balance on the loan as of December 31, 2021, is \$548,747 and is shown as a liability to the Water Fund in the accompanying financial statements. Principal in the amount of \$148,451 was paid in 2021. The annual amounts to amortize the loan will be as follows:

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Years Ending December 31,	Principal	Interest	Total
2022	\$ 152,080	\$ 12,416	\$ 164,496
2023	155,798	8,698	164,496
2024	159,607	4,889	164,496
2025	81,262	987	82,249
Totals	\$ 548,747	\$ 26,990	\$ 575,737

In 2016, the City entered into a loan agreement with the Kansas Department of Health and Environment to borrow up to \$7,326,270 on a low-interest loan with a 20-year repayment period to finance the cost of the construction phase of the water treatment plant improvements. Drawdowns totaling \$4,528,589 have been made on this loan. The balance of this loan is \$3,953,902. This loan is payable from the revenues of the water utility. Principal in the amount of \$191,173 was paid in 2021. The annual amounts to amortize the loan are as follows if the full amount of the loan was borrowed:

Years Ending December 31,	Principal	Interest	Total
2022	\$ 195,266	\$ 83,184	\$ 278,450
2023	199,448	79,003	278,451
2024	203,719	74,732	278,451
2025	208,081	70,369	278,450
2026	212,537	65,914	278,451
2027-2031	1,132,931	259,320	1,392,251
2032-2036	1,259,539	132,714	1,392,253
2037-2038	542,381	14,518	556,899
Totals	\$ 3,953,902	\$ 779,754	\$ 4,733,656

Kansas Department of Transportation Loan

During 2005, the City entered into a loan agreement with the Kansas Department of Transportation. This agreement enabled the City to borrow up to \$4,608,000 on a low-interest loan with a 20-year repayment period to finance various street improvements within the City. The interest rate on the loan is 3.72%. The City completed the draw-down process in 2007 and drew down a total of \$4,607,872. The balance as of December 31, 2021, is \$939,761. The annual amounts to amortize the loan are as follows:

December 31,	Principal	Interest	Total
2022	\$ 320,807	\$ 34,959	\$ 355,766
2023	332,741	23,025	355,766
2024	286,213	10,647	296,860
Totals	\$ 939,761	\$ 68,631	\$ 1,008,392

Conduit Debt Obligations

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At December 31, 2021, Industrial Revenue Bonds relating to six entities were outstanding with a total balance of \$64,868,312.

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Manhattan Housing Authority Debt

The following is a summary of the debt transactions of the Housing Authority for the year ended December 31, 2021.

	Balance January 1, 2021	Additions	Deductions	Balance December 31, 2021	Amounts Due within One Year
Accrued compensated absences	\$ 25,178	\$ -	\$ (8,178)	\$ 17,000	\$ 8,500
EPC / recoverable advance	2,634,138	-	(106,781)	2,527,357	129,776
Accrued pension liability	377,486	-	(87,349)	290,137	-
Total non-current liabilities	\$ 3,036,802	\$ -	\$ (202,308)	\$ 2,834,494	\$ 138,276

EPC (Energy Performance Contract)

The Authority received HUD approval for an Energy Performance Contract (EPC) in November 2015 in the amount of \$2,043,067. Balance as of December 31, 2021 is \$1,552,042. Payments are made using utility savings generated by energy-saving projects completed in 2017. Projects include: retrofitting interior and exterior lighting; installation of high efficiency toilets, shower heads and aerators; building envelope improvements; refrigerator, water heater and HVAC system replacement. Utility savings are guaranteed by the Energy Performance Contractor, Johnson Controls, Inc. The payments are to be made on a semi-annual basis.

Recoverable Advance Agreement

The Authority signed a recoverable advance agreement with the City of Manhattan dated October 17, 2017, in the amount of \$1,000,000 for the installation of windows and patio doors and the repair or replacement of sewer lines located on the premises. The Authority will pay the City an amount equal to the City's annual debt service for the general obligation bonds used to finance the design and construction of the project repairs for the development. Such annual advance payment shall be due and payable regardless of when or whether the City actually issues the general obligation bonds and regardless of the City's repayment schedule, including whether the City pays any bonds that may be issued earlier than anticipated. Balance as of December 31, 2021 is \$975,315.

The annual debt service requirements to maturity for long-term debt as of December 31, 2021 for both the EPC contract and Recoverable Advance Agreement combined are as follows:

<u>Maturity</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 129,776	\$ 92,650	\$ 222,426
2023	138,568	88,144	226,712
2024	147,806	83,344	231,150
2025	157,510	78,234	235,744
2026	167,704	72,799	240,503
2027-2031	1,035,000	267,898	1,302,915
2032-2036	155,000	154,000	309,000
2037-2041	185,000	120,800	305,800
2042-2046	225,000	80,800	305,800
2047-2051	185,993	32,400	218,376
	\$ 2,527,357	\$ 1,071,069	\$ 3,598,426

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Note 4: Other Information

A. Risk Management

General

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. 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.

Self-Insured Health Care Fund

During the fiscal year 1990, the City established a Health Care Fund (an Internal Service Fund) to account for and finance its medical health insurance program. Under this program, the Health Care Fund provides health insurance coverage for all full-time employees. The City purchases commercial insurance for claims in excess of an aggregate total provided by the Fund, and a specific amount for each claim. The City contracts with Trustmark to provide administrative services. Stop loss insurance has been obtained to cover the claims of individuals that exceed \$100,000 for the benefit period.

The internal service fund accrues the required amounts for the payment of these claims by rate charges to various City departments. These rate charges are reported as expenditures in the applicable funds. The Health Care Fund net position was \$2,505,697 at December 31, 2021. The claims liability of \$535,173 reported in the Fund at December 31, 2021 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Estimated claims are based on historical data. Changes in the Fund's claims expected liability amount in fiscal years 2021, 2020, and 2019 were:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Paid	Balance at Fiscal Year End
2020-2021	\$ 762,426	\$ 4,847,240	\$ 5,074,493	\$ 535,173
2019-2020	\$ 1,273,340	\$ 4,178,037	\$ 4,688,951	\$ 762,426

Self-Insured Workers' Compensation Fund

On May 9, 1994, the City created a partially self-funded Workers' Compensation Fund to account for and finance its workers' compensation program. Under this program, the Fund provides workers' compensation coverage for all regular employees and volunteers.

Thomas McGee, L.C., serves as the third party administrator and the reinsurer. The deductible is \$250,000 per occurrence and an annual aggregate of \$250,000. Estimated claims are based on historical data. Changes in the Fund's claims expected liability amount in fiscal years 2021, 2020, and 2019 were:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Paid	Balance at Fiscal Year End
2020-2021	\$ 430,658	\$ 359,235	\$ 251,519	\$ 538,374
2019-2020	\$ 405,417	\$ 193,009	\$ 167,768	\$ 430,658

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

B. Contingent Liabilities

The City participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Grantors have yet to conduct audits on some of these programs; accordingly, the City's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed is not determinable although the City expects such amounts, if any, to be immaterial.

There are a number of claims and/or lawsuits to which the City is a party as a result of the ordinary course of City activities. The City management and legal counsel anticipate that the potential claims against the City not covered by insurance, if any, resulting from such matters would not materially affect the financial position of the City.

C. Defined Benefit Pension Plan

Plan Description

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

- Public employees, which includes:
 - State/School employees
 - Local employees
- Police and Firemen
- Judges

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

Those employees participating in the Pension Plan for the City of Manhattan are included in the Local and Police and Firemen employee groups.

KPERS issues a stand-alone comprehensive annual financial report, which is available on the KPERS website at www.kpers.org.

Benefits Provided. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Benefits are established by statute and may only be changed by the Kansas Legislature. Member employees (except police and firemen) with ten or more years of credited service may retire as early as age 55 (police and firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever an employee's combined age and years of credited service equal 85 points (police and firemen normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service).

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

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

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

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

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

Contributions

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 the Police and Firemen (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 are determined based on the results of an annual actuarial valuation for each of the three state-wide pension groups. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. KPERS is funded on an actuarial reserve basis.

For KPERS fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap is 1.2% of total payroll for the KPERS fiscal year ended June 30, 2017, and beyond.

The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate were 8.87% for the Local Group and 22.80% for the Police and Firemen Group for the year ended December 31, 2021. Contributions to the Pension Plan from the City of Manhattan were \$1,563,350 for the Local Group and \$1,256,407 for the Police and Firemen Group for the year ended December 31, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, the City of Manhattan reported a liability of \$10,298,312 for the Local Group and \$9,430,693 for the Police and Firemen Group for its proportionate share of the KPERS collective net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2021, and the total pension

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

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

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer. The City of Manhattan's proportion of the collective net pension liability was based on the ratio of the City of Manhattan's actual contributions to the Local Group and the Police and Firemen Group, relative to the total employer and nonemployer contributions of the Local Group and Police and Firemen Group within KPERS for the KPERS fiscal year ended June 30, 2021. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2021, the City of Manhattan's proportion and change from its proportion measured as of June 30, 2020 were as follows:

	Net Pension Liability as of December 31, 2021	Proportion as of June 30, 2021	Increase (Decrease) in Proportion From June 30, 2020
Local Group	\$ 10,298,312	0.858224%	-0.028657%
Police and Firemen Group	9,430,693	0.988289%	0.038729%
	<u>\$ 19,729,005</u>		

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

For the year ended December 31, 2021, the City of Manhattan recognized pension expense of \$958,134 for the Local Group and \$1,448,420 the Police and Firemen Group. At December 31, 2021, the City of Manhattan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,150,650	\$ 93,247
Net difference between projected and actual earnings on pension plan investments	-	6,131,057
Changes of assumptions	3,226,832	-
Changes in proportionate share	735,962	531,435
City of Manhattan's contributions subsequent to measurement date	1,489,678	-
Total	<u>\$ 6,603,122</u>	<u>\$ 6,755,739</u>

The \$1,489,678 reported as deferred outflows of resources related to pensions resulting from the City of Manhattan's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	
2022	\$ 52,477
2023	(132,868)
2024	(276,654)
2025	(1,409,105)
2026	<u>123,855</u>
	<u>\$ (1,642,295)</u>

Actuarial Assumptions

The total pension liability for KPERS in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Price inflation	2.75 percent
Salary increases, including wage increases	3.50 to 12.00 percent, including inflation
Long-term rate of return net of investment expense including price inflation	7.25 percent

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Changes in actuarial assumptions and methods in the December 31, 2020 actuarial valuation were as follows:

Both Groups

- Investment return assumption was lowered from 7.50% to 7.25%.

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

The actuarial assumptions used in the calculation of the total pension liability were based on the results of the most recent actuarial experience study. It covered the three-year period of January 1, 2016 through December 31, 2018 and was dated January 7, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 7, 2020, as provided by KPERS' investment consultant, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equities	23.50%	5.20%
Non-U.S. Equities	23.50%	6.40%
Alternatives	8.00%	9.50%
Real Estate	11.00%	4.45%
Yield driven	8.00%	4.70%
Real return	11.00%	3.25%
Fixed income	11.00%	1.55%
Short Term Investments	4.00%	0.25%
Total	<u>100.00%</u>	

Discount rate

The discount rate used by KPERS to measure the total pension liability at the measurement date of June 30, 2021, was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the KPERS Board of Trustees for this group may not increase by more than the statutory cap. The statutory cap for fiscal year 2021 was 1.2%. The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in future years. Employers contribute the full actuarial determined rate for the Police and Firemen Group. Future employer contribution rates were also modeled for the Police and Firemen Group, assuming all actuarial assumptions are met in future years. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City of Manhattan's proportionate share of the collective net pension liability to changes in the discount rate

The following presents the City of Manhattan's proportionate share of the collective net pension liability calculated using the discount rate of 7.25%, as well as what the City of Manhattan's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
City of Manhattan's Local Group proportionate share of the collective net pension liability	\$ 16,939,724	\$ 10,298,312	\$ 4,728,647
City of Manhattan's Police and Firemen Group proportionate share of the collective net pension liability	14,154,568	9,430,693	5,479,171
	<u>\$ 31,094,292</u>	<u>\$ 19,729,005</u>	<u>\$ 10,207,818</u>

Pension plan fiduciary net position

Detailed information about the Pension Plan's fiduciary net position is available in the separately issued KPERS financial report.

Information related to the Manhattan Public Library's Defined Benefit Pension Plan can be found in the financial statements of the Manhattan Public Library, which may be obtained at the entity's administrative offices.

Information related to the Manhattan Housing Authority's Defined Benefit Pension Plan can be found in the financial statements of the Manhattan Housing Authority, which may be obtained at the entity's administrative offices.

D. Other Postemployment Healthcare Benefits
Health Insurance

Plan Description, Benefits Provided and Contributions

The City offers postemployment health, dental and vision benefits to retired employees. The benefits are provided through a single employer defined benefit postemployment healthcare plan administered by the City. The other postemployment benefit (OPEB) plan (the Plan) provides medical benefits to eligible early retirees and their spouses. K.S.A. 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. No assets

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. The Plan does not issue a standalone financial report.

Kansas statutes, which may be amended by the state legislature, establish that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs at an amount not to exceed 125 percent of the premium cost for other similarly situated employees. The City requires participating retirees to contribute 100 percent of the blended premium cost of active employees to maintain coverage.

The City appropriates funds annually for the costs associated with this retirement benefit and provides funding for the expenditures on a pay-as-you-go basis through the General Fund. Employer contributions paid for benefits as they came due during the fiscal year ended December 31, 2021 totaled \$ 18,205.

Employees Covered by Benefit Terms

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

Inactive employees or beneficiaries currently receiving benefit payments	5
Active plan members	422
	<hr/>
	427
	<hr/> <hr/>

Total OPEB Liability

The City's total OPEB liability of \$ 1,317,772 was measured as of December 31, 2020 and was determined by an actuarial valuation performed as of December 31, 2019.

Actuarial Assumptions and Other Inputs.

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate as of measurement date	2.12 percent
Inflation rate	2.75 percent
Mortality table	Local Males: 90% of RP-2014 M Total Dataset +2 Local Females: 90% of RP-2014 F Total Dataset +1
Salary increases	3.50 percent (composed of 2.75 percent inflation and 0.75 percent productivity)
Healthcare cost trend rates	
Current rate	6.00 percent
Ultimate rate	3.70 percent
Year ultimate rate is reached	2074
Actuarial cost method	Entry Age Normal

The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index as of the measurement date.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Changes and items of impact relative to the prior valuation were as follows.

1. The discount rate selected is in accordance with GASB 74/75.
2. The demographic assumptions have been updated based upon the most recent KPERS experience study.
3. The medical trend rates were updated to reflect anticipated experience under the most recent Getzen model application.
4. The participation rate and expected claims were updated to reflect plan experience.

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at December 31, 2020	<u>\$ 1,135,838</u>
Changes for the year:	
Service cost	86,384
Interest cost	33,241
Changes in assumptions and inputs	80,514
Benefit payments	<u>(18,205)</u>
Net changes	<u>181,934</u>
Balance at December 31, 2021	<u><u>\$ 1,317,772</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (1.12%)	Discount Rate (2.12%)	1% Increase (3.12%)
Total OPEB liability	<u>\$ 1,457,756</u>	<u>\$ 1,317,772</u>	<u>\$ 1,190,254</u>

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.

The following represents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 1,125,192	\$ 1,317,772	\$ 1,553,492

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021, the City recognized OPEB expense of \$24,958.

At December 31, 2021, the City reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (65,175)
Changes of assumptions	106,537	(667,602)
	<u>\$ 106,537</u>	<u>\$ (732,777)</u>

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	
2022	\$ (94,667)
2023	(94,667)
2024	(94,667)
2025	(94,667)
2026	(94,667)
Thereafter	(152,905)
	<u>\$ (626,240)</u>

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Disability Benefits and Life Insurance

Plan Description, Benefits Provided and Contributions

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

Employer contributions are established and may be amended by state statute. Members are not required to contribute. Employer contributions paid for benefits as they came due during the fiscal year ended December 31, 2021 totaled \$133,962.

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

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of \$100 and a maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

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

Employees Covered by Benefit Terms

As of the valuation date of December 31, 2020, the following employees were covered by the benefit terms.

Active members	293
Disabled members	4
	<hr/> 297 <hr/>

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Total OPEB Liability

The City's total OPEB liability of \$906,683 was measured as of June 30, 2021 and was determined by an actuarial valuation performed as of December 31, 2020.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	2.16 percent
Implicit inflation rate	2.75 percent
Mortality rates	Local Males: 90% of RP-2014 M Total Dataset +2 Local Females: 90% of RP-2014 F Total Dataset +1 Generational mortality improvements were projected for future years using MP-2021.
Salary increases	3.50 percent (composed of 2.75 percent inflation and 0.75 percent productivity)
Payroll growth	3.00 percent
Actuarial cost method	Entry Age Normal

The discount rate was based on the Bond Buyer General Obligation 20-Year Municipal Bond Index.

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

Changes and items of impact relative to the prior valuation were as follows.

1. The discount rate was updated in accordance with the requirements of GASB 75.
2. The mortality projection scale was updated to the most recent table published by the Society of Actuaries.

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at December 31, 2020	\$ 864,325
Changes for the year:	
Service cost	68,745
Interest	19,149
Effect of economic/demographic gains or losses	85,700
Effect of assumptions changes or inputs	2,726
Benefit payments	<u>(133,962)</u>
Net changes	<u>42,358</u>
Balance at December 31, 2021	<u><u>\$ 906,683</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease <u>(1.16%)</u>	Discount Rate <u>(2.16%)</u>	1% Increase <u>(3.16%)</u>
Total OPEB liability	\$ 963,438	\$ 906,683	\$ 853,813

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following represents the total OPEB liability of the City as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease <u></u>	Healthcare Cost Trend Rates <u></u>	1% Increase <u></u>
Total OPEB liability	\$ 906,683	\$ 906,683	\$ 906,683

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021, the City recognized OPEB expense of \$133,748. At December 31, 2021, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 332,564	\$ (31,356)
Changes of assumptions	75,085	(9,285)
Benefit payments subsequent to the measurement date	66,982	-
	<u>\$ 474,631</u>	<u>\$ (40,641)</u>

The deferred outflow of resources related to the benefit payments subsequent to the measurement date totaling \$66,982 consists of payments made to KPERS for benefits and administrative costs and will be recognized as a reduction in the total OPEB liability during the year ended December 31, 2022. Other amounts reported as deferred outflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>December 31,</u>	
2022	\$ 45,854
2023	45,854
2024	45,854
2025	45,854
2026	46,275
Thereafter	<u>137,317</u>
	<u>\$ 367,008</u>

A reconciliation of the Total OPEB Liability, deferred outflows of resources for OPEB and deferred inflows of resources for OPEB reported at December 31, 2021 is as follows:

	Deferred Outflows of Resources	Total OPEB Liability	Deferred Inflows of Resources
Retiree Medical Plan	\$ 106,537	\$ (1,317,772)	\$ (732,777)
Disability Benefits and Life Insurance	<u>474,631</u>	<u>(906,683)</u>	<u>(40,641)</u>
	<u>\$ 581,168</u>	<u>\$ (2,224,455)</u>	<u>\$ (773,418)</u>

CITY OF MANHATTAN, KANSAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
(Continued)

E. Tax Abatements

The City of Manhattan enters into tax abatement agreements with local businesses for the purpose of attracting businesses within its jurisdiction. For the fiscal year ended December 31, 2021, abated property taxes that impacted the City totaled \$7,705,492 which included the following tax abatement agreements that each exceeded 10 percent of the total amount abated:

- A property tax abatement for expansion of a facility. The City's portion of the abatement amounted to \$697,080.
- A property tax abatement for constructing a commercial office building. The City's portion of the abatement amounted to \$7,008,412.

F. Cost Sharing Agreement

The Library and North Central Kansas Libraries System (the Libraries System) share common management and also have an agreement in place whereby the Library agrees to provide certain operating costs, such as personnel, occupancy and supplies. Additionally, the Library is responsible for the net pension liability of Libraries System employees that participate in the Kansas Public Employees Retirement System, which is a pension plan administered by the State of Kansas.

For 2021, the Libraries System made payments to the Library totaling \$693,367 for personnel services and \$33,681 for occupancy and supply expenses under this agreement.

G. Economic Dependency

The Housing Authority is primarily dependent upon the United States Department of Housing and Urban Development for the funding of operations; therefore, the Housing Authority is affected more by the federal budget than by local economic conditions. The funding of programs could be significantly affected by the 2022 federal budget.

H. Subsequent Events

On March 15, 2022, the City issued \$17,740,000 in Series 2022-01 General Obligation Temporary Notes. The principal maturity of the \$17,740,000 is due on June 15, 2025.

On May 12, 2022, the City issued \$2,100,000 in Series 2022-A General Obligation Bonds. Principal maturities ranging from \$50,000 to \$185,000 are due through November 1, 2042. The interest rate is 5.00%.

On June 6, 2022, the City received \$6,378,689 in American Rescue Plan Act assistance.

On June 7, 2022, the City issued \$24,975,000 in Sales Tax Special Obligation Revenue Bonds (Downtown Redevelopment STAR Bond Project Area) Series 2022-1. Of that amount, \$7,750,000 will mature on December 1, 2022. The remaining principal of \$17,225,000 is due on June 1, 2027. The interest rate ranges from 2.375% to 4.00%.

On June 15, 2022, the City issued \$10,985,000 in Series 2022-02 General Obligation Temporary Notes. Of that amount, \$1,125,000 will be called in December 2022. An additional \$4,645,000 is due on June 15, 2023. The remaining principal of \$5,215,000 is due on June 15, 2025.

CITY OF MANHATTAN, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the City of Manhattan's Proportionate Share of the Collective Net Pension Liability
Kansas Public Employees Retirement System
Last Seven Fiscal Years¹

	2021	2020	2019	2018	2017	2016	2015
City of Manhattan's proportion of the collective net pension liability							
KPERS	0.858224%	0.886881%	0.871924%	0.881000%	0.842342%	0.829237%	0.821215%
KP&F	0.988289%	0.949560%	0.922149%	0.962364%	0.970094%	0.949823%	0.978480%
City of Manhattan's proportionate share of the collective net pension liability	\$ 19,729,005	\$ 27,084,823	\$ 21,517,288	\$ 21,539,173	\$ 21,298,396	\$ 21,650,150	\$ 17,887,831
City of Manhattan's covered payroll	\$ 22,053,201	\$ 23,030,361	\$ 21,485,915	\$ 20,760,475	\$ 19,780,545	\$ 18,727,868	\$ 18,132,433
City of Manhattan's proportionate share of the collective net pension liability as a percentage of its covered payroll	89%	118%	100%	104%	108%	116%	99%
Plan fiduciary net position as a percentage of the total pension liability	76.40%	66.30%	69.88%	68.88%	67.12%	65.10%	64.95%

¹The pension schedules in the required supplementary information are intended to show information for ten years and additional years' information will be displayed as it becomes available.

CITY OF MANHATTAN, KANSAS
REQUIRED SUPPLEMENTARY INFORMATION
Schedule of the City of Manhattan's Contributions
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
KPERS/Ret Contractually required contributions	\$ 1,563,350	\$ 1,500,419	\$ 1,484,140	\$ 1,512,939	\$ 1,321,717	\$ 1,382,451	\$ 1,454,056	\$ 1,304,973	\$ 1,145,040	\$ 1,026,736
KP&F Contractually required contributions	1,256,407	1,249,535	1,118,987	991,873	919,706	962,890	952,624	874,519	730,347	623,028
Contributions in relation to the contractually required contributions	(2,820,248)	(2,749,956)	(2,602,827)	(2,504,704)	(2,243,904)	(2,345,299)	(2,406,680)	(2,179,492)	(1,875,387)	(1,648,729)
Contribution deficiency (excess)	<u>\$ (491)</u>	<u>\$ (2)</u>	<u>\$ 300</u>	<u>\$ 108</u>	<u>\$ (2,481)</u>	<u>\$ 42</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,035</u>
City of Manhattan's covered payroll	\$ 22,169,631	\$ 23,030,361	\$ 21,681,883	\$ 21,019,746	\$ 20,047,821	\$ 19,410,097	\$ 18,422,768	\$ 18,016,283	\$ 17,139,649	\$ 16,232,981
Contributions as a percentage of covered payroll	12.7%	11.9%	12.0%	11.9%	12.1%	13.1%	12.1%	10.9%	10.2%	9.3%

The data is presented on a calendar year end basis.

CITY OF MANHATTAN, KANSAS
Schedule of Changes in the City's Total OPEB Liability and Related Ratios - Retiree Medical Plan
Last Four Fiscal Years¹

	2021	2020	2019	2018
Total OPEB liability:				
Service cost	\$ 86,384	\$ 148,052	\$ 162,220	\$ 146,086
Interest cost	33,241	78,836	65,032	62,814
Changes of assumptions and inputs	80,514	(752,116)	(131,158)	61,810
Economic gains and losses	-	(84,719)	-	-
Benefit payments	(18,205)	(57,420)	(41,925)	(74,000)
Net change in total OPEB liability	181,934	(667,367)	54,169	196,710
Total OPEB liability, beginning	1,135,838	1,803,205	1,749,036	1,552,326
Total OPEB liability, ending	<u>\$ 1,317,772</u>	<u>\$ 1,135,838</u>	<u>\$ 1,803,205</u>	<u>\$ 1,749,036</u>
Covered payroll	\$ 20,470,141	\$ 21,688,964	\$ 20,372,888	\$ 19,501,470
City's total OPEB liability as a percentage of covered payroll	6.44%	5.24%	8.85%	8.97%

¹ GASB 75 requires the presentation of ten years. Data was not available prior to fiscal year 2018; therefore, ten years of data is unavailable.

CITY OF MANHATTAN, KANSAS
Schedule of Changes in the City's Total OPEB Liability and Related Ratios -
Disability Benefits and Life Insurance
Last Five Fiscal Years¹

	2021	2020	2019	2018	2017
Total OPEB liability:					
Service cost	\$ 68,745	\$ 56,885	\$ 56,168	\$ 55,817	\$ 56,189
Interest on total OPEB liability	19,149	22,487	16,780	15,626	11,363
Effect of economic/demographic gains or losses	85,700	166,019	177,739	(53,396)	-
Effect of assumptions changes or inputs	2,726	80,720	11,906	(5,263)	(12,809)
Benefit payments	(133,962)	(93,980)	(15,490)	(16,600)	(16,600)
Net change in total OPEB liability	42,358	232,131	247,103	(3,816)	38,143
Total OPEB liability, beginning	864,325	632,194	385,091	388,907	350,764
Total OPEB liability, ending	<u>\$ 906,683</u>	<u>\$ 864,325</u>	<u>\$ 632,194</u>	<u>\$ 385,091</u>	<u>\$ 388,907</u>
Covered payroll	\$ 16,187,671	\$ 15,755,136	\$ 14,785,584	\$ 14,915,895	\$ 13,852,617
City's total OPEB liability as a percentage of covered payroll	5.60%	5.49%	4.28%	2.58%	2.81%

¹ GASB 75 requires the presentation of ten years. Data was not available prior to fiscal year 2017; therefore, ten years of data is unavailable.



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Nonmajor Governmental Funds

**For the Year Ended
December 31, 2021**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action and are grouped by budgeted and non-budgeted funds.

BUDGETED SPECIAL REVENUE FUNDS:

City/University Projects

This fund accounts for an agreement with Kansas State University for special joint projects.

Business Improvement Districts

This fund accounts for the beautification of business districts.

Economic Development

This fund accounts for a five-year sales tax to promote new industrial development.

Library

This fund accounts for the operation of the municipal library.

Sales Tax

This fund accounts for sales tax and transfers it to the General Fund and other funds.

Special Alcohol Programs

This fund accounts for special alcohol liquor tax for the prevention or treatment of alcohol and substance abuse.

Special Parks and Recreation

This fund accounts for special alcohol liquor tax for recreation.

Special Street and Highway

This fund accounts for state gasoline tax monies for streets and highways.

Tourism and Convention Promotion

This fund accounts for special hotel guest tax for tourism.

Recreation and Trails Sales Tax

This fund accounts for a special ten-year, one-fourth cent sales tax (.25) that will be dedicated for identified indoor and outdoor recreation and trail improvements.

Special Street Maintenance

This fund accounts for a special ten-year, two-tenths cents sales tax (.20) that will be dedicated for street maintenance across the community.

NON-BUDGETED SPECIAL REVENUE FUNDS:

Sunset Cemetery

This fund accounts for bequests received from individual citizens, the interest income from which is used for the upkeep of lots designated by the donor and also for flowers for these lots each Memorial Day at Sunset Cemetery.

CID Sales Tax

This fund accounts for the Manhattan Town Center (MTC) Community Improvement District sales tax revenue, which will be used to pay for costs of MTC grounds exterior and building exterior/interior.

State and Federal Grants

This fund accounts for all State and Federal grants received by the City.

DEBT SERVICE FUNDS

Debt service funds are used to account for the resources accumulated and payments made for principal and interest on long-term debt of governmental funds.

Downtown Redevelopment Senior Lien TIF Bonds

This fund accounts for the resources accumulated and payments made for principal and interest on the Senior Lien Tax Increment Financing (TIF) Bonds issued for the North Downtown Redevelopment District.

Combined TDD

This fund accounts for the payment of the principal and interest on the various Transportation Development District Sales Tax Revenue Bonds and the excise/sales tax revenues collected from within the various Transportation Development Districts. These revenues are pledged as security on the bonds and will be used to retire the bonds.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the financing and acquisition and construction of various city-wide improvements.

Aggieville TIF

This fund accounts for projects in Aggieville.

PERMANENT FUND

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

Sunrise Cemetery Perpetual Care

This fund accounts for twenty-five percent of the purchase price of the lots in Sunrise Cemetery for the upkeep and perpetual care of such lots.

CITY OF MANHATTAN, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2021

	Special Revenue				
	City/ University Projects	Business Improvement Districts	Economic Development	Library	Sales Tax
ASSETS					
Cash and cash equivalents	\$ 525,166	\$ 7,550	\$ 7,133,153	\$ 634	\$ 194,741
Investments with fiscal agent	-	-	-	-	-
Receivables:					
Accounts	-	16,527	-	-	-
Intergovernmental	-	-	-	-	-
Sales tax	-	-	423,857	-	1,244,660
Transient guest tax receivable	-	-	-	-	-
Property tax	-	-	-	3,339,040	-
Other loans	-	-	4,121,249	-	-
Total Assets	\$ 525,166	\$ 24,077	\$ 11,678,259	\$ 3,339,674	\$ 1,439,401
LIABILITIES					
Accounts payable	\$ -	\$ 7,550	\$ 16,625	\$ -	\$ -
Accrued payroll	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total Liabilities	-	7,550	16,625	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	3,339,040	-
Unavailable revenue - receivables	-	16,527	4,121,249	-	-
Total Deferred Inflows of Resources	-	16,527	4,121,249	3,339,040	-
FUND BALANCE					
Nonspendable - perpetual care	-	-	-	-	-
Restricted:					
Urban development & housing	525,166	-	7,532,793	-	-
General government	-	-	-	-	1,439,401
Capital projects	-	-	-	-	-
Culture & recreation	-	-	-	634	-
Public works	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned - purchases on order	-	-	7,592	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	525,166	-	7,540,385	634	1,439,401
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 525,166	\$ 24,077	\$ 11,678,259	\$ 3,339,674	\$ 1,439,401

(Continued)

CITY OF MANHATTAN, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
December 31, 2021

	Special Revenue				
	Special Alcohol Programs	Special Parks and Recreation	Special Street and Highway	Tourism and Convention Promotion	Recreation and Trails Sales Tax
ASSETS					
Cash and cash equivalents	\$ -	\$ 640,260	\$ 3,057,674	\$ -	\$ 6,664,569
Investments with fiscal agent	-	-	-	-	-
Receivables:					
Accounts	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Sales tax	-	-	-	-	672,400
Transient guest tax receivable	-	-	-	646,295	-
Property tax	-	-	-	-	-
Other loans	-	-	-	-	-
Total Assets	\$ -	\$ 640,260	\$ 3,057,674	\$ 646,295	\$ 7,336,969
LIABILITIES					
Accounts payable	\$ -	\$ 7,500	\$ 459,375	\$ -	\$ -
Accrued payroll	-	-	1,035	-	-
Unearned revenue	-	-	-	-	-
Total Liabilities	-	7,500	460,410	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - receivables	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
FUND BALANCE					
Nonspendable - perpetual care	-	-	-	-	-
Restricted:					
Urban development & housing	-	-	-	646,295	-
General government	-	-	-	-	-
Capital projects	-	-	-	-	-
Culture & recreation	-	632,760	-	-	7,336,969
Public works	-	-	2,557,076	-	-
Debt service	-	-	-	-	-
Assigned - purchases on order	-	-	40,188	-	-
Unassigned	-	-	-	-	-
Total Fund Balance	-	632,760	2,597,264	646,295	7,336,969
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ -	\$ 640,260	\$ 3,057,674	\$ 646,295	\$ 7,336,969

(Continued)

CITY OF MANHATTAN, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
December 31, 2021

	Special Revenue				
	Special Street Maintenance	Sunset Cemetery	CID Sales Tax	State and Federal Grants	Total
ASSETS					
Cash and cash equivalents	\$ 3,075,518	\$ 89,426	\$ 196,525	\$ (27,874)	\$ 21,557,342
Investments with fiscal agent	-	-	-	-	-
Receivables:					
Accounts	-	-	-	-	16,527
Intergovernmental	-	-	-	103,501	103,501
Sales tax	530,639	-	87,136	-	2,958,692
Transient guest tax	-	-	-	-	646,295
Property tax	-	-	-	-	3,339,040
Other loans	-	-	-	-	4,121,249
Total Assets	\$ 3,606,157	\$ 89,426	\$ 283,661	\$ 75,627	\$ 32,742,646
LIABILITIES					
Accounts payable	\$ 137,606	\$ 264	\$ -	\$ 82,568	\$ 711,488
Accrued payroll	-	-	-	1,994	3,029
Unearned revenue	-	-	-	3,885	3,885
Total Liabilities	137,606	264	-	88,447	718,402
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	3,339,040
Unavailable revenue - receivables	-	-	-	-	4,137,776
Total Deferred Inflows of Resources	-	-	-	-	7,476,816
FUND BALANCE					
Nonspendable - perpetual care	-	-	-	-	-
Restricted:					
Urban development & housing	-	89,162	283,661	685	9,077,762
General government	-	-	-	-	1,439,401
Capital projects	-	-	-	-	-
Culture & recreation	-	-	-	-	7,970,363
Public works	3,456,140	-	-	-	6,013,216
Debt service	-	-	-	-	-
Assigned - purchases on order	12,411	-	-	-	60,191
Unassigned	-	-	-	(13,505)	(13,505)
Total Fund Balance	3,468,551	89,162	283,661	(12,820)	24,547,428
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 3,606,157	\$ 89,426	\$ 283,661	\$ 75,627	\$ 32,742,646

(Continued)

CITY OF MANHATTAN, KANSAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
(Continued)
December 31, 2021

	Debt Service			Capital Projects	Permanent	
	Downtown Redevelopment Senior Lien TIF Bonds	Combined TDD	Total	Aggieville TIF	Sunrise Cemetery Perpetual Care	Total Nonmajor Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 105,693	\$ 948,519	\$ 1,054,212	\$ 2,568	\$ 260,684	\$ 22,874,806
Investments with fiscal agent	2,614,939	-	2,614,939	-	-	2,614,939
Receivables:						
Accounts	-	-	-	-	-	16,527
Intergovernmental	-	-	-	-	-	103,501
Sales tax	170,327	83,273	253,600	-	-	3,212,292
Transient guest tax	-	-	-	-	-	646,295
Property tax	-	-	-	-	-	3,339,040
Other loans	-	-	-	-	-	4,121,249
Total Assets	\$ 2,890,959	\$ 1,031,792	\$ 3,922,751	\$ 2,568	\$ 260,684	\$ 36,928,649
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 711,488
Accrued payroll	-	-	-	-	-	3,029
Unearned revenue	-	-	-	-	-	3,885
Total Liabilities	-	-	-	-	-	718,402
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	-	-	-	-	-	3,339,040
Unavailable revenue - receivables	-	-	-	-	-	4,137,776
Total Deferred Inflows of Resources	-	-	-	-	-	7,476,816
FUND BALANCE						
Nonspendable - perpetual care	-	-	-	-	260,684	260,684
Restricted:						
Urban development & housing	-	-	-	-	-	9,077,762
General government	-	-	-	-	-	1,439,401
Capital projects	-	-	-	2,568	-	2,568
Culture & recreation	-	-	-	-	-	7,970,363
Public works	-	-	-	-	-	6,013,216
Debt service	2,890,959	1,031,792	3,922,751	-	-	3,922,751
Assigned - purchases on order	-	-	-	-	-	60,191
Unassigned	-	-	-	-	-	(13,505)
Total Fund Balance	2,890,959	1,031,792	3,922,751	2,568	260,684	28,733,431
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 2,890,959	\$ 1,031,792	\$ 3,922,751	\$ 2,568	\$ 260,684	\$ 36,928,649

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

	Special Revenue			
	City/ University Projects	Business Improvement Districts	Economic Development	Library
REVENUES				
Taxes	\$ 461,328	\$ -	\$ 2,306,995	\$ 3,481,392
Intergovernmental	-	-	-	-
Charges for services	-	153,593	-	-
Investment income	-	-	(16,852)	144
Miscellaneous	7,811	-	627,037	-
Total Revenue	469,139	153,593	2,917,180	3,481,536
EXPENDITURES				
Current				
General government	4,500	-	-	-
Public works	-	-	-	-
Urban development and housing	-	154,615	1,520,352	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	3,347,403
Capital outlay	-	-	38,345	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	4,500	154,615	1,558,697	3,347,403
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	464,639	(1,022)	1,358,483	134,133
OTHER FINANCING SOURCES (USES)				
Transfers in	187,199	-	-	-
Transfers out	(500,000)	-	(2,404,718)	(133,500)
Total Other Financing Sources (Uses)	(312,801)	-	(2,404,718)	(133,500)
NET CHANGE IN FUND BALANCES	151,838	(1,022)	(1,046,235)	633
FUND BALANCE - BEGINNING OF YEAR	373,328	1,022	8,586,620	1
FUND BALANCE - END OF YEAR	\$ 525,166	\$ -	\$ 7,540,385	\$ 634

(Continued)

CITY OF MANHATTAN, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-NONMAJOR GOVERNMENTAL FUNDS
(Continued)

For the Year Ended December 31, 2021

	Special Revenue			
	Sales Tax	Special Alcohol Programs	Special Parks and Recreation	Special Street and Highway
REVENUES				
Taxes	\$ 6,779,157	\$ -	\$ -	\$ -
Intergovernmental	-	435,728	435,728	1,774,959
Charges for services	-	-	-	-
Investment income	-	1	512	2,122
Miscellaneous	-	5,571	7,476	10,000
Total Revenue	6,779,157	441,300	443,716	1,787,081
EXPENDITURES				
Current				
General government	-	444,582	-	-
Public works	-	-	-	93,797
Urban development and housing	-	-	-	-
Culture/recreation	-	-	26,250	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	26,758	1,297,615
Debt service				
Principal	-	-	73,852	50,573
Interest and fiscal charges	-	-	10,464	4,367
Total Expenditures	-	444,582	137,324	1,446,352
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	6,779,157	(3,282)	306,392	340,729
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	39,566	-
Transfers out	(6,470,000)	-	(450,309)	(301,389)
Total Other Financing Sources (Uses)	(6,470,000)	-	(410,743)	(301,389)
NET CHANGE IN FUND BALANCES	309,157	(3,282)	(104,351)	39,340
FUND BALANCE - BEGINNING OF YEAR	1,130,244	3,282	737,111	2,557,924
FUND BALANCE - END OF YEAR	\$ 1,439,401	\$ -	\$ 632,760	\$ 2,597,264

(Continued)

CITY OF MANHATTAN, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-NONMAJOR GOVERNMENTAL FUNDS
(Continued)

For the Year Ended December 31, 2021

	Special Revenue			
	Tourism and Convention Promotion	Recreation and Trails Sales Tax	Special Street Maintenance	Sunset Cemetery
REVENUES				
Taxes	\$ 1,769,956	\$ 3,744,347	\$ 2,954,156	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	70
Miscellaneous	-	-	-	-
Total Revenue	1,769,956	3,744,347	2,954,156	70
EXPENDITURES				
Current				
General government	-	-	-	-
Public works	-	-	1,609,084	-
Urban development and housing	1,179,384	-	-	-
Culture/recreation	-	-	-	264
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,179,384	-	1,609,084	264
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	590,572	3,744,347	1,345,072	(194)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	123	-
Transfers out	(437,444)	(4,965,161)	(205,683)	-
Total Other Financing Sources (Uses)	(437,444)	(4,965,161)	(205,560)	-
NET CHANGE IN FUND BALANCES	153,128	(1,220,814)	1,139,512	(194)
FUND BALANCE - BEGINNING OF YEAR	493,167	8,557,783	2,329,039	89,356
FUND BALANCE - END OF YEAR	\$ 646,295	\$ 7,336,969	\$ 3,468,551	\$ 89,162

(Continued)

CITY OF MANHATTAN, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-NONMAJOR GOVERNMENTAL FUNDS
(Continued)

For the Year Ended December 31, 2021

	Special Revenue			Debt Service
	CID Sales	State and		Downtown
	Tax	Federal		Redevelopment
		Grants	Total	Senior Lien
				TIF Bonds
REVENUES				
Taxes	\$ 413,846	\$ -	\$ 21,911,177	\$ 9,308,788
Intergovernmental	-	979,077	3,625,492	-
Charges for services	-	-	153,593	-
Investment income	-	-	(14,003)	934
Miscellaneous	-	-	657,895	-
Total Revenue	413,846	979,077	26,334,154	9,309,722
EXPENDITURES				
Current				
General government	-	-	449,082	-
Public works	-	993,840	2,696,721	-
Urban development and housing	324,156	10,057	3,188,564	-
Culture/recreation	-	19,079	45,593	-
Culture/recreation-payments to Library	-	-	3,347,403	-
Capital outlay	-	1,000	1,363,718	-
Debt service				
Principal	-	-	124,425	7,850,000
Interest and fiscal charges	-	-	14,831	1,126,085
Total Expenditures	324,156	1,023,976	11,230,337	8,976,085
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	89,690	(44,899)	15,103,817	333,637
OTHER FINANCING SOURCES (USES)				
Transfers in	-	5,673	232,561	-
Transfers out	-	(7,107)	(15,875,311)	(339,745)
Total Other Financing Sources (Uses)	-	(1,434)	(15,642,750)	(339,745)
NET CHANGE IN FUND BALANCES	89,690	(46,333)	(538,933)	(6,108)
FUND BALANCE - BEGINNING OF YEAR	193,971	33,513	25,086,361	2,897,067
FUND BALANCE - END OF YEAR	\$ 283,661	\$ (12,820)	\$ 24,547,428	\$ 2,890,959

(Continued)

CITY OF MANHATTAN, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-NONMAJOR GOVERNMENTAL FUNDS
(Continued)

For the Year Ended December 31, 2021

	<u>Debt Service</u>		<u>Capital Projects</u>	<u>Permanent</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Combined TDD</u>	<u>Total</u>	<u>Aggieville TIF</u>	<u>Sunrise Cemetery</u>	
REVENUES					
Taxes	\$ 443,518	\$ 9,752,306	\$ 2,568	\$ -	\$ 31,666,051
Intergovernmental	-	-	-	-	3,625,492
Charges for services	-	-	-	12,013	165,606
Investment income	463	1,397	-	200	(12,406)
Miscellaneous	-	-	-	-	657,895
Total Revenue	<u>443,981</u>	<u>9,753,703</u>	<u>2,568</u>	<u>12,213</u>	<u>36,102,638</u>
EXPENDITURES					
Current					
General government	-	-	-	-	449,082
Public works	-	-	-	-	2,696,721
Urban development and housing	-	-	-	-	3,188,564
Culture/recreation	-	-	-	-	45,593
Culture/recreation-payments to Library	-	-	-	-	3,347,403
Capital outlay	-	-	-	-	1,363,718
Debt service					
Principal	215,000	8,065,000	-	-	8,189,425
Interest and fiscal charges	206,425	1,332,510	-	-	1,347,341
Total Expenditures	<u>421,425</u>	<u>9,397,510</u>	<u>-</u>	<u>-</u>	<u>20,627,847</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>22,556</u>	<u>356,193</u>	<u>2,568</u>	<u>12,213</u>	<u>15,474,791</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	80,475	80,475	-	-	313,036
Transfers out	-	(339,745)	-	-	(16,215,056)
Total Other Financing Sources (Uses)	<u>80,475</u>	<u>(259,270)</u>	<u>-</u>	<u>-</u>	<u>(15,902,020)</u>
NET CHANGE IN FUND BALANCES	103,031	96,923	2,568	12,213	(427,229)
FUND BALANCE - BEGINNING OF YEAR	<u>928,761</u>	<u>3,825,828</u>	<u>-</u>	<u>248,471</u>	<u>29,160,660</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,031,792</u>	<u>\$ 3,922,751</u>	<u>\$ 2,568</u>	<u>\$ 260,684</u>	<u>\$ 28,733,431</u>



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Budgetary Schedules Section

**For the Year Ended
December 31, 2021**

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
For The Year Ended December 31, 2021

Employee Benefit Contribution				
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 2,421,500	\$ 2,421,500	\$ 2,383,452	\$ (38,048)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenue	<u>2,421,500</u>	<u>2,421,500</u>	<u>2,383,452</u>	<u>(38,048)</u>
EXPENDITURES				
Current				
General government	5,846,500	5,846,500	3,951,177	1,895,323
Public safety	-	-	223,063	(223,063)
Public works	-	-	431,330	(431,330)
Urban development and housing	-	-	97,053	(97,053)
Culture/recreation	-	-	754,288	(754,288)
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>5,846,500</u>	<u>5,846,500</u>	<u>5,456,911</u>	<u>389,589</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,425,000)</u>	<u>(3,425,000)</u>	<u>(3,073,459)</u>	<u>351,541</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,425,000	3,425,000	3,425,000	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>3,425,000</u>	<u>3,425,000</u>	<u>3,425,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>351,541</u>	<u>\$ 351,541</u>
FUND BALANCE - BEGINNING OF YEAR			<u>-</u>	
FUND BALANCE - END OF YEAR			351,541	
ADJUSTMENTS TO GAAP				
Encumbrances			<u>-</u>	
FUND BALANCE-GAAP BASIS			<u>\$ 351,541</u>	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)

For The Year Ended December 31, 2021

Fire Equipment Reserve				
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 499,967	\$ 499,967	\$ 494,887	\$ (5,080)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	47	47
Miscellaneous	-	-	8,200	8,200
Total Revenue	499,967	499,967	503,134	3,167
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	1,055,929	(1,055,929)
Debt service				
Principal	457,258	457,258	412,403	44,855
Interest and fiscal charges	55,925	55,925	55,743	182
Total Expenditures	513,183	513,183	1,524,075	(1,010,892)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(13,216)	(13,216)	(1,020,941)	(1,007,725)
OTHER FINANCING SOURCES (USES)				
Capital leases	-	-	1,050,000	1,050,000
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	1,050,000	1,050,000
NET CHANGE IN FUND BALANCES	\$ (13,216)	\$ (13,216)	29,059	\$ 42,275
FUND BALANCE - BEGINNING OF YEAR			102,414	
FUND BALANCE - END OF YEAR			131,473	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			\$ 131,473	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)

For The Year Ended December 31, 2021

Fire Pension KP&F				
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 547,423	\$ 547,423	\$ 543,663	\$ (3,760)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenue	<u>547,423</u>	<u>547,423</u>	<u>543,663</u>	<u>(3,760)</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	1,155,000	1,350,000	1,256,344	93,656
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>1,155,000</u>	<u>1,350,000</u>	<u>1,256,344</u>	<u>93,656</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(607,577)</u>	<u>(802,577)</u>	<u>(712,681)</u>	<u>89,896</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	180,000	375,000	712,681	337,681
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>180,000</u>	<u>375,000</u>	<u>712,681</u>	<u>337,681</u>
NET CHANGE IN FUND BALANCES	<u>\$ (427,577)</u>	<u>\$ (427,577)</u>	<u>-</u>	<u>\$ 427,577</u>
FUND BALANCE - BEGINNING OF YEAR			<u>-</u>	
FUND BALANCE - END OF YEAR			-	
ADJUSTMENTS TO GAAP				
Encumbrances			<u>-</u>	
FUND BALANCE-GAAP BASIS			<u>\$ -</u>	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)

For The Year Ended December 31, 2021

General Improvement				
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	124	124
Miscellaneous	-	-	-	-
Total Revenue	-	-	124	124
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	137,167	137,167	39,802	97,365
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	137,167	137,167	39,802	97,365
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(137,167)	(137,167)	(39,678)	97,489
OTHER FINANCING SOURCES (USES)				
Transfers in	65,000	65,000	65,000	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	65,000	65,000	65,000	-
NET CHANGE IN FUND BALANCES	\$ (72,167)	\$ (72,167)	25,322	\$ 97,489
FUND BALANCE - BEGINNING OF YEAR			146,699	
FUND BALANCE - END OF YEAR			172,021	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			\$ 172,021	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)

For The Year Ended December 31, 2021

Industrial Promotion				
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ 29	\$ 29
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	37,000	37,000	334	(36,666)
Miscellaneous	42,750	42,750	105,337	62,587
Total Revenue	79,750	79,750	105,700	25,950
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	217,578	217,578	129,782	87,796
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	217,578	217,578	129,782	87,796
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(137,828)	(137,828)	(24,082)	113,746
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ (137,828)	\$ (137,828)	(24,082)	\$ 113,746
FUND BALANCE - BEGINNING OF YEAR			439,019	
FUND BALANCE - END OF YEAR			414,937	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			\$ 414,937	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)

For The Year Ended December 31, 2021

	Park Development			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	39	39
Miscellaneous	-	-	-	-
Total Revenue	-	-	39	39
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	48,440	48,440	-	48,440
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	48,440	48,440	-	48,440
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(48,440)	(48,440)	39	48,479
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	\$ (48,440)	\$ (48,440)	39	\$ 48,479
FUND BALANCE - BEGINNING OF YEAR			49,621	
FUND BALANCE - END OF YEAR			49,660	
ADJUSTMENTS TO GAAP			-	
Encumbrances				
FUND BALANCE-GAAP BASIS			\$ 49,660	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)

For The Year Ended December 31, 2021

Special Sunset Zoo				
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	127,983	127,983
Charges for services	422,500	422,500	348,361	(74,139)
Investment income	1,500	1,500	107	(1,393)
Miscellaneous	5,000	5,000	11,609	6,609
Total Revenue	429,000	429,000	488,060	59,060
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	448,500	448,500	244,985	203,515
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	448,500	448,500	244,985	203,515
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(19,500)	(19,500)	243,075	262,575
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	7,217	7,217
Transfers out	(30,500)	(30,500)	(28,199)	2,301
Total Other Financing Sources (Uses)	(30,500)	(30,500)	(20,982)	9,518
NET CHANGE IN FUND BALANCES	\$ (50,000)	\$ (50,000)	222,093	\$ 272,093
FUND BALANCE - BEGINNING OF YEAR			23,677	
FUND BALANCE - END OF YEAR			245,770	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			\$ 245,770	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)

For The Year Ended December 31, 2021

Risk Management Reserve				
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenue	-	-	-	-
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	103,609	103,609	-	103,609
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	103,609	103,609	-	103,609
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(103,609)	(103,609)	-	103,609
OTHER FINANCING SOURCES (USES)				
Transfers in	60,000	60,000	-	(60,000)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	60,000	60,000	-	(60,000)
NET CHANGE IN FUND BALANCES	\$ (43,609)	\$ (43,609)	-	\$ 43,609
FUND BALANCE - BEGINNING OF YEAR			146,110	
FUND BALANCE - END OF YEAR			146,110	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			\$ 146,110	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SEPARATELY BUDGETED FUNDS INCLUDED WITH THE GENERAL FUND
(Continued)

For the Year Ended December 31, 2021

Equipment Reserve				
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenue	-	-	-	-
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	75,524	(75,524)
Debt service				
Principal	96,715	115,000	58,070	56,930
Interest and fiscal charges	-	-	6,930	(6,930)
Total Expenditures	96,715	115,000	140,524	(25,524)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(96,715)	(115,000)	(140,524)	(25,524)
OTHER FINANCING SOURCES (USES)				
Transfers in	96,715	105,670	96,715	(8,955)
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	96,715	105,670	96,715	(8,955)
NET CHANGE IN FUND BALANCES	\$ -	\$ (9,330)	(43,809)	\$ (34,479)
FUND BALANCE - BEGINNING OF YEAR			45,227	
FUND BALANCE - END OF YEAR			1,418	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			\$ 1,418	

CITY OF MANHATTAN, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) -
DEBT SERVICE FUND

For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	with Final
				Budget
REVENUES				
Taxes	\$ 3,966,486	\$ 3,966,486	\$ 4,511,625	\$ 545,139
Special assessments	6,777,911	6,777,911	7,606,734	828,823
Charges for services	312,719	312,719	-	(312,719)
Investment income	61,769	61,769	1,185	(60,584)
Miscellaneous revenues	5,866,450	5,866,450	289,050	(5,577,400)
Total Revenues	16,985,335	16,985,335	12,408,594	(4,576,741)
EXPENDITURES				
Current				
General government	-	-	36,191	(36,191)
Debt service				
Principal	12,849,301	12,849,301	10,269,301	2,580,000
Bond issuance costs	-	-	131,096	(131,096)
Interest and fiscal charges	4,352,360	4,352,360	3,649,907	702,453
Other	9,056,839	9,056,839	-	9,056,839
Total Expenditures	26,258,500	26,258,500	14,086,495	12,172,005
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	(9,273,165)	(9,273,165)	(1,677,901)	7,595,264
OTHER FINANCING SOURCES (USES)				
General obligation bonds issued	-	-	110,464	110,464
Premium on general obligation bonds	-	-	11,205	11,205
Transfers in	5,198,139	5,198,139	1,960,403	(3,237,736)
Transfers out	-	-	(188,724)	(188,724)
Total Other Financing Sources (Uses)	5,198,139	5,198,139	1,893,348	(3,304,791)
NET CHANGE IN FUND BALANCES	\$ (4,075,026)	\$ (4,075,026)	215,447	\$ 4,290,473
FUND BALANCE - BEGINNING OF YEAR			5,610,932	
FUND BALANCE - END OF YEAR			5,826,379	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE - GAAP BASIS			\$ 5,826,379	

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2021

City/University Projects				
REVENUES	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Taxes	\$ 594,000	\$ 594,000	\$ 461,328	\$ (132,672)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	7,811	7,811
Total Revenue	594,000	594,000	469,139	(124,861)
EXPENDITURES				
Current				
General government	2,924	2,924	4,500	(1,576)
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	2,924	2,924	4,500	(1,576)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	591,076	591,076	464,639	(126,437)
OTHER FINANCING SOURCES (USES)				
Transfers in	135,000	135,000	187,199	52,199
Transfers out	(850,000)	(850,000)	(500,000)	350,000
Total Other Financing Sources (Uses)	(715,000)	(715,000)	(312,801)	402,199
NET CHANGE IN FUND BALANCES	\$ (123,924)	\$ (123,924)	151,838	\$ 275,762
FUND BALANCE - BEGINNING OF YEAR			373,328	
FUND BALANCE - END OF YEAR			525,166	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			\$ 525,166	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS

(Continued)

For the Year Ended December 31, 2021

Business Improvement Districts			
Aggieville Business Improvement District			
	Budgeted Amounts		Variance with
	Original	Final	Final Budget
REVENUES			
Taxes	\$ 72,500	\$ 72,500	\$ (72,500)
Intergovernmental	-	-	-
Charges for services	-	-	69,924
Investment income	-	-	-
Miscellaneous	-	-	-
Total Revenue	<u>72,500</u>	<u>72,500</u>	<u>(2,576)</u>
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Urban development and housing	72,500	72,500	1,585
Culture/recreation	-	-	-
Culture/recreation-payments to Library	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	<u>72,500</u>	<u>72,500</u>	<u>1,585</u>
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(991)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>(991)</u>
FUND BALANCE - BEGINNING OF YEAR			<u>991</u>
FUND BALANCE - END OF YEAR			-
ADJUSTMENTS TO GAAP			
Encumbrances			<u>-</u>
FUND BALANCE-GAAP BASIS			<u>\$ -</u>

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS

(Continued)

For the Year Ended December 31, 2021

	Business Improvement Districts			
	Downtown Business Improvement District			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	89,500	89,500	83,669	(5,831)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenue	89,500	89,500	83,669	(5,831)
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	89,594	89,594	83,700	5,894
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	89,594	89,594	83,700	5,894
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	(94)	(94)	(31)	63
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)			-	-
NET CHANGE IN FUND BALANCES	\$ (94)	\$ (94)	(31)	\$ 63
FUND BALANCE - BEGINNING OF YEAR			31	
FUND BALANCE - END OF YEAR			-	
ADJUSTMENTS TO GAAP				
Encumbrances			-	
FUND BALANCE-GAAP BASIS			\$ -	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS

(Continued)

For the Year Ended December 31, 2021

	Economic Development			
	Budgeted Amounts			Variance with
REVENUES	Original	Final	Actual	Final Budget
Taxes	\$ 2,373,000	\$ 2,373,000	\$ 2,306,995	\$ (66,005)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	69,413	69,413	(16,852)	(86,265)
Miscellaneous	457,917	457,917	627,037	169,120
Total Revenue	2,900,330	2,900,330	2,917,180	16,850
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	8,902,533	8,902,533	1,508,810	7,393,723
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	38,345	(38,345)
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	8,902,533	8,902,533	1,547,155	7,355,378
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	(6,002,203)	(6,002,203)	1,370,025	7,372,228
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(2,373,418)	(2,373,418)	(2,404,718)	(31,300)
Total Other Financing Sources (Uses)	(2,373,418)	(2,373,418)	(2,404,718)	(31,300)
NET CHANGE IN FUND BALANCES	\$ (8,375,621)	\$ (8,375,621)	(1,034,693)	\$ 7,340,928
FUND BALANCE - BEGINNING OF YEAR			8,567,486	
FUND BALANCE - END OF YEAR			7,532,793	
ADJUSTMENTS TO GAAP				
Encumbrances			7,592	
FUND BALANCE-GAAP BASIS			\$ 7,540,385	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS

(Continued)

For the Year Ended December 31, 2021

	Library			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 2,798,500	\$ 2,798,500	\$ 2,779,435	\$ (19,065)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	127	127
Miscellaneous	-	-	-	-
Total Revenue	<u>2,798,500</u>	<u>2,798,500</u>	<u>2,779,562</u>	<u>(18,938)</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	2,665,000	2,665,000	2,646,053	18,947
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>2,665,000</u>	<u>2,665,000</u>	<u>2,646,053</u>	<u>18,947</u>
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>133,500</u>	<u>133,500</u>	<u>133,509</u>	<u>9</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(133,500)	(133,500)	(133,500)	-
Total Other Financing Sources (Uses)	<u>(133,500)</u>	<u>(133,500)</u>	<u>(133,500)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>9</u>	<u>\$ 9</u>
FUND BALANCE - BEGINNING OF YEAR			<u>1</u>	
FUND BALANCE - END OF YEAR			10	
ADJUSTMENTS TO GAAP				
Encumbrances			<u>-</u>	
FUND BALANCE-GAAP BASIS			<u>\$ 10</u>	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS

(Continued)

For the Year Ended December 31, 2021

	Library Employee Benefit Contribution			
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 701,350	\$ 701,350	\$ 701,957	\$ 607
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	17	17
Miscellaneous	-	-	-	-
Total Revenue	<u>701,350</u>	<u>701,350</u>	<u>701,974</u>	<u>624</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	701,350	701,350	701,350	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>701,350</u>	<u>701,350</u>	<u>701,350</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>624</u>	<u>624</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>624</u>	<u>\$ 624</u>
FUND BALANCE - BEGINNING OF YEAR			<u>-</u>	
FUND BALANCE - END OF YEAR			624	
ADJUSTMENTS TO GAAP				
Encumbrances			<u>-</u>	
FUND BALANCE-GAAP BASIS			<u>\$ 624</u>	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS

(Continued)

For the Year Ended December 31, 2021

Sales Tax			
	Budgeted Amounts		Variance with Final Budget
	Original	Final	
REVENUES			
Taxes	\$ 5,870,000	\$ 6,410,904	\$ 6,779,157
Intergovernmental	-	-	-
Charges for services	-	-	-
Investment income	-	-	-
Miscellaneous	-	-	-
Total Revenue	<u>5,870,000</u>	<u>6,410,904</u>	<u>6,779,157</u>
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Urban development and housing	-	-	-
Culture/recreation	-	-	-
Culture/recreation-payments to Library	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,870,000</u>	<u>6,410,904</u>	<u>6,779,157</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(5,870,000)	(6,470,000)	(6,470,000)
Total Other Financing Sources (Uses)	<u>(5,870,000)</u>	<u>(6,470,000)</u>	<u>(6,470,000)</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ (59,096)</u>	<u>309,157</u>
FUND BALANCE - BEGINNING OF YEAR			<u>1,130,244</u>
FUND BALANCE - END OF YEAR			1,439,401
ADJUSTMENTS TO GAAP			
Encumbrances			<u>-</u>
FUND BALANCE-GAAP BASIS			<u>\$ 1,439,401</u>

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS

(Continued)

For the Year Ended December 31, 2021

	Special Alcohol Programs			
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	467,218	467,218	435,728	(31,490)
Charges for services	-	-	-	-
Investment income	300	300	1	(299)
Miscellaneous	500	500	5,571	5,071
Total Revenue	<u>468,018</u>	<u>468,018</u>	<u>441,300</u>	<u>(26,718)</u>
EXPENDITURES				
Current				
General government	471,300	471,300	444,582	26,718
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>471,300</u>	<u>471,300</u>	<u>444,582</u>	<u>26,718</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,282)</u>	<u>(3,282)</u>	<u>(3,282)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ (3,282)</u>	<u>\$ (3,282)</u>	<u>(3,282)</u>	<u>\$ -</u>
FUND BALANCE - BEGINNING OF YEAR			<u>3,282</u>	
FUND BALANCE - END OF YEAR			-	
ADJUSTMENTS TO GAAP				
Encumbrances			<u>-</u>	
FUND BALANCE-GAAP BASIS			<u>\$ -</u>	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

For the Year Ended December 31, 2021

	Special Parks and Recreation			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	429,269	429,269	435,728	6,459
Charges for services	-	-	-	-
Investment income	3,520	3,520	512	(3,008)
Miscellaneous	-	-	7,476	7,476
Total Revenue	<u>432,789</u>	<u>432,789</u>	<u>443,716</u>	<u>10,927</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Culture/recreation	162,886	162,886	24,700	138,186
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	93,000	93,000	26,758	66,242
Debt service				
Principal	73,852	73,852	73,852	-
Interest and fiscal charges	10,464	10,464	10,464	-
Total Expenditures	<u>340,202</u>	<u>340,202</u>	<u>135,774</u>	<u>204,428</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>92,587</u>	<u>92,587</u>	<u>307,942</u>	<u>215,355</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	39,566	39,566
Transfers out	(543,318)	(543,318)	(450,309)	93,009
Total Other Financing Sources (Uses)	<u>(543,318)</u>	<u>(543,318)</u>	<u>(410,743)</u>	<u>132,575</u>
NET CHANGE IN FUND BALANCES	<u>\$ (450,731)</u>	<u>\$ (450,731)</u>	<u>(102,801)</u>	<u>\$ 347,930</u>
FUND BALANCE - BEGINNING OF YEAR			<u>735,561</u>	
FUND BALANCE - END OF YEAR			632,760	
ADJUSTMENTS TO GAAP				
Encumbrances			<u>-</u>	
FUND BALANCE-GAAP BASIS			<u>\$ 632,760</u>	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS

(Continued)

For the Year Ended December 31, 2021

	Special Street and Highway			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,379,060	1,379,060	1,774,959	395,899
Charges for services	-	-	-	-
Investment income	2,600	2,600	2,122	(478)
Miscellaneous	-	-	10,000	10,000
Total Revenue	<u>1,381,660</u>	<u>1,381,660</u>	<u>1,787,081</u>	<u>405,421</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	238,758	238,758	98,520	140,238
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	792,212	3,028,872	1,297,615	1,731,257
Debt service				
Principal	253,721	253,721	50,573	203,148
Interest and fiscal charges	6,968	6,968	4,367	2,601
Total Expenditures	<u>1,291,659</u>	<u>3,528,319</u>	<u>1,451,075</u>	<u>2,077,244</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>90,001</u>	<u>(2,146,659)</u>	<u>336,006</u>	<u>2,482,665</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(90,001)	(90,001)	(301,389)	(211,388)
Total Other Financing Sources (Uses)	<u>(90,001)</u>	<u>(90,001)</u>	<u>(301,389)</u>	<u>(211,388)</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ (2,236,660)</u>	<u>34,617</u>	<u>\$ 2,271,277</u>
FUND BALANCE - BEGINNING OF YEAR			<u>2,522,459</u>	
FUND BALANCE - END OF YEAR			2,557,076	
ADJUSTMENTS TO GAAP				
Encumbrances			<u>40,188</u>	
FUND BALANCE-GAAP BASIS			<u>\$ 2,597,264</u>	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

For the Year Ended December 31, 2021

Tourism and Convention Promotion			
	Budgeted Amounts		Variance with
	Original	Final	Final Budget
REVENUES			
Taxes	\$ 2,100,682	\$ 2,100,682	\$ 1,769,956
Intergovernmental	-	-	-
Charges for services	-	-	-
Investment income	-	-	-
Miscellaneous	-	-	-
Total Revenue	2,100,682	2,100,682	1,769,956
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Urban development and housing	1,654,848	1,654,848	1,179,384
Culture/recreation	-	-	-
Culture/recreation-payments to Library	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	1,654,848	1,654,848	1,179,384
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	445,834	445,834	590,572
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(445,834)	(445,834)	(437,444)
Total Other Financing Sources (Uses)	(445,834)	(445,834)	(437,444)
NET CHANGE IN FUND BALANCES	\$ -	\$ -	153,128
FUND BALANCE - BEGINNING OF YEAR			493,167
FUND BALANCE - END OF YEAR			646,295
ADJUSTMENTS TO GAAP			
Encumbrances			-
FUND BALANCE-GAAP BASIS			\$ 646,295

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS

(Continued)

For the Year Ended December 31, 2021

Recreation and Trails Sales Tax			
REVENUES	Budgeted Amounts		Variance with
	Original	Final	Final Budget
Taxes	\$ 3,100,000	\$ 3,100,000	\$ 3,744,347
Intergovernmental	-	-	-
Charges for services	-	-	-
Investment income	-	-	-
Miscellaneous	-	-	-
Total Revenue	3,100,000	3,100,000	3,744,347
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Urban development and housing	-	-	-
Culture/recreation	-	-	-
Culture/recreation-payments to Library	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	-	-	-
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	3,100,000	3,100,000	3,744,347
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	(10,800,000)	(10,800,000)	(4,965,161)
Total Other Financing Sources (Uses)	(10,800,000)	(10,800,000)	(4,965,161)
NET CHANGE IN FUND BALANCES	\$ (7,700,000)	\$ (7,700,000)	(1,220,814)
FUND BALANCE - BEGINNING OF YEAR			8,557,783
FUND BALANCE - END OF YEAR			7,336,969
ADJUSTMENTS TO GAAP			
Encumbrances			-
FUND BALANCE-GAAP BASIS			\$ 7,336,969

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

For the Year Ended December 31, 2021

	Special Street Maintenance			
	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	\$ 2,505,906	\$ 2,505,906	\$ 2,954,156	\$ 448,250
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenue	<u>2,505,906</u>	<u>2,505,906</u>	<u>2,954,156</u>	<u>448,250</u>
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	2,511,306	3,511,306	1,614,795	1,896,511
Urban development and housing	-	-	-	-
Culture/recreation	-	-	-	-
Culture/recreation-payments to Library	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>2,511,306</u>	<u>3,511,306</u>	<u>1,614,795</u>	<u>1,896,511</u>
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	<u>(5,400)</u>	<u>(1,005,400)</u>	<u>1,339,361</u>	<u>2,344,761</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	123	123
Transfers out	-	-	(205,683)	(205,683)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(205,560)</u>	<u>(205,560)</u>
NET CHANGE IN FUND BALANCES	<u>\$ (5,400)</u>	<u>\$ (1,005,400)</u>	<u>1,133,801</u>	<u>\$ 2,139,201</u>
FUND BALANCE - BEGINNING OF YEAR			<u>2,322,339</u>	
FUND BALANCE - END OF YEAR			3,456,140	
ADJUSTMENTS TO GAAP				
Encumbrances			<u>12,411</u>	
FUND BALANCE-GAAP BASIS			<u>\$ 3,468,551</u>	

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NONMAJOR GOVERNMENTAL FUNDS
(Continued)

For the Year Ended December 31, 2021

Downtown Redevelopment Senior Lien TIF Bonds			
	Budgeted Amounts		Variance with
	Original	Final	Final Budget
REVENUES			
Taxes	\$ 2,808,373	\$ 3,100,000	\$ 9,308,788
Intergovernmental	-	-	-
Charges for services	-	-	-
Investment income	-	-	934
Miscellaneous	-	-	-
Total Revenue	2,808,373	3,100,000	9,309,722
EXPENDITURES			
Current			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Urban development and housing	-	-	-
Culture/recreation	-	-	-
Culture/recreation-payments to Library	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	2,880,822	3,172,450	7,850,000
Interest and fiscal charges	-	-	1,126,085
Total Expenditures	2,880,822	3,172,450	8,976,085
EXCESS (DEFICIENCY) OF REVENUES			
OVER (UNDER) EXPENDITURES	(72,449)	(72,450)	333,637
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Transfers out	-	-	(339,745)
Total Other Financing Sources (Uses)	-	-	(339,745)
NET CHANGE IN FUND BALANCES	\$ (72,449)	\$ (72,450)	(6,108)
FUND BALANCE - BEGINNING OF YEAR			2,897,067
FUND BALANCE - END OF YEAR			2,890,959
ADJUSTMENTS TO GAAP			
Encumbrances			-
FUND BALANCE-GAAP BASIS			\$ 2,890,959



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Internal Service Funds

**For the Year Ended
December 31, 2021**

INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for services performed by one government organization or department for others. The City uses the funds to purchase and account for photocopy and motor pool supplies, employee health care and workers' compensation.

Motor Pool Fund

This fund serves as a central clearinghouse for the City garage. All fuel, oil, motor vehicle parts, supplies and tools are paid from this fund.

Health Care Fund

This fund serves as the central clearinghouse for all City, Library, and Housing Authority employee health care costs under the City's partially self-funded program.

Workers' Compensation Fund

The City has a partially self-funded workers' compensation program. All claims and administrative expenses are paid from this fund and money is transferred from the budgeted funds.

Photocopy Services Fund

This fund serves as the central clearinghouse for all photocopy related expenses.

CITY OF MANHATTAN, KANSAS
COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS
December 31, 2021

	Motor Pool	Health Care	Workers' Compensation	Photocopy Services	Total
ASSETS					
Current Assets					
Cash and cash equivalents	\$ 68,113	\$ 2,819,422	\$ 1,204,082	\$ -	\$ 4,091,617
Accounts receivable	-	238,227	-	-	238,227
Inventories	49,605	-	-	-	49,605
TOTAL ASSETS	117,718	3,057,649	1,204,082	-	4,379,449
LIABILITIES					
Current Liabilities					
Accounts payable	68,113	16,779	-	-	84,892
Estimated insurance claims payable	-	535,173	538,374	-	1,073,547
TOTAL LIABILITIES	68,113	551,952	538,374	-	1,158,439
NET POSITION					
Unrestricted	49,605	2,505,697	665,708	-	3,221,010
TOTAL NET POSITION	\$ 49,605	\$ 2,505,697	\$ 665,708	\$ -	\$ 3,221,010

CITY OF MANHATTAN, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2021

	Motor Pool	Health Care	Workers' Compensation	Photocopy Services	Total
OPERATING REVENUES					
Service charges	\$ 31,158	\$ 5,981,624	\$ -	\$ 7,804	\$ 6,020,586
Miscellaneous	503	362,019	1,835	-	364,357
Total Operating Revenues	<u>31,661</u>	<u>6,343,643</u>	<u>1,835</u>	<u>7,804</u>	<u>6,384,943</u>
OPERATING EXPENSES					
Commodities	42,468	-	-	642	43,110
Contractual services	8,496	5,679,489	556,487	7,804	6,252,276
Total Operating Expenses	<u>50,964</u>	<u>5,679,489</u>	<u>556,487</u>	<u>8,446</u>	<u>6,295,386</u>
OPERATING INCOME (LOSS)	<u>(19,303)</u>	<u>664,154</u>	<u>(554,652)</u>	<u>(642)</u>	<u>89,557</u>
NON-OPERATING REVENUE					
Investment income	-	2,445	1,122	-	3,567
INCOME (LOSS) BEFORE TRANSFERS	<u>(19,303)</u>	<u>666,599</u>	<u>(553,530)</u>	<u>(642)</u>	<u>93,124</u>
Transfers in	105,072	-	270,000	5,361	380,433
CHANGE IN NET POSITION	<u>85,769</u>	<u>666,599</u>	<u>(283,530)</u>	<u>4,719</u>	<u>473,557</u>
TOTAL NET POSITION - BEGINNING	<u>(36,164)</u>	<u>1,839,098</u>	<u>949,238</u>	<u>(4,719)</u>	<u>2,747,453</u>
TOTAL NET POSITION - ENDING	<u>\$ 49,605</u>	<u>\$ 2,505,697</u>	<u>\$ 665,708</u>	<u>\$ -</u>	<u>\$ 3,221,010</u>

CITY OF MANHATTAN, KANSAS
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2021

	<u>Motor Pool</u>	<u>Health Care</u>	<u>Workers' Compensation</u>	<u>Photocopy Services</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 31,661	\$ 6,118,425	\$ 1,835	\$ 7,804	\$ 6,159,725
Payments to suppliers	(51,672)	(5,914,439)	(460,816)	(13,165)	(6,440,092)
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>(20,011)</u>	<u>203,986</u>	<u>(458,981)</u>	<u>(5,361)</u>	<u>(280,367)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Cash received from other funds	105,072	-	270,000	5,361	380,433
Cash paid to other funds	(16,948)	-	-	-	(16,948)
NET CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	<u>88,124</u>	<u>-</u>	<u>270,000</u>	<u>5,361</u>	<u>363,485</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income	-	2,445	1,122	-	3,567
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	68,113	206,431	(187,859)	-	86,685
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>-</u>	<u>2,612,991</u>	<u>1,391,941</u>	<u>-</u>	<u>4,004,932</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 68,113</u></u>	<u><u>\$ 2,819,422</u></u>	<u><u>\$ 1,204,082</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,091,617</u></u>
Reconciliation of operating income (loss) to net cash flows from operating activities:					
Operating income (loss)	\$ (19,303)	\$ 664,154	\$ (554,652)	\$ (642)	\$ 89,557
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
(Increase) decrease in receivables	-	(225,218)	-	-	(225,218)
(Increase) decrease in inventory	(7,712)	-	-	642	(7,070)
Increase (decrease) in accounts payable and accrued expenses	7,004	(234,950)	95,671	(5,361)	(137,636)
Total Adjustments	<u>(708)</u>	<u>(460,168)</u>	<u>95,671</u>	<u>(4,719)</u>	<u>(369,924)</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u><u>\$ (20,011)</u></u>	<u><u>\$ 203,986</u></u>	<u><u>\$ (458,981)</u></u>	<u><u>\$ (5,361)</u></u>	<u><u>\$ (280,367)</u></u>



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Statistical Section

**For the Year Ended
December 31, 2021**

STATISTICAL SECTION

This part of the City of Manhattan's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents	Page
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	116
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue sources, property tax and sales tax.	127
Debt Capacity	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	137
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	144
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the government provides and the activities it performs.	147

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF MANHATTAN, KANSAS

Net Position By Component

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year			
	2012	2013	2014	2015
Governmental activities				
Net investment in capital assets	\$ (7,750,318)	\$ 17,482,048	\$ 22,478,602	\$ 15,153,617
Restricted	117,628,046	81,794,527	87,708,105	104,518,014
Unrestricted	3,904,246	11,065,220	10,109,991	(8,104,652)
Total governmental activities Net Position	<u>\$ 113,781,974</u>	<u>\$ 110,341,795</u>	<u>\$ 120,296,698</u>	<u>\$ 111,566,979</u>
Business-type activities				
Net investment in capital assets	\$ 87,379,688	\$ 88,798,571	\$ 95,208,986	\$ 101,071,661
Restricted	-	-	-	-
Unrestricted	2,633,077	3,436,268	6,209,185	(37,872)
Total business-type activities Net Position	<u>\$ 90,012,765</u>	<u>\$ 92,234,839</u>	<u>\$ 101,418,171</u>	<u>\$ 101,033,789</u>
Primary government				
Net investment in capital assets	\$ 79,629,370	\$ 106,280,619	\$ 117,687,588	\$ 116,225,278
Restricted	117,628,046	81,794,527	87,708,105	104,518,014
Unrestricted	6,537,323	14,501,488	16,319,176	(8,142,524)
Total primary government Net Position	<u>\$ 203,794,739</u>	<u>\$ 202,576,634</u>	<u>\$ 221,714,869</u>	<u>\$ 212,600,768</u>

(Continued)

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 20,803,629	\$ 37,942,390	\$ 57,166,499	\$ 43,228,374	\$ 50,090,759	\$ 49,907,471
112,486,099	105,323,230	100,169,248	44,397,630	49,933,194	97,398,460
(9,171,110)	(11,806,406)	(9,248,223)	73,257,800	75,295,910	48,373,146
<u>\$ 124,118,618</u>	<u>\$ 131,459,214</u>	<u>\$ 148,087,524</u>	<u>\$ 160,883,804</u>	<u>\$ 175,319,863</u>	<u>\$ 195,679,077</u>
\$ 110,296,275	\$ 115,893,744	\$ 116,897,628	\$ 121,429,692	\$ 127,758,321	\$ 153,314,982
-	-	-	-	-	-
(4,012,674)	(7,875,942)	(1,700,482)	2,359,971	(4,106,856)	(21,662,303)
<u>\$ 106,283,601</u>	<u>\$ 108,017,802</u>	<u>\$ 115,197,146</u>	<u>\$ 123,789,663</u>	<u>\$ 123,651,465</u>	<u>\$ 131,652,679</u>
\$ 131,099,904	\$ 153,836,134	\$ 174,064,127	\$ 164,658,066	\$ 177,849,080	\$ 203,222,453
112,486,099	105,323,230	100,169,248	44,397,630	49,933,194	97,398,460
(13,183,784)	(19,682,348)	(10,948,705)	75,617,771	71,189,054	26,710,843
<u>\$ 230,402,219</u>	<u>\$ 239,477,016</u>	<u>\$ 263,284,670</u>	<u>\$ 284,673,467</u>	<u>\$ 298,971,328</u>	<u>\$ 327,331,756</u>

CITY OF MANHATTAN, KANSAS

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year		
	2012	2013	2014
Expenses			
Governmental activities:			
General government	\$ 14,150,646	\$ 12,184,815	\$ 11,875,764
Public safety	20,038,497	21,870,430	21,882,904
Public works	9,611,675	9,855,929	10,836,220
Urban development and housing	3,831,509	4,246,269	4,866,173
Urban development and housing (capital assets transferred to Housing Authority)	-	-	-
Culture and recreation	7,954,509	8,898,223	9,304,434
Culture and recreation (payments to Library)	2,481,954	2,710,583	2,758,804
Interest on long-term debt	8,103,115	7,368,568	7,112,471
Total governmental activities expenses	66,171,905	67,134,817	68,636,770
Business-type activities:			
Water	7,828,021	7,486,394	8,080,052
Wastewater	6,502,206	7,783,979	8,994,204
Storm water management	1,127,681	1,001,630	1,092,027
Total business-type activities expenses	15,457,908	16,272,003	18,166,283
Total primary government expenses	\$ 81,629,813	\$ 83,406,820	\$ 86,803,053
Program Revenues			
Governmental activities:			
Charges for services:			
General government	\$ 2,881,010	\$ 2,801,355	\$ 2,927,581
Public safety	547,626	629,877	678,543
Public works	86,761	226,856	219,547
Urban development and housing	127,966	126,973	133,669
Culture and recreation	1,897,490	1,828,343	2,161,901
Operating grants and contributions	3,667,084	4,066,771	3,926,624
Capital grants and contributions	5,597,801	2,186,597	18,102,297
Total governmental activities program revenues	14,805,738	11,866,772	28,150,162
Business-type activities:			
Charges for services:			
Water	9,639,695	8,331,963	9,025,858
Wastewater	8,859,560	8,957,234	9,191,695
Storm water management	1,471,039	1,549,749	1,610,773
Operating grants and contributions	-	-	-
Capital grants and contributions	-	-	-
Total business-type activities program revenues	19,970,294	18,838,946	19,828,326
Total primary government program revenues	\$ 34,776,032	\$ 30,705,718	\$ 47,978,488
Net (expense)/revenue			
Governmental activities	\$ (51,366,167)	\$ (55,268,045)	\$ (40,486,608)
Business-type activities	4,512,386	2,566,943	1,662,043
Total primary government net expense	\$ (46,853,781)	\$ (52,701,102)	\$ (38,824,565)

(Continued)

Fiscal Year						
2015	2016	2017	2018	2019	2020	2021
\$ 13,303,797	\$ 14,881,392	\$ 15,369,275	\$ 15,317,764	\$ 16,910,290	\$ 17,869,773	\$ 15,891,759
24,016,656	23,944,176	25,386,999	25,027,060	26,035,561	28,252,971	27,489,565
10,673,143	11,208,494	11,251,329	13,345,811	14,503,573	14,436,411	14,722,396
3,830,335	3,709,900	3,328,870	4,420,801	3,503,009	3,940,005	4,150,196
-	-	-	-	-	-	-
10,273,507	10,520,660	10,971,984	11,624,634	11,079,958	6,637,158	10,475,640
2,903,361	2,935,903	3,061,813	3,114,184	3,175,616	3,335,074	3,347,403
7,012,106	7,574,049	7,128,980	6,645,379	6,773,123	6,613,536	6,183,019
72,012,905	74,774,574	76,499,250	79,495,633	81,981,130	81,084,928	82,259,978
7,861,973	8,086,542	8,973,382	9,170,427	9,741,586	10,460,436	9,984,403
7,649,478	8,210,933	8,250,515	8,910,992	8,240,083	8,784,370	9,163,309
1,122,262	1,219,045	1,674,389	1,864,030	1,813,706	2,785,488	2,328,503
16,633,713	17,516,520	18,898,286	19,945,449	19,795,375	22,030,294	21,476,215
\$ 88,646,618	\$ 92,291,094	\$ 95,397,536	\$ 99,441,082	\$ 101,776,505	\$ 103,115,222	\$ 103,736,193
\$ 2,968,749	\$ 3,022,281	\$ 3,046,897	\$ 3,057,784	\$ 3,016,544	\$ 2,534,279	\$ 2,921,260
651,670	750,769	558,026	512,507	575,131	527,283	770,484
129,254	385,735	70,981	610,768	476,757	-	-
144,190	159,778	144,106	165,443	408,459	153,682	164,847
1,967,670	2,531,162	2,275,533	2,499,610	2,546,516	1,133,346	2,284,967
4,226,572	3,408,120	3,353,714	3,773,771	3,328,159	6,885,189	4,784,088
7,435,992	13,401,984	5,358,486	18,159,186	15,184,495	8,612,937	13,558,615
17,524,097	23,659,829	14,807,743	28,779,069	25,536,061	19,846,716	24,484,261
9,374,774	10,176,576	10,808,239	10,721,533	10,218,726	10,979,584	12,386,348
9,645,758	9,885,370	10,273,901	10,035,169	10,411,754	11,832,835	12,926,461
1,691,371	1,727,191	1,864,770	2,027,065	2,516,881	2,843,200	4,065,133
-	-	-	-	-	-	-
-	-	-	-	-	-	-
20,711,903	21,789,137	22,946,910	22,783,767	23,147,361	25,655,619	29,377,942
\$ 38,236,000	\$ 45,448,966	\$ 37,754,653	\$ 51,562,836	\$ 48,683,422	\$ 45,502,335	\$ 53,862,203
\$ (54,488,808)	\$ (51,114,745)	\$ (61,691,507)	\$ (50,716,564)	\$ (56,445,069)	\$ (61,238,212)	\$ (57,775,717)
4,078,190	4,272,617	4,048,624	2,838,318	3,351,986	3,625,325	7,901,727
\$ (50,410,618)	\$ (46,842,128)	\$ (57,642,883)	\$ (47,878,246)	\$ (53,093,083)	\$ (57,612,887)	\$ (49,873,990)

(Continued)

CITY OF MANHATTAN, KANSAS

Changes in Net Position (Continued)

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year		
	2012	2013	2014
General Revenues and Other Changes in Net Position			
Governmental activities:			
Taxes			
Property taxes, levied for general purposes	\$ 18,247,779	\$ 20,102,584	\$ 21,794,957
Property taxes, levied for debt service	2,583,453	2,725,834	2,089,846
Franchise taxes	3,329,606	3,571,175	3,845,886
Sales taxes	26,653,421	24,902,090	26,895,621
Transient guest taxes	1,172,953	1,242,054	1,336,815
Unrestricted grants and contributions	880,440	1,479,566	488,471
Investment earnings	711,726	105,672	373,923
Miscellaneous	1,994,784	2,095,510	729,315
Transfers	1,820,836	856,597	(7,113,323)
Gain on sales of capital assets	-	-	-
Total governmental activities	57,394,998	57,081,082	50,441,511
Business-type activities:			
Investment earnings	35,617	8,001	18,830
Miscellaneous	242,371	503,727	389,136
Transfers	(1,820,836)	(856,597)	7,113,323
Total business-type activities	(1,542,848)	(344,869)	7,521,289
Total primary government	\$ 55,852,150	\$ 56,736,213	\$ 57,962,800
Change in Net Position			
Governmental activities	\$ 6,028,831	\$ 1,813,037	\$ 9,954,903
Business-type activities	2,969,538	2,222,074	9,183,332
Total primary government	\$ 8,998,369	\$ 4,035,111	\$ 19,138,235

(Continued)

Fiscal Year						
2015	2016	2017	2018	2019	2020	2021
\$ 22,821,549	\$ 26,671,105	\$ 30,026,900	\$ 31,103,915	\$ 29,362,667	\$ 30,345,242	\$ 30,553,288
2,448,114	3,003,296	2,355,563	2,796,007	3,023,652	2,945,629	3,259,243
3,662,022	3,728,027	3,702,504	3,755,173	3,637,274	3,371,782	3,532,877
26,797,630	27,786,733	26,852,223	27,803,821	30,906,060	30,285,653	35,791,351
1,516,102	1,536,416	1,580,364	1,962,504	1,879,542	1,265,815	1,859,956
478,102	478,150	454,166	484,028	490,660	361,134	742,579
23,023	300,749	197,813	388,817	901,575	396,169	187,399
1,197,877	740,592	1,013,450	1,701,877	2,787,371	2,311,499	1,613,844
2,554,154	(578,684)	2,759,428	(3,761,889)	(4,666,101)	4,280,734	2,525,957
-	-	-	-	725,937	110,614	60,429
61,498,573	63,666,384	68,942,411	66,234,253	69,048,637	75,674,271	80,126,923
21,960	48,734	73,882	147,319	234,475	78,755	11,278
363,504	349,777	371,123	431,818	339,955	438,456	414,678
(2,554,154)	578,684	(2,759,428)	3,761,889	4,666,101	(4,280,734)	(2,525,957)
(2,168,690)	977,195	(2,314,423)	4,341,026	5,240,531	(3,763,523)	(2,100,001)
\$ 59,329,883	\$ 64,643,579	\$ 66,627,988	\$ 70,575,279	\$ 74,289,168	\$ 71,910,748	\$ 78,026,922
\$ 7,009,765	\$ 12,551,639	\$ 7,250,904	\$ 15,517,689	\$ 12,603,568	\$ 14,436,059	\$ 22,351,206
1,909,500	5,249,812	1,734,201	7,179,344	8,592,517	(138,198)	5,801,726
\$ 8,919,265	\$ 17,801,451	\$ 8,985,105	\$ 22,697,033	\$ 21,196,085	\$ 14,297,861	\$ 28,152,932

CITY OF MANHATTAN, KANSAS
Fund Balances of Governmental Funds
Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year			
	2012	2013	2014	2015
General fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	1,799,177	1,573,139	1,696,660	1,900,129
Committed	-	-	-	-
Assigned	2,645,765	2,084,997	2,023,100	2,073,337
Unassigned	39,152	354,488	573,403	(144,413)
Total general fund	<u>\$ 4,484,094</u>	<u>\$ 4,012,624</u>	<u>\$ 4,293,163</u>	<u>\$ 3,829,053</u>
All other governmental funds				
Nonspendable	\$ 453,499	\$ 463,401	\$ 469,235	\$ 479,857
Restricted	31,327,467	25,824,272	36,005,251	53,939,156
Committed	57,936	54,677	100,226	26,425
Assigned	12,655,430	15,063,270	7,957,147	8,514,095
Unassigned	-	-	(232,595)	(24,191)
Total all other governmental funds	<u>\$ 44,494,332</u>	<u>\$ 41,405,620</u>	<u>\$ 44,299,264</u>	<u>\$ 62,935,342</u>

(Continued)

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,698,680	2,173,044	1,303,743	1,153,739	-	-
-	-	-	-	-	-
67,945	129,023	-	-	-	89,847
788,329	958,513	3,088,115	4,721,370	8,899,215	12,477,036
<u>\$ 3,554,954</u>	<u>\$ 3,260,580</u>	<u>\$ 4,391,858</u>	<u>\$ 5,875,109</u>	<u>\$ 8,899,215</u>	<u>\$ 12,566,883</u>
\$ 482,105	\$ 495,336	\$ 511,353	\$ 233,358	\$ 248,471	\$ 260,684
62,958,652	60,941,391	47,976,736	45,062,596	51,526,484	94,304,741
100,785	165,296	339,349	-	-	-
892,909	-	-	-	-	60,191
(464,500)	(4,617)	(31,646)	(7,781)	-	(13,505)
<u>\$ 63,969,951</u>	<u>\$ 61,597,406</u>	<u>\$ 48,795,792</u>	<u>\$ 45,288,173</u>	<u>\$ 51,774,955</u>	<u>\$ 94,612,111</u>

CITY OF MANHATTAN, KANSAS
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year			
	2012	2013	2014	2015
Revenues				
Taxes	\$ 51,992,408	\$ 52,543,737	\$ 55,963,123	\$ 57,245,417
Special assessments	6,908,756	6,601,450	6,423,571	6,423,035
Licenses and permits	662,517	736,026	669,088	688,324
Intergovernmental revenues	7,542,013	6,342,587	14,142,519	7,910,181
Charges for services	2,715,993	2,595,552	3,447,684	3,397,834
Fines and forfeitures	1,694,334	1,461,807	1,520,408	1,395,059
Investment income	684,688	309,980	369,467	15,447
Miscellaneous revenues	2,660,000	2,592,512	2,310,729	2,437,227
Total revenues	<u>74,860,709</u>	<u>73,183,651</u>	<u>84,846,589</u>	<u>79,512,524</u>
Expenditures				
General government	10,743,369	9,814,354	10,376,834	10,843,137
Public safety	19,446,303	20,956,458	21,414,073	22,980,982
Public works	4,218,770	4,049,467	4,767,198	4,210,621
Urban development and housing	3,506,316	3,943,368	4,578,877	3,439,663
Culture/recreation	6,243,829	6,913,056	7,418,491	8,094,979
Culture/recreation-payments to Library	2,481,954	2,620,658	2,708,169	2,756,181
Capital outlay	20,298,332	14,907,497	28,418,348	20,900,705
Debt service				
Principal	14,647,648	14,845,930	15,574,605	18,512,788
Bond issuance costs	419,151	167,325	657,434	449,799
Interest and fiscal charges	7,600,910	7,521,046	7,486,127	7,621,319
Refunding costs	-	-	-	-
Total expenditures	<u>89,606,582</u>	<u>85,739,159</u>	<u>103,400,156</u>	<u>99,810,174</u>
Excess of revenues over (under) expenditures	(14,745,873)	(12,555,508)	(18,553,567)	(20,297,650)
Other financing sources (uses)				
General obligation bonds issued	14,350,000	5,305,000	23,085,000	10,280,000
Premium on general obligation bonds	738,219	500,825	447,854	1,042,461
Sales of capital assets	-	-	14,189	-
Temporary notes issued	7,265,000	14,735,000	14,970,000	27,215,000
Temporary notes retired	(11,385,000)	(13,420,000)	(19,970,000)	(3,635,000)
Capital leases	443,597	56,384	398,605	577,825
Transfers in	13,919,505	15,851,315	14,009,272	18,153,584
Transfers out	(11,272,654)	(13,077,801)	(11,227,170)	(15,164,252)
Refunding bonds issued	4,895,000	-	-	-
Premium on refunding bonds	521,080	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total other financing sources (uses)	<u>19,474,747</u>	<u>9,950,723</u>	<u>21,727,750</u>	<u>38,469,618</u>
Net change in fund balances	<u>\$ 4,728,874</u>	<u>\$ (2,604,785)</u>	<u>\$ 3,174,183</u>	<u>\$ 18,171,968</u>
Debt service as a percentage of noncapital expenditures	31.1%	31.0%	27.1%	32.2%

(Continued)

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 62,725,576	\$ 64,517,555	\$ 67,421,419	\$ 68,719,195	\$ 68,214,120	\$ 74,996,715
6,502,769	6,892,085	7,507,901	7,487,741	8,199,740	7,666,622
781,313	583,770	515,092	592,783	584,824	803,253
8,963,061	7,179,108	5,849,869	6,922,984	9,830,166	14,129,743
3,991,901	3,557,776	4,318,771	4,162,301	2,015,704	3,422,616
1,586,113	1,473,458	1,399,950	1,282,693	950,936	1,131,383
287,371	178,277	351,173	502,744	185,358	10,562
2,497,104	1,832,782	2,343,626	2,409,964	3,005,881	2,114,073
87,335,208	86,214,811	89,707,801	92,080,405	92,986,729	104,274,967
12,030,741	12,268,918	12,703,746	12,881,258	16,011,594	13,577,841
24,339,265	24,281,854	24,028,318	25,239,775	26,194,537	26,254,814
4,790,370	4,592,146	6,324,392	7,426,865	6,570,760	7,109,802
3,440,261	3,205,836	4,300,921	3,527,319	3,795,835	4,042,420
8,537,445	8,716,617	9,145,366	9,064,276	4,134,523	8,216,306
2,907,615	2,990,500	3,053,743	3,175,616	3,335,074	3,347,403
25,560,489	18,842,377	19,344,081	29,678,342	53,128,050	55,837,691
23,408,250	34,797,151	44,769,505	34,250,702	37,895,033	26,078,862
549,015	459,434	338,234	448,325	526,076	512,003
7,179,688	6,736,870	6,463,009	6,501,308	6,351,377	6,030,654
-	-	-	-	-	-
112,743,139	116,891,703	130,471,315	132,193,786	157,942,859	151,007,796
(25,407,931)	(30,676,892)	(40,763,514)	(40,113,381)	(64,956,130)	(46,732,829)
20,115,000	10,115,000	15,250,000	12,790,000	15,445,001	4,450,000
2,468,854	1,186,355	1,723,353	1,119,823	217,680	506,738
-	-	181,570	799,729	193,412	75,001
25,330,000	9,220,000	4,535,000	13,960,000	50,875,000	79,030,000
(9,445,000)	-	-	-	-	-
1,229,128	39,257	1,402,320	1,447,611	1,346,925	1,050,000
12,341,019	19,280,171	18,149,066	18,805,152	20,479,663	25,005,836
(9,464,446)	(11,413,424)	(12,148,131)	(10,705,534)	(10,595,663)	(17,087,425)
-	-	-	-	-	-
-	-	-	-	-	-
(16,406,114)	(507,080)	-	(270,000)	(3,495,000)	-
26,168,441	27,920,279	29,093,178	37,946,781	74,467,018	93,030,150
\$ 760,510	\$ (2,756,613)	\$ (11,670,336)	\$ (2,166,600)	\$ 9,510,888	\$ 46,297,321
33.7%	40.2%	42.2%	35.9%	39.6%	32.2%

CITY OF MANHATTAN, KANSAS
Tax Revenues by Source, Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Transient Guest Tax	Total
2012	\$ 20,831,232	\$ 26,653,421	\$ 3,329,606	\$ 1,172,953	\$ 51,987,212
2013	22,828,418	24,902,090	3,571,175	1,242,054	52,543,737
2014	23,884,803	26,895,621	3,845,886	1,336,815	55,963,125
2015	25,269,663	26,797,630	3,662,022	1,516,102	57,245,417
2016	29,674,401	27,786,733	3,728,027	1,536,416	62,725,577
2017	32,382,463	26,852,223	3,702,504	1,580,364	64,517,554
2018	33,899,921	27,803,821	3,755,173	1,962,504	67,421,419
2019	32,386,319	30,906,060	3,637,274	1,879,542	68,809,195
2020	33,290,871	30,285,653	3,371,782	1,265,815	68,214,121
2021	33,812,531	35,791,351	3,532,877	1,859,956	74,996,715

CITY OF MANHATTAN, KANSAS
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	REAL		PERSONAL		UTILITIES	
	Assessed	Estimated	Assessed	Estimated	Assessed	Estimated
	<u>Value</u>	<u>Value</u>	<u>Value</u>	<u>Value</u>	<u>Value</u>	<u>Value</u>
2012	\$ 426,359,106	\$ 3,216,392,575	\$ 11,373,002	\$ 49,322,708	\$ 11,344,925	\$ 34,378,561
2013	440,075,747	3,349,740,850	10,562,955	48,883,363	12,343,351	37,404,094
2014	461,230,951	3,474,962,883	10,365,196	43,182,777	13,543,233	41,040,100
2015	478,344,105	4,854,407,500	7,980,226	35,560,133	14,359,041	43,512,245
2016	497,836,343	5,017,538,169	6,943,650	34,297,855	15,900,217	48,182,476
2017	514,992,295	5,176,618,672	6,661,219	28,399,909	16,579,402	50,240,612
2018	537,579,254	5,273,583,913	5,437,976	23,166,026	16,999,512	51,513,673
2019	551,802,033	5,312,493,639	5,286,887	20,408,200	18,049,806	54,696,382
2020	560,383,873	7,141,047,215	4,696,674	20,188,676	20,155,509	61,077,300
2021	569,110,793	7,174,963,230	4,428,941	21,081,168	21,775,401	65,986,064

The numbers above do not include incremental valuation or actual incremental value of the tax increment financing district.

Residential real estate is assessed at 11.5% of its fair market value, commercial property at 25%, and all other property at rates between 12% and 33%.

Source: Riley and Pottawatomie County Clerks' Offices

(Continued)

Total Assessed Value	Total Direct Tax Rate	Total Estimated Actual Value	Assessed Value as a Percentage of Actual Value
\$ 449,077,033	\$ 42.156	\$ 3,300,093,844	13.61%
462,982,053	43.439	3,436,028,307	13.47%
485,139,380	43.424	3,559,185,760	13.63%
500,683,372	43.963	4,933,479,878	10.15%
520,680,210	46.951	5,100,018,500	10.21%
538,232,916	48.023	5,255,259,193	10.24%
560,016,742	48.357	5,348,263,612	10.47%
575,138,726	49.355	5,387,598,221	10.68%
585,236,056	49.798	7,222,313,191	8.10%
595,315,135	49.835	7,262,030,462	8.20%

CITY OF MANHATTAN, KANSAS
City Mill Rates
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>Fund Levies In Mills</u>										
General Operating	2.445	2.372	3.669	3.936	4.146	5.356	5.817	6.570	6.743	6.631
Bond & Interest	5.409	5.412	3.881	4.108	4.719	4.006	4.688	4.939	4.687	5.106
Employment Benefit Contribution	1.533	1.487	2.039	2.529	2.761	3.053	2.830	3.058	3.812	3.749
Fire Equipment Reserve	0.111	0.108	0.451	0.266	0.250	0.720	0.454	0.668	0.791	0.778
Fire Pension KP&F	0.167	0.162	1.069	1.263	1.309	1.574	1.573	0.786	0.866	0.852
General Improvement	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Industrial Promotion	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Library	4.238	4.309	4.215	4.098	4.120	4.107	4.291	4.319	4.431	4.357
Library-Employee Benefit Contribution	0.891	0.932	0.941	0.977	1.078	1.037	0.999	1.046	1.120	1.101
Park Development	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Riley County Health Department	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Riley County Police Department	27.362	28.657	27.159	26.786	28.568	28.170	27.705	27.969	27.348	27.261
TOTAL: City Mill Rate	42.156	43.439	43.424	43.963	46.951	48.023	48.357	49.355	49.798	49.835

One mill is \$1 of property tax for each \$1,000 of assessed valuation.

CITY OF MANHATTAN, KANSAS
Direct and Overlapping Property Tax Rates
(Per \$1,000 of Assessed Value)
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Manhattan City</u>	<u>Riley County</u>	<u>Pottawatomie County</u>	<u>School Dist. 383</u>
2012	\$ 42.156	\$ 34.782	\$ 25.986	\$ 51.637
2013	43.439	35.401	25.975	50.396
2014	43.424	37.327	26.001	52.453
2015	43.963	37.532	25.729	52.507
2016	46.951	38.267	26.409	55.960
2017	48.023	38.975	28.518	55.372
2018	48.357	38.886	29.250	56.268
2019	49.355	40.914	29.983	56.789
2020	49.798	43.075	28.256	62.137
2021	49.835	42.292	27.636	61.645

Overlapping rates are those of local and county governments that apply to property owners within the City of Manhattan. Not all overlapping rates apply to all City of Manhattan property owners. Only one county rate applies to each property owner.

Source: City of Manhattan Finance Department

CITY OF MANHATTAN, KANSAS
Principal Property Taxpayers
Current Year and Nine Years Ago

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2021</u>			<u>2012</u>		
		<u>Taxable</u>	<u>Percentage of</u>		<u>Taxable</u>	<u>Percentage of</u>	
		<u>Assessed</u>	<u>Total Assessed</u>	<u>Valuation</u>	<u>Assessed</u>	<u>Total Assessed</u>	<u>Valuation</u>
		<u>Value</u>	<u>Rank</u>		<u>Value</u>	<u>Rank</u>	
Evergy Kansas Central Inc	Utility	\$ 16,313,195	1	2.74%	\$ 7,536,720	2	1.68%
Manhattan Town Center Mall	Retail	6,652,291	2	1.12%	20,285,862	1	4.52%
Individuals	Residential	6,286,527	3	1.06%	9,886,700	3	2.20%
Centro Bradley Spe 3 LLC	Real Estate	5,728,676	4	0.96%			0.00%
Manhattan Marketplace	Shopping Center	5,225,005	5	0.88%	5,758,931	5	1.28%
Manhattan Medical Center	Medical Complex	5,000,281	6	0.84%	4,551,765	7	1.01%
The Links at Manhattan	Apartments	4,785,276	7	0.80%			0.00%
Kansas Gas Service	Utility	3,773,215	8	0.63%			0.00%
HCW-Manhattan LLC	Hotel	3,509,461	9	0.59%			0.00%
Wal-Mart Stores Inc.	Retail	3,457,176	10	0.58%	6,712,500	4	1.49%
Menards Inc.	Retail			0.00%			0.00%
S&S Development	Residential			0.00%			0.00%
University Commons	Residential			0.00%	5,334,482	6	1.19%
Westloop Center Association	Retail			0.00%	4,081,126	8	0.91%
Target Corporation	Retail				3,933,600	9	0.88%
S&B Motel	Motel				3,524,625	10	0.78%
Total		<u>\$ 60,731,103</u>		<u>10.20%</u>	<u>\$ 71,606,311</u>		<u>15.94%</u>

Source: Riley and Pottawatomie County Clerks' Offices

CITY OF MANHATTAN, KANSAS
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Current Tax Collections	Percentage of Current Collections to Current Levy	Delinquent Property Taxes Collected	Total Tax Collections	Percentage of Total Collections to Current Levy
2012	\$ 18,932,078	\$ 18,479,520	97.61%	\$ 284,710	\$ 18,764,230	99.11%
2013	19,850,805	19,858,991	100.04%	402,304	20,261,295	102.07%
2014	21,067,088	20,733,876	98.42%	197,250	20,931,126	99.35%
2015	22,011,724	21,858,471	99.30%	342,194	22,200,665	100.86%
2016	24,154,696	24,370,245	100.89%	313,795	24,684,040	102.19%
2017	25,549,960	25,773,004	100.87%	306,740	26,079,744	102.07%
2018	26,776,704	26,602,344	99.35%	300,232	26,902,576	100.47%
2019	28,070,404	27,902,407	99.40%	274,828	28,177,235	100.38%
2020	28,898,090	28,574,367	98.88%	342,844	28,917,211	100.07%
2021	29,578,136	29,047,000	98.20%	441,710	29,488,710	99.70%

Historically, the City has budgeted varying delinquency rates for property tax revenues. However, since 2010 the RCPD fund is the only fund in which a delinquency rate has actually been assessed. Delinquent taxes are reported in the year that they are collected.

Source: City of Manhattan Finance Department

CITY OF MANHATTAN, KANSAS
Taxable Sales by Category
Last Ten Fiscal Years

	Fiscal Year			
	2012	2013	2014	2015
Utilities	\$ 53,105,248	\$ 59,160,213	\$ 67,926,637	\$ 62,227,642
Construction	19,221,222	18,792,852	20,482,710	18,478,493
Manufacturing	24,082,264	19,095,534	22,658,540	21,211,828
Wholesale	42,171,041	43,037,782	36,234,135	38,289,992
Retail	628,543,906	650,912,056	687,840,138	663,013,103
Information	48,616,262	47,853,827	57,795,367	59,867,107
Accommodation and food services	133,925,014	128,203,960	137,239,162	143,335,204
Services	18,045,652	18,934,268	18,901,220	18,285,879
Other	67,031,028	61,851,086	62,817,264	69,590,002
Total	<u>\$ 1,034,741,637</u>	<u>\$ 1,047,841,578</u>	<u>\$ 1,111,895,173</u>	<u>\$ 1,094,299,250</u>
City direct sales tax rate	1.25%	1.25%	1.25%	1.25%

(1) Effective November 8, 2016, the City increased its sales tax rate by 0.20%. This additional 0.20% will be dedicated for street maintenance across the community.

(2) Effective November 7, 2017, the City increased its sales tax rate by 0.25%. This additional 0.25% will be dedicated for the indoor and outdoor recreation and trail improvements across the community.

Source: Kansas Department of Revenue

(Continued)

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$ 60,245,559	\$ 69,976,164	\$ 74,573,293	\$ 54,048,806	\$ 53,791,130	\$ 56,690,515
21,746,657	28,212,217	28,600,546	23,708,446	25,135,625	21,270,759
24,135,901	24,269,500	18,359,219	14,332,214	14,029,854	16,864,971
43,061,694	43,572,521	56,155,583	52,605,472	35,715,222	39,127,518
664,876,484	728,693,080	722,501,149	668,333,195	704,640,859	779,302,119
55,903,722	61,151,299	58,191,216	48,485,986	40,049,466	40,666,739
148,791,089	164,575,564	167,236,574	155,566,597	137,890,730	160,470,213
19,233,312	20,314,363	20,935,081	29,462,008	29,238,569	38,094,419
79,357,148	82,217,908	83,268,006	75,457,953	51,750,122	63,084,589
<u>\$ 1,117,351,566</u>	<u>\$ 1,222,982,616</u>	<u>\$ 1,229,820,667</u>	<u>\$ 1,122,000,677</u>	<u>\$ 1,092,241,577</u>	<u>\$ 1,215,571,842</u>
1.25%	1.45%	1.45%	1.45%	1.45%	1.45%

CITY OF MANHATTAN, KANSAS
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Manhattan City</u>	<u>Riley County</u>	<u>Pottawatomie County</u>
2012	1.25%	1.00%	1.00%
2013	1.25%	1.00%	1.00%
2014	1.25%	1.00%	1.00%
2015	1.25%	1.00%	1.00%
2016	1.25%	1.00%	1.00%
2017	1.45%	1.00%	1.00%
2018	1.45%	1.00%	1.00%
2019	1.45%	1.00%	1.00%
2020	1.45%	1.00%	1.00%
2021	1.45%	1.00%	1.00%

(1) Effective November 8, 2016, the City increased its sales tax rate by 0.20%.
This additional 0.20% will be dedicated for street maintenance across the community.

(2) Effective November 7, 2017, the City increased its sales tax rate by 0.25%.
This additional 0.25% will be dedicated for the indoor and outdoor recreation and trail improvements across the community.

Overlapping rates are those of local and county governments that apply to purchases of goods and services made within the City of Manhattan. Not all overlapping rates apply to all purchases. Only one county rate applies to each purchase.

Source: City of Manhattan Finance Department

CITY OF MANHATTAN, KANSAS
Sales Tax Revenue Payers by Industry
Fiscal Years 2021 and 2012

	2021				2012			
	<u>Number</u> <u>of Filers</u>	<u>Percentage</u> <u>of Total</u>	<u>Tax</u> <u>Liability</u>	<u>Percentage</u> <u>of Total</u>	<u>Number</u> <u>of Filers</u>	<u>Percentage</u> <u>of Total</u>	<u>Tax</u> <u>Liability</u>	<u>Percentage</u> <u>of Total</u>
Retail	1,627	35.13%	\$ 11,392,883	64.11%	735	27.33%	\$ 8,015,516	60.74%
Accommodation and food services	200	4.32%	2,345,969	13.20%	182	6.77%	1,707,881	12.94%
Other	803	17.34%	922,255	5.19%	520	19.34%	854,814	6.48%
Utilities	8	0.17%	828,778	4.66%	30	1.12%	677,225	5.13%
Information	254	5.49%	594,521	3.35%	130	4.83%	619,980	4.70%
Wholesale	578	12.48%	572,019	3.22%	335	12.46%	537,787	4.08%
Manufacturing	438	9.46%	246,555	1.39%	213	7.92%	307,109	2.33%
Construction	391	8.44%	310,965	1.75%	342	12.72%	245,119	1.86%
Services	332	7.17%	556,915	3.13%	202	7.51%	230,127	1.74%
Total	<u>4,631</u>	<u>100.00%</u>	<u>\$ 17,770,860</u>	<u>100.00%</u>	<u>2,689</u>	<u>100.00%</u>	<u>\$ 13,195,558</u>	<u>100.00%</u>

Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Source: Kansas Department of Revenue

CITY OF MANHATTAN, KANSAS
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities							
	General	Special	Special			Sales Tax	Transportation	Capital
	Obligation	Assessment	Obligation	Temporary	Notes	Revenue	Revolving	
	Bonds	Bonds	Bonds	Notes	Payable	Bonds	Fund Loan	Leases
2012	\$ 45,350,577	\$ 60,124,423	\$ 65,800,000	\$ 36,120,000	\$ 120,000	\$ 5,845,000	\$ 3,355,796	\$ 1,799,176
2013	43,476,781	56,778,219	61,890,000	34,560,000	60,000	5,665,000	3,124,866	1,573,138
2014	56,220,206	56,999,794	57,185,000	29,560,000	-	5,490,000	2,885,345	1,696,660
2015	52,298,515	57,701,485	52,950,000	53,140,000	-	5,335,000	2,636,913	1,900,129
2016	57,032,675	43,327,325	46,530,000	68,045,000	-	4,970,000	2,379,240	2,698,680
2017	59,616,496	35,883,504	40,785,000	64,340,000	-	4,810,000	2,111,982	2,173,044
2018	55,394,698	42,055,302	34,890,000	45,290,000	-	4,640,000	1,834,782	3,048,060
2019	54,618,890	45,001,110	28,650,000	41,940,000	-	4,455,000	1,547,270	3,842,480
2020	46,413,890	54,776,110	20,990,000	76,880,000	-	4,255,000	1,249,062	4,397,579
2021	49,938,002	45,741,998	13,140,000	149,690,000	-	4,040,000	939,761	4,418,018

Note: Detail regarding the City's outstanding debt can be found in the notes to the financial statements.

¹See the Schedule of Demographic and Economic Statistics on page 144 for personal income and population data.

(Continued)

Business-type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
General	State	Capital			
Obligation	Revolving	Leases			
Bonds	Loans				
\$ 6,090,000	\$ 50,637,614	\$ 109,157	\$ 275,351,743	13.3%	\$ 4,910.94
6,345,000	55,264,202	56,141	268,793,347	13.3%	4,787.66
8,295,000	55,222,769	141,429	273,696,203	13.1%	4,880.63
7,155,000	52,831,275	84,672	286,032,989	12.6%	5,079.79
5,960,000	49,060,876	147,200	280,150,996	12.5%	5,095.23
9,390,000	46,079,689	388,059	265,577,774	11.9%	4,843.48
10,355,000	47,166,862	265,253	244,939,957	10.6%	4,456.78
11,550,000	45,150,395	526,402	237,281,547	10.0%	4,345.50
14,900,000	44,275,692	489,712	268,627,045	11.4%	4,965.38
13,535,000	40,565,420	831,179	322,839,378	13.5%	5,895.21

CITY OF MANHATTAN, KANSAS
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-Type Activities	Less: Amounts Available in		Percentage of Estimated Actual Value ³ of Property	Per Capita ⁴
	General Obligation Bonds ¹	General Obligation Bonds	Debt Service Fund ²	Total		
2012	\$ 105,475,000	\$ 6,090,000	\$ 14,677,973	\$ 96,887,027	2.9%	\$ 1,728.00
2013	100,255,000	6,345,000	8,387,441	98,212,559	2.9%	1,749.33
2014	113,220,000	8,295,000	14,153,611	107,361,389	3.0%	1,914.50
2015	110,000,000	7,155,000	19,974,970	97,180,030	2.0%	1,725.87
2016	100,360,000	5,960,000	14,071,235	92,248,765	1.8%	1,638.29
2017	95,500,000	9,390,000	12,166,875	92,723,125	1.8%	1,686.40
2018	97,450,000	10,355,000	13,796,470	94,008,530	1.8%	1,710.52
2019	99,620,000	11,550,000	6,246,990	104,923,010	2.0%	1,921.53
2020	101,190,000	14,900,000	5,610,932	110,479,068	1.5%	2,042.13
2021	95,680,000	13,535,000	5,826,379	103,388,621	1.4%	1,887.93

Note: Detail regarding the City's outstanding debt can be found in the notes to the financial statements.

¹Includes special assessment debt, as special assessment debt is also secured by the full faith and credit of the City.

²Special assessment revenues are accounted for in the Debt Service Fund.

³See the Schedule of Assessed and Estimated Actual Value of Taxable Property on page 127 for property value data.

⁴Population data can be found in the Schedule of Demographic and Economic Statistics on page 144.

CITY OF MANHATTAN, KANSAS
Direct and Overlapping Governmental Activities Debt
As of December 31, 2021

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Overlapping debt			
Unified School Dist. #383	\$ 212,292,000	83.40%	\$ 177,051,528
Riley County	1,455,000	82.70%	1,203,285
Pottawatomie County	24,555,000	7.90%	1,939,845
			<hr/>
Total overlapping debt			180,194,658 <hr/>
Direct debt			
Bonded debt:			
General obligation debt			\$ 49,938,002
Special assessment debt			45,741,998
			<hr/>
Total general obligation bonded debt			95,680,000
Special obligation bonded debt			13,140,000
Sales tax revenue bonded debt			4,040,000
Temporary note debt			149,690,000
Transportation revolving fund loan			939,761
Capital leases			4,418,018
			<hr/>
Total direct debt			267,907,779 <hr/>
Total Direct and Overlapping Debt			<u><u>\$ 448,102,437</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Manhattan. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

¹The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the governmental unit's assessed value that is within the City's boundaries and dividing it by the governmental unit's total taxable assessed value.

Source: Springsted, Inc., the City's Financial Advisor, and the City of Manhattan Finance Department

CITY OF MANHATTAN, KANSAS
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year			
	2012	2013	2014	2015
Debt limit ¹	\$146,043,310	\$150,315,801	\$157,111,561	\$161,970,200
Total net debt applicable to limit	<u>92,945,516</u>	<u>96,958,394</u>	<u>97,436,828</u>	<u>106,666,447</u>
Legal debt margin	<u>\$53,097,794</u>	<u>\$53,357,407</u>	<u>\$59,674,733</u>	<u>\$55,303,753</u>
Total net debt applicable to the limit as a percentage of debt limit	63.64%	64.50%	62.02%	65.86%

¹According to Kansas law, the debt limitation is 30% of assessed valuation.

(Continued)

Fiscal Year					
2016	2017	2018	2019	2020	2021
\$168,166,947	\$174,177,993	\$180,701,141	\$185,455,922	\$189,088,641	\$193,119,076
100,788,268	90,290,113	83,795,695	89,397,367	116,273,019	152,759,116
<u>\$67,378,679</u>	<u>\$83,887,880</u>	<u>\$96,905,446</u>	<u>\$96,058,555</u>	<u>\$72,815,622</u>	<u>\$40,359,960</u>
59.93%	51.84%	46.37%	48.20%	61.49%	79.10%

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed Valuation of Taxable Tangible Property	\$ 598,718,210
Motor Vehicle Valuation	<u>45,012,044</u>
Total Valuation	<u>643,730,254</u>
Debt Limit Ratio	<u>30%</u>
December 31, 2021 Debt Limit	<u>\$193,119,076</u>
Outstanding Debt Subject to Debt Limit	<u>152,759,116</u>
Debt Authority Remaining December 31, 2021	<u><u>\$ 40,359,960</u></u>

CITY OF MANHATTAN, KANSAS
Pledged Revenue Coverage

<u>Fiscal Year</u>	<u>Special Assessment Collections</u>	<u>Principal</u>	<u>Interest</u>	<u>Coverage</u>
2012	\$ 6,908,756	\$ 3,907,420	\$ 2,264,366	1.12
2013	6,601,450	4,236,204	1,944,640	1.07
2014	6,423,571	4,098,425	2,080,865	1.04
2015	6,423,035	4,378,295	2,141,928	0.99
2016	6,502,769	4,581,308	2,104,156	0.97
2017	6,892,085	4,513,821	1,487,005	1.15
2018	7,507,901	4,498,202	1,386,093	1.28
2019	7,487,741	4,709,192	1,669,426	1.17
2020	8,199,740	7,257,056	1,676,341	0.92
2021	7,666,622	4,002,056	1,696,076	1.35

Note: Detail regarding the City's outstanding debt can be found in the notes to the financial statements.

Note: In years where the coverage ratio is greater than 1.00, it is due to the refunding of special assessment bonds. When special assessment bonds are refunded, the annual debt service payments are adjusted, however the special assessment collections are not.

CITY OF MANHATTAN, KANSAS
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population</u>¹	<u>Public School Enrollment</u>²	<u>Personal Income</u>	<u>Per Capita Income</u>	<u>Average Wage per Job</u>³	<u>Unemployment Rate</u>⁴
2012	56,069	6,385	\$ 2,065,432,738	\$ 36,837	\$ 40,241	4.4%
2013	56,143	6,562	2,017,786,991	35,940	40,576	4.2%
2014	56,078	6,571	2,096,945,723	37,393	41,534	3.7%
2015	56,308	6,579	2,265,343,556	38,734	43,097	3.3%
2016	54,983	6,620	2,245,778,829	39,593	44,217	3.3%
2017	54,832	6,667	2,234,126,896	39,005	41,842	3.0%
2018	54,959	8,081	2,304,295,435	41,928	43,075	2.9%
2019	54,604	8,158	2,368,959,522	43,384	43,704	2.8%
2020	54,100	7,832	2,365,974,368	43,733	43,390	3.3%
2021	54,763	7,650	2,390,480,023	43,651	43,547	3.7%

¹U.S. Bureau of the Census estimates, except for 2010 and 2011 (actual)

²Kansas State Department of Education (organization level headcount)

³U.S. Bureau of Economic Analysis (Riley County)

⁴U.S. Bureau of Labor Statistics (annual average - Riley County)

CITY OF MANHATTAN, KANSAS
Personal Income
Last Ten Fiscal Years

Fiscal Year	Riley County Personal Income^{1,2}	Riley County Population³	City of Manhattan Population	Population as a Percentage of Riley County Population	City of Manhattan Personal Income
2012	\$ 2,781,353,000	77,545	56,069	74.26%	\$ 2,065,432,738
2013	2,709,530,000	76,996	56,143	74.47%	2,017,786,991
2014	2,811,673,000	76,570	56,078	74.58%	2,096,945,723
2015	3,027,320,000	77,293	56,308	74.83%	2,265,343,556
2016	2,995,570,000	75,374	54,983	74.97%	2,245,778,829
2017	3,021,949,000	74,129	54,832	73.93%	2,234,126,896
2018	3,137,230,000	74,826	54,959	73.45%	2,304,295,435
2019	3,156,929,000	72,762	54,604	75.04%	2,368,959,522
2020	3,147,079,500	71,959	54,100	75.18%	2,365,974,368
2021	3,152,004,250	72,208	54,763	75.84%	2,390,480,023

¹U.S. Bureau of Economic Analysis

²2012 Riley County Personal Income is estimated based on prior year growth.

³U.S. Bureau of the Census estimates

CITY OF MANHATTAN, KANSAS
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	<u>2021</u>			<u>2012</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Riley County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Riley County Employment</u>
Fort Riley Military Base (military) ¹	14,985	1		19,468	1	
Fort Riley Military Base (civilian) ¹	5,978	2		7,470	2	
Kansas State University	5,100	3	14.55%	6,028	3	15.11%
U.S.D. No. 383 - Manhattan Schools	1,895	4	5.41%	1,350	4	3.38%
Via Christi Hospital/Mercy Health Center	750	5	2.14%	795	5	1.99%
Champion Teamwear/GTM Sportswear	600	6	1.71%	693	6	1.74%
Wal-Mart	425	7	1.21%	480	7	1.20%
City of Manhattan	418	8	1.19%	320	9	0.80%
Meadowlark Hill Retirement Community	300	9	0.86%	349	8	0.87%
Manko Window Systems, Inc.	250	10	0.71%	235	10	0.59%
Total	<u>30,701</u>		<u>27.78%</u>	<u>37,188</u>		<u>25.68%</u>

¹Not included in the official labor force statistics.

Note: Employment statistics for Riley County have been used as statistics for just the City of Manhattan are not available.

CITY OF MANHATTAN, KANSAS
City Government Employees by Function
Last Ten Fiscal Years

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General government										
Full-time	53	52	56	54	60	68	71	65	62	78
Part-time	4	3	8	9	9	7	7	7	6	9
Seasonal/temporary	15	14	8	10	9	8	8	8	4	8
Public safety										
Full-time	96	98	99	98	102	95	96	96	88	97
Part-time	3	4	5	5	4	0	-	-	-	-
Seasonal/temporary	6	6	6	6	8	9	9	9	10	12
Public works										
Full-time	55	55	51	52	62	65	69	54.833	45.00	71
Part-time	-	-	-	-	-	-	-	-	-	-
Seasonal/temporary	2	2	2	2	5	3	3	3	1	-
Urban development and housing										
Full-time	10	10	10	10	8	8	8	8	9	10
Part-time	-	-	-	1	0	-	-	-	-	-
Seasonal/temporary	3	3	1	1	2	1	2	2	2	2
Culture and recreation										
Full-time	88.5	87.5	87	90	92	93	100	113	72	97
Part-time	12	12	11	10	10	11	12	12	6	16
Seasonal/temporary	893	892	726	723	741	740	744	740	201	634
Water										
Full-time	29.5	29.5	29.3	30.3	25.9	32	32	37.082	30.00	38
Part-time	1	0	-	-	-	-	-	-	-	-
Seasonal/temporary	5	5	5	5	4	6	6	6	2	2
Wastewater										
Full-time	26.5	27.5	29.8	30.8	27.8	27	28	37.582	25.00	28.00
Part-time	-	-	-	-	-	-	-	-	-	-
Seasonal/temporary	2	2	2	2	3	4	4	4	-	1
Storm Water Management										
Full-time	<u>2</u>	<u>2</u>	<u>2</u>	<u>2.3</u>	<u>4.3</u>	<u>2</u>	<u>2</u>	<u>10.5</u>	<u>8</u>	<u>10</u>
Totals										
Full-time	361	362	364	367	382	390	406	422	339	429
Part-time	20	19	24	25	23	18	19	19	12	25
Seasonal/temporary	926	924	750	749	772	771	776	772	220	659

Source: City of Manhattan Finance Department

CITY OF MANHATTAN, KANSAS
Operating Indicators by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public safety										
Incident responses	2,672	2,385	2,392	2,581	2,563	2,503	2,425	2,667	2,481	3,027
Fire inspections	1,969	1,855	1,897	2,397	2,527	3,395	3,070	3,270	1,521	2,801
Construction inspections	6,129	5,053	5,876	5,121	5,210	5,031	3,920	3,721	3,952	3,916
Public works										
Mapping requests completed										
Road added (square yards)	52,354	33,690	73,169	52,406	47,099	45,000	64,134	79,001	93,715	80,000
Asphalt placed for street repairs (tons)	299	457	798	1,020	1,068	370	363	1,175	893	584
Call backs for signal problems	52	68	89	73	62	57	75	51	53	53
Urban development and housing										
Annexations	1	1	6	3	6	5	2	2	1	2
Rezoning	5	13	16	15	20	11	9	6	4	5
Culture and recreation										
Annual swimming pool attendance	128,602	108,050	131,876	123,160	135,912	131,306	112,869	168,850	-	105,000
Annual zoo attendance	71,936	74,542	79,269	85,772	82,043	102,732	71,040	69,626	36,623	86,000
Annual registrations in recreation programs ¹	10,579	11,144	12,122	9,887	12,146	10,631	13,052	20,396	7,055	12,000
Water										
New taps	342	209	266	205	189	179	106	88	100	98
Total water metered in distribution system (MG)	2,800	2,481	2,468	2,417	2,514	2,565	2,573	2,153	2,256	2,571
Wastewater										
Total influent flow (MG)	1,695	1,763	1,757	1,853	1,886	1,787	1,510	2,222	2,262	1,763

N/A - Data is not available for this year.

¹In 2019, the method of counting P&R registrations changed with the implementation of a new software program.

*Operating indicator not available at the time of report.

Sources: Various City of Manhattan departments

CITY OF MANHATTAN, KANSAS

Capital Asset Statistics by Function

Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public safety										
Fire stations	5	5	5	5	5	5	5	5	5	5
Public works										
Streets (miles)	218.79	217.47	218	222	226	231	240	229	227	224
Traffic signals	68	68	68	73	74	77	78	78	79	79
Culture and recreation										
Park acreage (developed)	580	600	600	600	600	620	620	660	660	660
Parks (developed)	25	28	28	28	28	28	28	30	30	30
Swimming pools	3	3	3	3	3	3	3	3	3	3
Community centers	1	1	1	1	1	1	1	1	1	3
Water										
Water mains (lineal feet)	1,447,307	1,501,115	1,474,935	1,483,053	1,506,989	1,571,285	1,578,402	1,583,290	1,584,000	1,587,024
Maximum daily capacity (millions of gallons)	20	14.92	16	12	16	16	16	13	13	14
Wastewater										
Sewer lines (lineal feet)	1,234,648	1,304,271	1,349,568	1,265,760	1,296,384	1,318,856	1,320,544	1,322,871	1,328,844	1,334,600
Maximum daily treatment capacity (millions of gallons)	8.7	8.53	8.7	9.5	10.4	8.8	14.3	15.4	8.0	9.8

Sources: Various City of Manhattan departments



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Single Audit Section

**For the Year Ended
December 31, 2021**



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable Mayor and Members of the City Commission
City of Manhattan, Kansas:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Manhattan, Kansas (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated October 31, 2022. Our report includes a reference to other auditors who audited the financial statements of the Manhattan Housing Authority (the Authority) and the Manhattan Public Library (the Library), as described in our report on the City's financial statements. This report does not include the results of the Authority's auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by the Authority's auditors. The financial statements of the Library were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or compliance and other matters associated with the Library or that are reported on separately by those auditors who audited the financial statements of the Library.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

An Independently Owned Member, RSM US Alliance

RSM US Alliance member firms are separate and independent businesses and legal entities that are responsible for their own acts and omissions, and each are separate and independent from RSM US LLP. RSM US LLP is the U.S. member firm of RSM International, a global network of independent audit, tax, and consulting firms. Members of RSM US Alliance have access to RSM International resources through RSM US LLP but are not member firms of RSM International.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BT+ Co., P.A.

October 31, 2022
Topeka, Kansas



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE**

The Honorable Mayor and Members of the City Commission
City of Manhattan, Kansas:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Manhattan, Kansas's (the City's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2021. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditors' Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

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Other Matter – Federal Expenditures Not Included in the Compliance Audit

The City's basic financial statements include the operations of the Manhattan Public Library (the Library) and the Manhattan Housing Authority (the Authority), which expended federal awards which are not included in the City's schedule of expenditures of federal awards during the year ended December 31, 2021. Our compliance audit, described in the "Opinion on Each Major Federal Program" section of our report, does not include the operations of the Library or the Authority because the Library and the Authority engaged other auditors to perform an audit of compliance, if necessary.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the “Auditors’ Responsibilities for the Audit of Compliance” section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BT & Co., P.A.

October 31, 2022
Topeka, Kansas

CITY OF MANHATTAN, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2021

Federal Grantor/Program Title	Assistance Listing Number	Grantor's Number	Expenditures	Amounts Passed to Subrecipients
<u>U.S. Department of Housing and Urban Development</u>				
CDBG - Entitlement Grants Cluster:				
Community Development Block Grants/Entitlement Grants	14.218	B-19-MC20-0009	\$ 165,719	\$ -
Community Development Block Grants/Entitlement Grants	14.218	B-20-MC20-0009	198,778	-
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218	B-20-MW-20-0009	178,650	-
Community Development Block Grants/Entitlement Grants	14.218	B-21-MC-20-0009	113,564	-
Total CDBG - Entitlement Grants Cluster			656,711	-
Passed through the Kansas Housing Resources Corporation:				
Emergency Solutions Grants Program	14.231	ESG FFY 2020	164,427	164,427
COVID-19 - Emergency Solutions Grants Program	14.231	ESG CV-FFY2020	172,218	172,218
Emergency Solutions Grants Program	14.231	ESG-FFY2021	4,357	4,357
			341,002	341,002
Total U.S. Department of Housing and Urban Development			997,713	341,002
<u>U.S. Department of Transportation</u>				
COVID-19 - Airport Improvement Program	20.106	3-20-0052-050	1,089,172	-
Airport Improvement Program - Reconstruct Runway 3/21 Design	20.106	3-20-0052-051	1,536,390	-
Airport Improvement Program - Runway 3/21 - Relocate Navaid Equipment	20.106	3-20-0052-052	336,742	-
Total U.S. Department of Transportation			2,962,304	-
<u>U.S. Department of the Treasury</u>				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	None	5,219,572	-
Passed through Child Care Aware of Kansas:				
Child Care Impact Grant	21.019	None	4,000	-
Total U.S. Department of the Treasury			\$ 5,223,572	\$ -

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)
Year Ended December 31, 2021

Federal Grantor/Program Title	Federal ALN Number	Grantor's Number	Expenditures	Amounts Passed to Subrecipients
<u>National Science Foundation</u>				
Passed through Kansas State University:				
Collaborative Research	47.074	A20-0127-S001	\$ 11,098	\$ -
<u>U.S. Small Business Administration</u>				
Shuttered Venue Operators Grant	59.075	None	146,710	-
<u>U.S. Department of Health and Human Services</u>				
Passed through the Child Care Aware of Kansas				
CCDF Cluster:				
COVID-19 - Child Care Sustainability Grants	93.575	None	160,141	-
<u>U.S. Department of Homeland Security</u>				
Passed through the State of Kansas Adjutant General's Department:				
Disaster Public Assistance Program	97.036	FEMA-DR4403-KS-75176	487,342	-
Disaster Public Assistance Program	97.036	FEMA-DR4403-KS-133954	116,868	-
Disaster Public Assistance Program	97.036	FEMA-DR4403-KS-119401	3,638	-
Total U.S. Department of Homeland Security			607,848	-
Total expenditures of federal awards			\$ 10,109,386	\$ 341,002

See accompanying notes to schedule of expenditures of federal awards

CITY OF MANHATTAN, KANSAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2021

1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the City of Manhattan, Kansas (the City) under programs of the federal government for the year ended December 31, 2021. The City's reporting entity is defined in Note 1 to the City's basic financial statements. The City's reporting entity includes two discretely presented component units, the Manhattan Public Library (the Library) and the Manhattan Housing Authority (the Authority). The Schedule does not include the operations of the Library or the Authority because the Library and the Authority engaged other auditors to perform audits, which would have included an audit of compliance if required. All federal awards received directly from federal agencies, as well as federal awards passed through other governmental agencies, and expended during the year are included in the Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in financial position, or, where applicable, cash flows of the City.

2 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statements. The expenditures on the Schedule are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

CITY OF MANHATTAN, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2021

Section I – Summary of Independent Auditors’ Results

Financial Statements

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified:	None
Significant deficiencies identified that are not considered to be material weaknesses:	None reported
Noncompliance material to financial statements:	None

Federal Awards

Internal control over major programs:							
Material weaknesses identified:	None						
Significant deficiency identified that is not considered to be material weakness:	None reported						
Type of auditors’ report issued on compliance for major programs:	Unmodified						
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a):	None						
Identification of major programs:							
<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><u>Assistance Listing Number</u></td> <td style="text-align: center;"><u>Name of Federal Program</u></td> </tr> <tr> <td style="text-align: center;">20.106</td> <td style="text-align: center;">Airport Improvement Program</td> </tr> <tr> <td style="text-align: center;">21.027</td> <td style="text-align: center;">COVID-19 – Coronavirus State and Local Fiscal Recovery Funds</td> </tr> </table>	<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>	20.106	Airport Improvement Program	21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	
<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>						
20.106	Airport Improvement Program						
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds						
Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000						
Auditee qualified as a low-risk auditee:	Yes						

(Continued)

CITY OF MANHATTAN, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(Continued)
Year Ended December 31, 2021

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None