# CITY OF BLUE RAPIDS
# BLUE RAPIDS, KANSAS

# FINANCIAL STATEMENT
# DECEMBER 31, 2021

**CITY OF BLUE RAPIDS, KANSAS**

**TABLE OF CONTENTS**


| | Page Number |
|---|---|
| **Independent Auditor's Report** | 1 – 3 |
| FINANCIAL SECTION | |
| **Statement 1** | |
| Summary Statement of Receipts, Expenditures and Unencumbered Cash | 4 |
| Notes to the Financial Statement | 5 – 14 |
| REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION | |
| **Schedule 1** | |
| Summary of Expenditures – Actual and Budget | 15 |
| **Schedule 2** | |
| Schedules of Receipts and Expenditures - Actual and Budget | |
| General Fund | 16 – 18 |
| Special Purpose Funds: | |
| Library Fund | 19 |
| Special Highway Fund | 20 |
| Capital Improvements Fund | 21 |
| Municipal Court Fund | 22 |
| Swimming Pool Grant Fund | 23 |
| Bond and Interest Fund | 24 |
| Capital Project Funds: | |
| Pool Improvement Fund | 25 |
| Library Improvement Fund | 26 |
| Trust Funds: | |
| Special Law Enforcement Trust Fund | 27 |
| Johnston Restricted Fund | 28 |
| Business Funds: | |
| Water/Sewer/Refuse Utility Fund | 29 |
| Utility System Reserve Fund | 30 |

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# INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council of the
City of Blue Rapids, Kansas

**Adverse and Unmodified Opinions**

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

*Adverse Opinion in U.S. Generally Accepted Accounting Principles*

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

*Unmodified Opinion on Regulatory Basis of Accounting*

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted

**Management's Responsibility for the Financial Statement**

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

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

**Auditor's Responsibility for the Audit of the Financial Statement**

Our objective are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of note detecting a material misstatement resulting from fraud is higher than 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 judgement made by a reasonable user based on the financial statement.

In Performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

**Supplementary Information**

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

James Gordon & Associates CPA, P.A.
Manhattan, Kansas
April 14, 2022

# CITY OF BLUE RAPIDS, KANSAS
## SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
## REGULATORY BASIS
## FOR THE YEAR ENDED DECEMBER 31, 2021

| Funds | Beginning Unencumbered Cash Balance | Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Encumbrances And Accounts Payable | Ending Cash Balance |
|---|---|---|---|---|---|---|
| **General Funds:** | | | | | | |
| General Fund | $ 361,811 | $ 1,339,762 | $ 1,217,599 | $ 483,974 | $ 107,402 | $ 591,376 |
| **Special Purpose Funds:** | | | | | | |
| Library | 779 | 26,879 | 26,798 | 860 | 26,798 | 27,658 |
| Special Highway | - | 27,878 | 14,284 | 13,594 | - | 13,594 |
| Capital Improvements | 4,026 | 907 | 250 | 4,683 | - | 4,683 |
| Municipal Court | 22,154 | 37,657 | 59,811 | - | 872 | 872 |
| Swimming Pool Grant | 155,822 | 636,740 | 792,562 | - | - | - |
| **Bond and Interest Fund** | 23,302 | 106,910 | 64,212 | 66,000 | - | 66,000 |
| **Capital Project Funds:** | | | | | | |
| Pool Improvement | 237,978 | 793,067 | 1,031,045 | - | 11,500 | 11,500 |
| Library Improvement | 7,710 | 5,813 | 11,624 | 1,899 | - | 1,899 |
| **Trust Funds:** | | | | | | |
| Special Law Enforcement Trust | - | - | - | - | - | - |
| Johnston Restricted | 47,185 | - | - | 47,185 | - | 47,185 |
| **Business Funds:** | | | | | | |
| Water/Sewer/Refuse Utility | 92,865 | 364,895 | 406,599 | 51,161 | 17,388 | 68,549 |
| Utility System Reserve | 28,814 | 5,000 | - | 33,814 | - | 33,814 |
| **Total** | $ 982,446 | $ 3,345,508 | $ 3,624,784 | $ 703,170 | $ 163,960 | $ 867,130 |

| **Composition of Cash and Investments:** | |
|---|---|
| Checking Accounts | $ 545,319 |
| Certificates of Deposit | 320,811 |
| U.S. Treasury Bonds - Series H | 1,000 |
| **Total Cash and Investments** | $ 867,130 |

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

## Note 1 – Summary of Significant Accounting Policies

### Municipal Financial Reporting Entity

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

### Regulatory Basis Fund Types

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

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

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

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

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

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

Trust funds – Used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

Note 1 – Summary of Significant Accounting Policies (continued)

Basis of Accounting

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

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

Reimbursed Expenses

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

Note 2 – Budgetary Information

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

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

Note 2 – Budgetary Information (continued)

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City did not hold a revenue neutral rate hearing for this year.

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

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

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

A legal operating budget is not required for capital project funds, trust funds and the following special purpose funds: capital improvements, municipal court, and swimming pool grant.

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

The Pool Improvement Fund exceed its budget by $1,015,369. The Library Improvement Fund exceeded its budget by $3,857. Those funds don't require statutory budgets.

Note 3 – Deposits and Investments

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

Note 3 – Deposits and Investments

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

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

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the Government's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City did not have a peak period pledge agreement during 2021, and therefore the City did not designate peak periods. All deposits were legally secured at December 31, 2021.

At December 31, 2021, the carrying amount of the City's deposits including certificates of deposit was $866,130 and the bank balance was $1,001,793. The bank balance was held at one bank resulting in a concentration of credit risk. The difference between the carrying amount and the bank balance is outstanding checks. Of the bank balance, $250,000 was covered by FDIC insurance and the remaining was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name. The third-party bank, UMB National Bank of America, holding the pledged securities is independent of the pledging bank. The pledged securities are held under a tri-party custodial agreement signed by all three parties; the City, the pledging bank, and the independent third-party bank holding the pledged securities.

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

As of December 31, 2021, the City held Series HH United States Savings Bonds as investments totaling $1,000 with issue dates ranging from April 1994 to September 1998.

Note 4 – Property Taxes

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar-year basis and are levied and become a lien on the property on November 1st of each year.

Note 4 – Property Taxes

The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half of the full amounts of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes levied and collected in the year prior to January 1st of the ensuing year.

Note 5 – Long-Term Debt

The City has a loan agreement with the Kansas Department of Health and Environment's Kansas Public Water Supply Loan Fund. The agreement enabled the City to borrow $211,585. The loan is being repaid over twenty years.

The City has issued Series 2011 General Obligation Storm Sewer Bonds in the amount of $196,000. Principal and interest on the bonds are payable from ad valorem taxes.

The City has issued Series 2015-A General Obligation Bonds in the amount of $40,000. Principal and interest on the bonds are payable from ad valorem taxes.

The City has issued Series 2015-B General Obligation Bonds in the amount of $65,850. Principal and interest on the bonds are payable from ad valorem taxes.

The City has issued Series 2017 General Obligation Bonds in the amount of $185,000. Principal and interest on the bonds are payable from ad valorem taxes.

The City has a lease purchase of a 2017 Dodge Ram police truck in the amount of $59,501. The lease is for six annual payments starting in December 2017 with an interest rate of 1.20%.

The City has a lease purchase of a commercial building in the amount of $60,000. The lease is for monthly payments starting in January 2020 with a final payment due October 15, 2035 with an interest rate of 4.5%.

The City has issued Series 2020 General Obligation Bonds in the amount of $1,030,000. Principal and interest on the bonds are payable from ad valorem taxes.

The City has a lease purchase of a 2021 Skid Steer in the amount of $58,812. The lease is for five annual payments starting in January 2023 with an interest rate of 0.00%.

Note 5 – Long-Term Debt (continued)

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

| | Amount of Issue | Interest Rates | Date of Issue | Date of Final Maturity | Balance Beginning of Year | Additions | Reductions | Balance End of Year | Interest |
|---|---|---|---|---|---|---|---|---|---|
| **General Obligation Bonds** | | | | | | | | | |
| Series 2011 | $ 196,000 | 4.25% | 1/25/2011 | 9/1/2031 | $ 131,000 | $ - | $ 10,000 | $ 121,000 | $ 5,568 |
| Series 2015-A | 40,000 | 3.50% | 7/28/2015 | 7/28/2045 | 35,845 | - | 920 | 34,925 | 1,255 |
| Series 2015-B | 65,850 | 3.63% | 7/28/2015 | 7/28/2045 | 59,132 | - | 1,493 | 57,639 | 2,144 |
| Series 2017 | 185,000 | 1.50% | 6/8/2017 | 6/1/2027 | 133,000 | - | 18,000 | 115,000 | 1,860 |
| Series 2020 | 1,000,030 | 4.50% | 11/7/2019 | 10/15/2035 | 1,030,000 | - | - | 1,030,000 | 22,971 |
| **Total General Obligation Bonds Payable** | | | | | 1,388,977 | - | 30,413 | 1,358,564 | 33,798 |
| **Other Loans** | | | | | | | | | |
| KDHE Loan | 211,585 | 3.79% | 1/31/2011 | 8/1/2031 | 135,566 | - | 10,143 | 125,423 | 5,043 |
| **Capital Leases** | | | | | | | | | |
| 2017 Dodge Ram | 59,051 | 1.20% | 6/2/2017 | 12/1/2022 | 16,474 | - | 10,876 | 5,598 | 197 |
| 2021 Case Skid Steer | 58,812 | 0.00% | 12/31/2021 | 1/1/2027 | - | 58,812 | - | 58,812 | - |
| Grocery Store | 60,000 | 4.50% | 11/7/2019 | 10/15/2035 | 59,532 | - | 2,889 | 56,643 | 2,620 |
| **Total Capital Leases** | | | | | 76,006 | 58,812 | 13,765 | 121,053 | 2,817 |
| Total Long Term Debt | | | | | $ 1,600,549 | $ 58,812 | $ 54,321 | $ 1,605,040 | $ 41,658 |

Note 5 – Long-Term Debt (continued)

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

| | 2022 | 2023 | 2024 | 2025 | 2026 | 2027-2031 | 2032-2036 | 2037-2041 | 2042-2046 | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Principal: | | | | | | | | | | |
| 2011 GO Bonds | $ 10,000 | $ 10,000 | $ 11,000 | $ 11,000 | $ 12,000 | $ 67,000 | $ - | $ - | $ - | $ 121,000 |
| 2015-A GO Bonds | 952 | 986 | 1,020 | 1,056 | 1,093 | 6,066 | 7,206 | 8,557 | 7,989 | 34,925 |
| 2015-B GO Bonds | 1,547 | 1,603 | 1,661 | 1,722 | 1,784 | 9,939 | 11,875 | 14,189 | 13,319 | 57,639 |
| 2017 GO Bonds | 18,000 | 19,000 | 19,000 | 19,000 | 20,000 | 20,000 | - | - | - | 115,000 |
| 2020 GO Bonds | 25,000 | 40,000 | 45,000 | 45,000 | 45,000 | 235,000 | 275,000 | 320,000 | - | 1,030,000 |
| KDHE Loan | 10,531 | 10,934 | 11,352 | 11,787 | 1,238 | 79,581 | | | | 125,423 |
| 2017 Dodge Lease | 5,598 | - | - | - | - | - | - | - | - | 5,598 |
| 2021 Case Skid Steer | - | 11,763 | 11,763 | 11,763 | 11,763 | 11,760 | - | - | - | 58,812 |
| Grocery Store | 3,022 | 3,161 | 3,300 | 3,458 | 3,590 | 20,575 | 19,537 | - | - | 56,643 |
| Total Principal | 74,650 | 97,447 | 104,096 | 104,786 | 96,468 | 449,921 | 313,618 | 342,746 | 21,308 | 1,605,040 |
| Interest: | | | | | | | | | | |
| 2011 GO Bonds | 5,143 | 4,718 | 4,293 | 3,825 | 3,358 | 8,840 | - | - | - | 30,177 |
| 2015-A GO Bonds | 1,222 | 1,189 | 1,155 | 1,119 | 1,082 | 4,808 | 4,454 | 2,317 | 711 | 18,057 |
| 2015-B GO Bonds | 2,089 | 2,033 | 1,975 | 1,915 | 1,853 | 8,245 | 6,308 | 3,994 | 1,229 | 29,641 |
| 2017 GO Bonds | 1,590 | 1,312 | 1,027 | 743 | 450 | 150 | - | - | - | 5,272 |
| 2020 GO Bonds | 23,170 | 22,815 | 22,293 | 21,685 | 21,033 | 93,620 | 65,688 | 24,750 | - | 295,054 |
| KDHE Loan | 4,655 | 4,252 | 3,833 | 3,085 | 2,948 | 7,349 | - | - | - | 26,122 |
| 2017 Dodge Lease | 67 | - | - | - | - | - | - | - | - | 67 |
| 2021 Case Skid Steer | - | - | - | - | - | - | - | - | - | - |
| Grocery Store | 2,487 | 2,348 | 2,209 | 2,051 | 1,919 | 6,971 | 1,904 | - | - | 19,889 |
| Total Interest | 40,423 | 38,667 | 36,785 | 34,423 | 32,643 | 129,983 | 78,354 | 31,061 | 1,940 | 424,279 |
| Total Principal and Interest | $ 115,073 | $ 136,114 | $ 140,881 | $ 139,209 | $ 129,111 | $ 579,904 | $ 391,972 | $ 373,807 | $ 23,248 | $ 2,029,319 |

## Note 6 – Interfund Transactions

The following operating transfers have been authorized for the year 2021:

| From | To | Amount | Authority |
|---|---|---|---|
| General Fund | Bond and Interest Fund | 5,815 | Gift |
| General Fund | Bond and Interest Fund | 5,809 | Ordinance |
| General Fund | Bond and Interest Fund | 50,000 | Ordinance |
| General Fund | Swimming Pool Grant Fund | 100,000 | K.S.A. 12-1, 118 |
| General Fund | Municipal Court Fund | 25 | K.S.A. 12-6a16 |
| Library Improvement Fund | General Fund | 11,624 | Gift |
| Water/Sewer/Refuse Utility Fund | Utility Reserve Fund | 5,000 | K.S.A. 12-825d |
| Water/Sewer/Refuse Utility Fund | General Fund | 185,000 | K.S.A. 12-825d |
| Municipal Court Fund | General Fund | 36,032 | Residual equity |
| Pool Improvement Fund | Bond and Interest Fund | 15,289 | Residual equity |
| Swimming Pool Grant Fund | Pool Improvement Fund | 792,562 | K.S.A. 12-6a16 |

## Note 7 – Other Long-Term Obligations from Operations

### Compensated Absences

Expenses for accumulated vacation and sick leave earned by the employees are recorded when paid or taken by the employees. Only full-time employees, defined as employees who work at least 40 hours per week, shall be entitled to benefits of leave accumulation, holidays, insurance programs and other similar benefits. No benefits are available or can be accrued by a part-time or seasonal employee. Full-time employees are entitled to 5 days paid vacation leave after one year, based on an eight-hour workday. Employees earn 10 vacation days per year after they have been employed two years; 15 days after 10 years; 20 days after 20 years; and 25 paid vacation days per year after 25 years or more. It is the policy of the City Council that an employee use their accumulated annual leave during each calendar year. However, an employee that voluntarily terminates employment with a minimum of a two-week notice, shall be paid for accrued vacation time. Full-time employees earn 1 day of sick leave for each full month of service. Sick leave may be accumulated to 480 hours or 60 days. An employee shall not be paid for any sick leave upon termination of his/her employment with the City.

Note 8 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

There have been no decreases in insurance coverage from the prior year. The City continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 9 – Defined Contribution Pension Plan

Substantially all employees of the City are enrolled in a Section 457 retirement plan with a qualified retirement company. The City's employee personnel policy is to fund all pension costs accrued at 6% of the employees' gross wages. The employees' contribution percentage is voluntarily selected by the employee. During the year, the City changed plans and now all employees are fully vested upon entering the plan.

The retirement company and the City Council are responsible for the administration of the retirement plan. For the year ending December 31, 2021, the City contribution totaled $13,218 and the employee contributions totaled $5,828 for a total plan contribution of $19,046.

Note 10 – Self-Insurance Plans

The City maintains a health risk management plan to partially self-insure the health insurance for employees. Under the City's health insurance plan, the City will pay the $750 deductible for employees as well as the twenty percent co-pay of the next $1,000 of medical expenses. The cost of the plan to the City was $124,126 for the year ending December 31, 2021.

Note 11 – Evaluation of Subsequent Events

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

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the City's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the City is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2021. Future potential impacts may include disruptions or restrictions on the City's ability to operate under its current mission and operating model.

# Regulatory-Required Supplementary Information

SCHEDULE 1

**CITY OF BLUE RAPIDS, KANSAS**
**SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| Funds | Certified Budget | Adjustments for Qualifying Budget Credits | Total Budget | Expenditures Chargeable to Current Year | Variance Over (Under) |
|---|---|---|---|---|---|
| **General Funds:** | | | | | |
| General Fund | $ 1,202,161 | $ 15,438 | $ 1,217,599 | $ 1,217,599 | $ - |
| **Special Purpose Funds:** | | | | | |
| Library | 26,798 | - | 26,798 | 26,798 | - |
| Special Highway | 21,830 | - | 21,830 | 14,284 | (7,546) |
| Capital Improvements * | 1,333 | - | 1,333 | 250 | (1,083) |
| **Bond and Interest Fund** | 126,678 | - | 126,678 | 64,212 | (62,466) |
| **Capital Project Funds:** | | | | | |
| Pool Improvement * | 15,676 | - | 15,676 | 1,031,045 | 1,015,369 |
| Library Improvement * | 7,767 | - | 7,767 | 11,624 | 3,857 |
| **Trust Funds:** | | | | | |
| Special Law Enforcement Trust * | 1,200 | - | 1,200 | - | (1,200) |
| Johnston Restricted * | 47,865 | - | 47,865 | - | (47,865) |
| **Business Funds:** | | | | | |
| Water/Sewer/Refuse Utility | 434,303 | - | 434,303 | 406,599 | (27,704) |
| Utility System Reserve | 48,683 | - | 48,683 | - | (48,683) |

* Statutory Budget not required.

# CITY OF BLUE RAPIDS, KANSAS
## GENERAL FUND
## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
## REGULATORY BASIS
## FOR THE YEAR ENDED DECEMBER 31, 2021

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Receipts: | | | |
| Ad valorem tax | $ 404,866 | $ 418,126 | $ (13,260) |
| Delinquent tax | 10,699 | - | 10,699 |
| Motor vehicle tax | 51,579 | 44,331 | 7,248 |
| Recreational vehicle tax | 1,681 | 1,429 | 252 |
| CMV tax | 1,123 | 973 | 150 |
| 16/20M trucks tax | 282 | 279 | 3 |
| Special assessments | 560 | - | 560 |
| Intangible tax | 3,826 | 3,728 | 98 |
| Franchise tax | 34,158 | 32,000 | 2,158 |
| Local sales tax | 326,604 | 209,000 | 117,604 |
| Zoning permit fees | 600 | 400 | 200 |
| Cereal malt beverage license | 525 | 600 | (75) |
| Business license/permits | 180 | 300 | (120) |
| Dog/cat licenses | 2,670 | 2,700 | (30) |
| Interest on idle funds | 3,727 | 2,100 | 1,627 |
| Municipal court fines | - | 18,500 | (18,500) |
| Cemetery open/close | 500 | 1,500 | (1,000) |
| Cemetery lots | 600 | - | 600 |
| Community center rentals | 1,645 | 2,300 | (655) |
| Special purpose vehicle registration | 1,960 | 1,200 | 760 |
| Grant income | 230,441 | - | 230,441 |
| Grocery store payments | 10,384 | 5,509 | 4,875 |
| Miscellaneous income | 19,591 | 6,250 | 13,341 |
| Neighborhood revitalization rebate | (1,095) | (1,070) | (25) |
| Transfer from Library Improvement Fund | 11,624 | 5,815 | 5,809 |
| Transfer from Municipal Court Fund | 36,032 | - | 36,032 |
| Transfer from Johnston Restricted Fund | - | 1,397 | (1,397) |
| Transfer from Water/Sewer/Refuse Utility Fund | 185,000 | 185,000 | - |
| Total Receipts | 1,339,762 | $ 942,367 | $ 397,395 |

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

# CITY OF BLUE RAPIDS, KANSAS
## GENERAL FUND
## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
## REGULATORY BASIS
## FOR THE YEAR ENDED DECEMBER 31, 2021

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Expenditures: | | | |
| General Administration: | | | |
| Personal services | $ 55,948 | $ 49,000 | $ 6,948 |
| Contractual services | 173,870 | 33,000 | 140,870 |
| Commodities | 55,025 | 26,000 | 29,025 |
| Community Center | | 13,000 | (13,000) |
| Utilities | 6,502 | 5,000 | 1,502 |
| Capital outlay | 41,499 | - | 41,499 |
| Council Expenditures | 10,890 | 19,000 | (8,110) |
| Total General Administration | 343,734 | 145,000 | 198,734 |
| Street Department: | | | |
| Personal services | 111,686 | 110,000 | 1,686 |
| Contractual services | 172 | - | 172 |
| Commodities | 71,028 | 34,000 | 37,028 |
| Streets | | 64,000 | (64,000) |
| Utilities | 18,533 | 21,000 | (2,467) |
| Utilities - Fire | 2,094 | 2,000 | 94 |
| Total Street Department | 203,513 | 231,000 | (27,487) |
| Parks Department: | | | |
| Personal services | 36,081 | 34,000 | 2,081 |
| Contractual services | - | 2,000 | (2,000) |
| Commodities | 28,932 | 12,000 | 16,932 |
| Cemetery | | 4,000 | (4,000) |
| Utilities | 17,811 | 5,000 | 12,811 |
| Total Parks Department | 82,824 | 57,000 | 25,824 |
| Police Department: | | | |
| Personal services | 123,426 | 127,690 | (4,264) |
| Salaries - Judicial | - | 10,000 | (10,000) |
| Contractual services | - | 9,000 | (9,000) |
| Commodities | 35,042 | 30,000 | 5,042 |
| Lease Purchase - 2017 Dodge Ram | 11,074 | 11,203 | (129) |
| Code Enforcement | 4,015 | 15,000 | (10,985) |
| Utilities | 338 | 2,000 | (1,662) |
| Total Police Department | 173,895 | 204,893 | (30,998) |

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

**CITY OF BLUE RAPIDS, KANSAS**
**GENERAL FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Expenditures (continued): | | | |
| Employee Benefits: | | | |
| Workers compensation | $ 6,649 | $ 9,000 | $ (2,351) |
| Health insurance-City share | 124,126 | 136,000 | (11,874) |
| Unemployment insurance-City share | - | 400 | (400) |
| Retirement-City share | 14,410 | 15,000 | (590) |
| Life insurance | 651 | 700 | (49) |
| Payroll taxes | 24,574 | 24,000 | 574 |
| Total Employee Benefits | 170,410 | 185,100 | (14,690) |
| Cemetery Department: | | | |
| Contractual services | 383 | - | 383 |
| Total Cemetery Department | 383 | - | 383 |
| Other Expenditures: | | | |
| USD 498 sales tax appropriation | 75,682 | 53,000 | 22,682 |
| Lease Payment - Grocery Store | 5,509 | 5,509 | - |
| Transfer to Bond and Interest Fund - Library | 11,624 | 5,815 | 5,809 |
| Transfer to Bond and Interest Fund - Pool | 50,000 | 50,000 | - |
| Transfer to Swimming Pool Grant Fund | 100,000 | - | 100,000 |
| Transfer to Muncipal Court Fund | 25 | - | 25 |
| Cash forward | - | 264,844 | (264,844) |
| Total Other Expenditures | 242,840 | 379,168 | (136,328) |
| Total Expenditures | 1,217,599 | $ 1,202,161 | $ 15,438 |
| Receipts Over (Under) Expenditures | 122,163 | | |
| Unencumbered Cash, Beginning | 361,811 | | |
| Unencumbered Cash, Ending | $ 483,974 | | |

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

**CITY OF BLUE RAPIDS, KANSAS**
**LIBRARY FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Receipts: | | | |
| Ad Valorem tax | $ 23,028 | $ 23,782 | $ (754) |
| Delinquent tax | 635 | - | 635 |
| Motor vehicle tax | 3,094 | 2,591 | 503 |
| Recreational vehicle tax | 101 | 84 | 17 |
| CMV tax | 66 | 57 | 9 |
| 16/20M vehicle tax | 17 | 16 | 1 |
| Neighborhood revitalization rebate | (62) | (62) | - |
| Total Receipts | 26,879 | $ 26,468 | $ 411 |
| Expenditures: | | | |
| Annual Library appropriation | 26,798 | $ 26,798 | $ - |
| Total Expenditures | 26,798 | $ 26,798 | $ - |
| Receipts Over (Under) Expenditures | 81 | | |
| Unencumbered Cash, Beginning | 779 | | |
| Unencumbered Cash, Ending | $ 860 | | |

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

**CITY OF BLUE RAPIDS, KANSAS**
**SPECIAL HIGHWAY FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Receipts: | | | |
| State of Kansas gas tax | $ 27,878 | $ 21,830 | $ 6,048 |
| Total Receipts | 27,878 | $ 21,830 | $ 6,048 |
| Expenditures: | | | |
| Road materials | 14,284 | $ 21,830 | $ (7,546) |
| Total Expenditures | 14,284 | $ 21,830 | $ (7,546) |
| Receipts Over (Under) Expenditures | 13,594 | | |
| Unencumbered Cash, Beginning | - | | |
| Unencumbered Cash, Ending | $ 13,594 | | |

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

**CITY OF BLUE RAPIDS, KANSAS**
**CAPITAL IMPROVEMENTS FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Receipts: | | | |
| Interest income | $ 907 | $ 30 | $ 877 |
| Total Receipts | 907 | $ 30 | $ 877 |
| Expenditures: | | | |
| Capital outlay | - | $ 1,333 | $ (1,333) |
| Commodities | 250 | - | 250 |
| Total Expenditures | 250 | $ 1,333 | $ (1,083) |
| Receipts Over (Under) Expenditures | 657 | | |
| Unencumbered Cash, Beginning | 4,026 | | |
| Unencumbered Cash, Ending | $ 4,683 | | |

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

**CITY OF BLUE RAPIDS, KANSAS**
**MUNICIPAL COURT FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | | |
|---|---|---|
| Receipts: | | |
| Fines | $ | 37,632 |
| Transfer from General Fund | | 25 |
| Total Receipts | | 37,657 |
| Expenditure: | | |
| Personal Services | | 8,651 |
| Contractual Services | | 1,478 |
| Commodities | | 13,650 |
| Transfer to General Fund | | 36,032 |
| Total Expenditures | | 59,811 |
| Receipts Over (Under) Expenditures | | (22,154) |
| Unencumbered Cash, Beginning | | 22,154 |
| Unencumbered Cash, Ending | $ | - |

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

**CITY OF BLUE RAPIDS, KANSAS**
**SWIMMING POOL GRANT FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | |
|---|---|
| Receipts: | |
| State fund proceeds | $ 536,740 |
| Transfer from General Fund | 100,000 |
| Total Receipts | 636,740 |
| Expenditure: | |
| Transfer to Pool Improvement Fund | 792,562 |
| Total Expenditures | 792,562 |
| Receipts Over (Under) Expenditures | (155,822) |
| Unencumbered Cash, Beginning | 155,822 |
| Unencumbered Cash, Ending | $ - |

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

**CITY OF BLUE RAPIDS, KANSAS**
**BOND AND INTEREST FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Receipts: | | | |
| Ad Valorem tax | $ 24,614 | $ 25,417 | $ (803) |
| Delinquent tax | 729 | - | 729 |
| Motor vehicle tax | 4,490 | 2,943 | 1,547 |
| Recreational vehicle tax | 137 | 95 | 42 |
| CMV tax | 75 | 65 | 10 |
| 16/20M Trucks tax | 19 | 19 | - |
| Neighborhood revitalization rebate | (67) | (66) | (1) |
| Transfer from Pool Improvement Fund - Residual | 15,289 | 15,676 | (387) |
| Transfer from General Fund - Pool Bond | 50,000 | 50,000 | - |
| Transfer from General Fund - Library Bond | 11,624 | 5,815 | 5,809 |
| Total Receipts | $ 106,910 | $ 99,964 | $ 6,946 |
| Expenditures: | | | |
| Principal payment | 30,413 | $ 30,413 | $ - |
| Interest payment | 33,799 | 40,182 | (6,383) |
| Fees and miscellaneous | - | 8 | (8) |
| Cash basis reserve | - | 56,075 | (56,075) |
| Total Expenditures | 64,212 | $ 126,678 | $ (62,466) |
| Receipts Over (Under) Expenditures | 42,698 | | |
| Unencumbered Cash, Beginning | 23,302 | | |
| Unencumbered Cash, Ending | $ 66,000 | | |

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

**CITY OF BLUE RAPIDS, KANSAS**
**POOL IMPROVEMENT FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Receipts: | | | |
| Pool receipts | $ - | $ - | $ - |
| Donations | 505 | - | 505 |
| Interest on idle funds | - | - | - |
| Transfer from Swimming Pool Grant Fund | 792,562 | - | 792,562 |
| Total Receipts | 793,067 | $ - | $ 793,067 |
| Expenditures: | | | |
| Transfer to Bond & Interest Fund - Residual | $ 15,289 | $ 15,676 | $ (387) |
| Capital outlay | 1,015,756 | - | 1,015,756 |
| Total Expenditures | 1,031,045 | $ 15,676 | $ 1,015,369 |
| Receipts Over (Under) Expenditures | (237,978) | | |
| Unencumbered Cash, Beginning | 237,978 | | |
| Unencumbered Cash, Ending | $ - | | |

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

**CITY OF BLUE RAPIDS, KANSAS**
**LIBRARY IMPROVEMENT FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Receipts: | | | |
| Private donations | $ 5,813 | $ 5,815 | $ (2) |
| Interest on idle funds | - | 45 | (45) |
| Total Receipts | 5,813 | $ 5,860 | $ (47) |
| Expenditures: | | | |
| Transfer to General Fund | 11,624 | 5,815 | 5,809 |
| Cash forward | - | 1,952 | (1,952) |
| Total Expenditures | 11,624 | $ 7,767 | $ 3,857 |
| Receipts Over (Under) Expenditures | (5,811) | | |
| Unencumbered Cash, Beginning | 7,710 | | |
| Unencumbered Cash, Ending | $ 1,899 | | |

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

**CITY OF BLUE RAPIDS, KANSAS**
**SPECIAL LAW ENFORCEMENT TRUST FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Receipts: | | | |
| Seizure money | $ - | $ 1,200 | $ (1,200) |
| Total Receipts | - | $ 1,200 | $ (1,200) |
| Expenditures: | | | |
| Commodities | - | $ 1,200 | $ (1,200) |
| Total Expenditures | - | $ 1,200 | $ (1,200) |
| Receipts Over (Under) Expenditures | - | | |
| Unencumbered Cash, Beginning | - | | |
| Unencumbered Cash, Ending | $ - | | |

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

**CITY OF BLUE RAPIDS, KANSAS**
**JOHNSTON RESTRICTED FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Receipts: | | | |
| Interest on idle funds | $ - | $ 580 | $ (580) |
| Total Receipts | - | $ 580 | $ (580) |
| Expenditures: | | | |
| Transfer to General Fund | - | $ 1,397 | $ (1,397) |
| Cash forward | - | 46,468 | (46,468) |
| Total Expenditures | - | $ 47,865 | $ (47,865) |
| Receipts Over (Under) Expenditures | - | | |
| Unencumbered Cash, Beginning | 47,185 | | |
| Unencumbered Cash, Ending | $ 47,185 | | |

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

**CITY OF BLUE RAPIDS, KANSAS**
**WATER/SEWER/REFUSE UTILITY FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Receipts: | | | |
| Delayed payment charges | $ 6,729 | $ 6,000 | $ 729 |
| Water receipts | 187,242 | 185,080 | 2,162 |
| Sewer receipts | 84,803 | 90,120 | (5,317) |
| Refuse receipts | 84,960 | 87,800 | (2,840) |
| Connect fees | 1,131 | 1,000 | 131 |
| Miscellaneous income | 30 | - | 30 |
| Total Receipts | 364,895 | $ 370,000 | $ (5,105) |
| Expenditures: | | | |
| Commodities | 61,355 | $ 31,000 | $ 30,355 |
| Contractual services | 14,832 | 14,000 | 832 |
| Utilities | 22,126 | 21,600 | 526 |
| Fees deposited into Utility System Reserve | - | 5,000 | (5,000) |
| Refuse contractual services | 78,100 | 85,400 | (7,300) |
| Cash forward | - | 72,117 | (72,117) |
| Capital Outlay | 25,000 | - | 25,000 |
| KDHE loan payments | 15,186 | 15,186 | - |
| Transfer to Utility System Reserve Fund | 5,000 | 5,000 | - |
| Transfer to General Fund | 185,000 | 185,000 | - |
| Total Expenditures | 406,599 | $ 434,303 | $ (27,704) |
| Receipts Over (Under) Expenditures | (41,704) | | |
| Unencumbered Cash, Beginning | 92,865 | | |
| Unencumbered Cash, Ending | $ 51,161 | | |

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

**CITY OF BLUE RAPIDS, KANSAS**
**UTILITY SYSTEM RESERVE FUND**
**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**
**REGULATORY BASIS**
**FOR THE YEAR ENDED DECEMBER 31, 2021**

| | Actual | Budget | Variance Over (Under) |
|---|---|---|---|
| Receipts: | | | |
| Utility reserve receipts | $ - | $ 5,000 | $ (5,000) |
| Interest on idle funds | - | 40 | (40) |
| Transfer from Water/Sewer/Refuse Fund | 5,000 | 5,000 | - |
| Total Receipts | 5,000 | $ 10,040 | $ (5,040) |
| Expenditure: | | | |
| Capital outlay | - | $ 48,683 | $ (48,683) |
| Total Expenditures | - | $ 48,683 | $ (48,683) |
| Receipts Over (Under) Expenditures | 5,000 | | |
| Unencumbered Cash, Beginning | 28,814 | | |
| Unencumbered Cash, Ending | $ 33,814 | | |

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