

CITY OF OAKLEY, KANSAS

Primary Government Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2021

CITY OF OAKLEY, KANSAS
Primary Government Financial Statement With Independent Auditors' Report
For the Year Ended December 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Oakley, Kansas
Oakley, Kansas

Adverse and Unmodified Opinions

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Basis for Adverse and Unmodified Opinions

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

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

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Oakley, Kansas
Oakley, Kansas

Adverse and Unmodified Opinions

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Basis for Adverse and Unmodified Opinions

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

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

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

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

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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.

Auditors' Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, and summary of regulatory basis receipts and disbursements – agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement; however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated August 2, 2021, which contained an unmodified opinion on the basic financial statement. The 2020 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipal-services>. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2020 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2020 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 basic financial statement or to the 2020 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2020 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2020, on the basis of accounting described in Note 1.



ADAMSBROWN, LLC

Certified Public Accountants

Hays, Kansas

August 15, 2022

CITY OF OAKLEY, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds							
General Fund	\$ 489,495	-	2,751,663	2,881,634	359,524	33,568	393,092
Special Purpose Funds							
Library Fund	-	-	194,443	187,461	6,982	-	6,982
Special Highway Fund	59,886	-	59,588	37,696	81,778	-	81,778
Special Parks and Recreation Fund	35,032	-	65,383	84,817	15,598	78,664	94,262
Convention and Tourism Fund	47,365	-	105,736	74,228	78,873	50,000	128,873
Equipment Reserve Fund	196,299	-	87,600	63,290	220,609	34,135	254,744
Capital Improvement Fund	968,431	-	-	68,613	899,818	57,837	957,655
Capital Improvement - Streets Fund	189,244	-	263,390	244,530	208,104	-	208,104
911 Fund	379,784	-	120,137	87,230	412,691	-	412,691
Law Enforcement VIN Fund	6,200	-	1,320	5,467	2,053	-	2,053
Airport Grant Fund	-	-	-	36,630	(36,630)	36,630	-
SPARK - Covid Fund	2,421	-	-	2,421	-	-	-
CDBG - CV Fund	-	-	44,000	44,000	-	-	-
American Rescue Plan Act Fund	-	-	158,401	-	158,401	-	158,401
Bond and Interest Fund							
Bond and Interest Fund	7,999	-	57,267	54,878	10,388	-	10,388
Business Funds							
Water Utility Fund	415,001	-	678,648	460,886	632,763	1,509	634,272
Water Reserve Fund	302,340	-	90,000	215,116	177,224	-	177,224
Sanitation Utility Fund	564,648	-	730,099	904,911	389,836	17,172	407,008
Sanitation Reserve Fund	524,798	-	120,000	136,587	508,211	55,226	563,437
Trust Funds							
Museum Fund	16,404	-	6,507	5,624	17,287	-	17,287
Museum Store Fund	70,396	-	9,192	6,338	73,250	45	73,295
Cemetery Trust Fund	6,500	-	-	-	6,500	-	6,500
Special Law Enforcement Fund	3,567	-	-	-	3,567	-	3,567
Prosecutor's Charitable Trust Fund	1,480	340	900	1,000	1,720	-	1,720
Total Primary Government	\$ 4,287,290	340	5,544,274	5,603,357	4,228,547	364,786	4,593,333

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

CITY OF OAKLEY, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Beginning Unencumbered Cash Balance as Previously Stated	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Related Municipal Entity							
Library - General Fund	\$ 175,852	-	200,152	192,800	183,204	-	183,204
Library - Capital Improvement Fund	117,074	-	4,254	-	121,328	-	121,328
Total Related Municipal Entity	292,926	-	204,406	192,800	304,532	-	304,532
Total Primary Government (Excluding Agency Funds)	<u>\$ 4,580,216</u>	<u>340</u>	<u>5,748,680</u>	<u>5,796,157</u>	<u>4,533,079</u>	<u>364,786</u>	<u>4,897,865</u>
Composition of Cash					Certificates of Deposits	\$	1,797,539
					Checking Accounts		2,828,432
					Petty Cash		1,345
					Total Primary Government		4,627,316
					Total Related Municipal Entity		304,532
					Agency Funds per Schedule 3		(33,983)
					Total Primary Government (Excluding Agency Funds)	\$	<u>4,897,865</u>

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

CITY OF OAKLEY, KANSAS
Notes to Financial Statement
December 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of Oakley, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Financial Reporting Entity

The City is a municipal corporation governed by an elected mayor and five elected council members. This financial statement presents the City (the municipality) and its related municipal entity, Oakley Public Library, shown below. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents. This financial statement does not include the related municipal entity, Oakley Housing Authority, shown below.

Oakley Public Library

The Oakley Public Library Board is organized under Kansas statutes for the purpose of operating a public library for the benefit of the City. The Board's members are appointed by the City Council. The City substantially funds the Board's operations by levying tax dollars for the Library. The financial information for the Oakley Public Library is included in the audited financial statement of the City.

Oakley Housing Authority

The City's Housing Authority operates the City's housing projects. The housing authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Unaudited financial statements can be obtained by contacting the housing authority's office.

Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the City for the year ended December 31, 2021.

Regulatory Basis Fund Types

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

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

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

CITY OF OAKLEY, KANSAS

Notes to Financial Statement
December 31, 2021

Trust Fund – fund 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.).

Agency Fund – fund used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Basis of Accounting

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

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

Reimbursements

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 of 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:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

CITY OF OAKLEY, KANSAS
Notes to Financial Statement
December 31, 2021

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 City 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: Equipment Reserve Fund, Capital Improvement Fund, Capital Improvement – Streets Fund, 911 Fund, Law Enforcement VIN Fund, Airport Grant Fund, SPARK – Covid Fund, CDBG – CV Fund, and American Rescue Plan Fund.

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

NOTE 3 – DEPOSITS AND INVESTMENTS

City of Oakley, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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

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

Concentration of Credit Risk

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

Custodial Credit Risk – Deposits

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

At December 31, 2021, the City's carrying amount of deposits was \$4,627,316 and the bank balance was \$4,678,279. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank

CITY OF OAKLEY, KANSAS
Notes to Financial Statement
December 31, 2021

balance, \$759,053 was covered by federal depository insurance and \$3,919,226 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

At December 31, 2021, the Public Library's carrying amount of deposits was \$304,532 and the bank balance was \$311,711. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$303,122 was covered by federal depository insurance and \$8,589 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments at December 31, 2021.

NOTE 4 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of Oakley, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2021 were as follows:

From Fund	To Fund	Regulatory Authority	Amount
General	Capital Improvement - Streets	K.S.A. 12-1,118	\$ 263,390
General	Equipment Reserve	K.S.A. 12-1-117	27,600
Water Utility	General	K.S.A. 12-825d	172,514
Water Utility	Water Reserve	K.S.A. 12-825d	90,000
Water Utility	Equipment Reserve	K.S.A. 12-825d	30,000
Sanitation Utility	General	K.S.A. 12-825d	334,875
Sanitation Utility	Sanitation Reserve	K.S.A. 12-825d	120,000
Sanitation Utility	Equipment Reserve	K.S.A. 12-825d	30,000
Related Municipal Entity - Interfund Transfers			
Library - General	Library - Capital Improvement	K.S.A 12-1258	4,254

NOTE 5 – LITIGATION

City of Oakley, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the City.

NOTE 6 – RISK MANAGEMENT

City of Oakley, Kansas has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for 174 participating members.

The City pays an annual premium to KMIT for its workers compensation insurance coverage. The agreement to participate provides that KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 for each insured event. During 2021, the City contributed \$25,867 to the fund for this insurance coverage. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT management.

CITY OF OAKLEY, KANSAS
Notes to Financial Statement
December 31, 2021

The City carries commercial insurance for all other risks of loss, including property, general liability, crime, commercial auto, umbrella, linebacker, law enforcement legal liability, cyber liability, airport liability and employee dishonesty. The City does not carry comprehensive collision insurance on all motor vehicles. The City has elected not to provide for a reserve on this risk. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three calendar years.

The Oakley Public Library carries commercial insurance for risks of loss, including surety bond, property and general liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 7 – GRANTS AND SHARED REVENUES

City of Oakley, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 8 – DEFERRED COMPENSATION PLAN

City of Oakley, Kansas sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The City is not required to make any contributions.

NOTE 9 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description

City of Oakley, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.87% for the

CITY OF OAKLEY, KANSAS
Notes to Financial Statement
December 31, 2021

fiscal year ended December 31, 2021. Contributions to the pension plan from the City were \$121,475 for the year ended December 31, 2021.

At December 31, 2021, contributions to the pension plan from the Public Library were \$8,357.

Net Pension Liability

At December 31, 2021, the City's proportionate share of the collective net pension liability reported by KPERS was \$756,548. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

At December 31, 2021, Oakley Public Library's proportionate share of the collective net pension liability reported by KPERS was \$57,370. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. The Public Library's proportion of the net pension liability was based on the ratio of the Public Library's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 10 – OTHER POST EMPLOYMENT BENEFITS

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

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

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2021.

NOTE 11 – COMPENSATED ABSENCES

Vacation

The City allows a maximum of 10 days vacation for full-time employees for each year for the first 10 years of employment with a maximum of 20 days accumulation. For each year after 10 years, an additional day of vacation is added up to 20 years. Employees may accumulate twice the yearly vacation allowance up to a maximum of 40 days. Employees should make every effort to take their vacation in the calendar year in which it was earned. The City Administrator at his discretion may allow vacation leave to be carried over from one

CITY OF OAKLEY, KANSAS
Notes to Financial Statement
December 31, 2021

calendar year to the next. Upon termination, employees will be compensated for all earned but unused vacation.

Sick Leave

The City allows employees to accumulate a maximum of 12 days of sick leave per year based on the anniversary of their employment. No employee may accrue more than 120 days of sick leave. An employee will not be paid for unused sick leave upon termination for reasons other than retirement or death, and will be paid only if the employee has been employed for 10 years or longer. The maximum benefit paid for eligible employees is one-third of total accumulated leave.

Comp Time

Comp time is earned at the rate of 1½ hours per every hour worked over 40 hours during a one week period. It must be taken as time off within a 3-month time period of the date earned. No employee may accrue more than 60 hours of comp time.

Public Library Vacation

The Public Library allows full-time employees 3 days vacation for the first year, 5 days vacation for the second year, 10 days vacation after year 2 of employment, 15 days of vacation after 10 years of employment and an additional day per year will be added to a maximum total of 20 days for every year after 10 years of employment. Employees are not allowed to carry over any vacation from year to year.

Public Library Sick Leave

The Public Library allows full-time employees 12 days paid sick leave per year with accumulation up to 60 days, available only after it has been earned. No sick leave will be paid out upon termination.

NOTE 12 – LANDFILL CLOSURE AND POST-CLOSURE COSTS

State and federal laws and regulations require **City of Oakley, Kansas** to place a final cover on its landfill site when it stops accepting waste and perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the City has a potential liability for a portion of this closure and post-closure care costs in each period based on the landfill capacities used as of each year end. The estimated closure cost is \$418,678 and the estimated post-closure cost is \$993,947. These figures comprise the estimated closure and post-closure cost of \$1,412,625. At December 31, 2021, the permit for 2021 identifies that the remaining volume capacity of the site is 69.07% of the original capacity and that the remaining life of the landfill is 126 years. The City is also required by regulations to provide financial assurance for the closure and post-closure costs. The allowable mechanisms for this financial assurance are as follows: 1) trust fund, 2) surety bond guaranteeing payment or performance, 3) letter of credit, 4) insurance certificate, and 5) a financial test for local governments. The City has elected to use the financial test to provide financial assurance. The City is in compliance with the financial test as of December 31, 2021.

The above figures have been estimated and the potential for change due to inflation or deflation, technology, or applicable laws or regulations, exists to affect the above calculations.

NOTE 13 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The City exceeded the budgeted limits in the Sanitation Utility Fund by \$35,405, which is in violation of K.S.A. 79-2935.

CITY OF OAKLEY, KANSAS
Notes to Financial Statement
December 31, 2021

NOTE 14 – CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures to Date
Lagoon Construction at Wastewater Facility	\$ 731,731	81,879

NOTE 15 – DEBT RESTRICTIONS AND COVENANTS

KDHE Wastewater Treatment Loan

City of Oakley, Kansas entered into a loan agreement with the Kansas Department of Health and Environment to fund improvements to the sewer treatment plant in the amount of \$1,563,221. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2021 as it is providing dedicated funds through a combination of sewer rates and fees charged.

NOTE 16 – SUBSEQUENT EVENTS

The City adopted Ordinance 1172 on January 4, 2022 authorizing a loan agreement with Kansas Department of Health and Environment for \$652,900 to provide financing for the construction of a fourth lagoon at the wastewater treatment plant.

NOTE 17 – LONG-TERM DEBT

City of Oakley, Kansas has the following types of long-term debt.

General Obligation Bonds

On December 19, 2014, the City issued \$470,000 in Series 2014 general obligations bonds for the purpose of paying a portion of the cost of street improvements for the Hope/Royal Street Improvement District as well as the Sunrise Avenue Project.

KDHE Revolving Loan

On February 17, 2010, the City entered into a \$1,563,221 revolving loan agreement with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to fund a portion of the wastewater treatment facility improvements with Community Development Block Grant funds. The City has increased the sewer rates in order to provide loan repayment.

Lease Obligations

The City has entered into lease agreements for equipment with an option to purchase at the expiration of the lease term. The leases contain a fiscal funding clause.

CITY OF OAKLEY, KANSAS

Notes to Financial Statement

December 31, 2021

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Series 2014	2.42%	12/19/2014	\$ 470,000	9/1/2024	\$ 212,000	-	(49,000)	163,000	5,878
KDHE Loan									
Kansas Water Pollution Control Revolving Loan	2.58%	2/17/2010	1,563,221	3/1/2031	895,569	-	(75,289)	820,280	20,431
Capital Leases									
2019 CAT Wheel Loader	3.20%	12/10/2019	122,327	12/16/2024	99,102	-	(23,631)	75,471	3,232
2007 Landfill Compactor	3.32%	11/16/2020	217,000	11/16/2025	217,000	-	(40,612)	176,388	7,204
Total Contractual Indebtedness					\$ 1,423,671	-	(188,532)	1,235,139	36,745

CITY OF OAKLEY, KANSAS

Notes to Financial Statement

December 31, 2021

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

		Years						
		2022	2023	2024	2025	2026	2027-2031	Total
Principal								
Kansas Water Pollution Revolving Loan	\$	77,244	79,249	81,307	83,418	85,584	413,478	820,280
2014 General Obligation Bonds		52,000	54,000	57,000	-	-	-	163,000
Capital Leases		66,402	68,577	70,600	46,280	-	-	251,859
Total Principal		195,646	201,826	208,907	129,698	85,584	413,478	1,235,139
Interest								
Kansas Water Pollution Revolving Loan		18,665	16,854	14,996	13,089	11,133	24,497	99,234
2014 General Obligation Bonds		4,653	3,249	1,710	-	-	-	9,612
Capital Leases		8,278	6,103	3,857	1,537	-	-	19,775
Total Interest		31,596	26,206	20,563	14,626	11,133	24,497	128,621
Total Principal and Interest		\$ 227,242	228,032	229,470	144,324	96,717	437,975	1,363,760

CITY OF OAKLEY, KANSAS

Regulatory-Required Supplementary Information

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

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds					
General Fund	\$ 2,913,445	-	2,913,445	2,881,634	(31,811)
Special Purpose Funds					
Library Fund	187,461	-	187,461	187,461	-
Special Highway Fund	68,500	-	68,500	37,696	(30,804)
Special Parks and Recreation Fund	50,000	50,000	100,000	84,817	(15,183)
Convention and Tourism Fund	163,375	-	163,375	74,228	(89,147)
Bond and Interest Fund					
Bond and Interest Fund	63,028	-	63,028	54,878	(8,150)
Business Funds					
Water Utility Fund	517,937	-	517,937	460,886	(57,051)
Sanitation Utility Fund	857,024	12,482	869,506	904,911	35,405

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

			Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)	
Receipts					
Taxes					
Ad Valorem Tax	\$ 995,847	1,002,591	1,021,519	(18,928)	
Delinquent Tax	5,643	34,247	-	34,247	
Vehicle Tax	158,243	161,261	134,154	27,107	
Sales Tax	463,871	521,389	490,000	31,389	
Excise Tax	35	56	-	56	
Private Club and Liquor Tax	6,671	10,023	7,554	2,469	
Total Taxes	<u>1,630,310</u>	<u>1,729,567</u>	<u>1,653,227</u>	<u>76,340</u>	
Licenses and Permits					
Franchise Fees	161,164	167,587	160,000	7,587	
Permits and Inspections	3,725	7,050	2,000	5,050	
Dog Tags and Fees	175	265	-	265	
Total Licenses and Permits	<u>165,064</u>	<u>174,902</u>	<u>162,000</u>	<u>12,902</u>	
Charges for Services					
Sale of Cemetery Lots	4,105	6,311	4,000	2,311	
Fines, Forfeitures, and Penalties					
Municipal Court	24,193	24,964	17,500	7,464	
Use of Money and Property					
Swimming Pool	21,596	21,929	20,000	1,929	
Recreation Commission	6,000	6,000	-	6,000	
Interest Income	54,615	7,483	50,000	(42,517)	
Dispatch	112,740	124,014	117,000	7,014	
Police Department	13,840	3,255	4,000	(745)	
Airport Revenue	7,424	8,264	8,000	264	
Total Use of Money and Property	<u>216,215</u>	<u>170,945</u>	<u>199,000</u>	<u>(28,055)</u>	
Transfers In	<u>442,922</u>	<u>507,389</u>	<u>505,000</u>	<u>2,389</u>	
Miscellaneous					
Reimbursed Expense	21,691	16,913	20,000	(3,087)	
Insurance Proceeds	9,743	10,381	-	10,381	
Oil and Crop Revenue	15,151	22,278	1,000	21,278	
Miscellaneous	5,606	11,376	27,870	(16,494)	
Donations	-	20	-	20	
Sale of Property	47,723	91,301	-	91,301	
Neighborhood Revitalization Rebate	(20,871)	(14,684)	(14,531)	(153)	
Total Miscellaneous	<u>79,043</u>	<u>137,585</u>	<u>34,339</u>	<u>103,246</u>	
Total Receipts	\$ <u>2,561,852</u>	<u>2,751,663</u>	<u>2,575,066</u>	<u>176,597</u>	

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

			Current Year		
	Prior Year Actual		Actual	Budget	Variance Over (Under)
Expenditures					
General Government					
Personal Services	\$ 809,768	940,331	859,373	80,958	
Contractual Services	80,027	105,520	80,650	24,870	
Commodities	56,548	77,023	67,400	9,623	
Capital Outlay	2,573	2,923	25,000	(22,077)	
Other Appropriations	14,312	25,235	75,200	(49,965)	
Transfers Out	265,135	290,990	350,000	(59,010)	
Total General Government	<u>1,228,363</u>	<u>1,442,022</u>	<u>1,457,623</u>	<u>(15,601)</u>	
Police Department					
Personal Services	663,989	809,211	747,771	61,440	
Contractual Services	35,404	45,674	32,170	13,504	
Commodities	45,106	49,478	53,500	(4,022)	
Capital Outlay	-	-	7,500	(7,500)	
Total Police Department	<u>744,499</u>	<u>904,363</u>	<u>840,941</u>	<u>63,422</u>	
Fire Department					
Personal Services	10,812	17,279	17,524	(245)	
Contractual Services	11,543	14,236	14,000	236	
Commodities	1,839	1,580	4,800	(3,220)	
Capital Outlay	-	-	4,500	(4,500)	
Total Fire Department	<u>24,194</u>	<u>33,095</u>	<u>40,824</u>	<u>(7,729)</u>	
Street Department					
Personal Services	122,262	137,871	155,053	(17,182)	
Contractual Services	669	657	-	657	
Commodities	53,217	59,990	52,250	7,740	
Total Street Department	<u>176,148</u>	<u>198,518</u>	<u>207,303</u>	<u>(8,785)</u>	
Parks and Cemetery					
Personal Services	169,650	189,315	234,124	(44,809)	
Contractual Services	26,329	24,383	25,100	(717)	
Commodities	23,825	22,738	38,500	(15,762)	
Capital Outlay	2,416	4,238	10,565	(6,327)	
Total Parks and Cemetery	<u>\$ 222,220</u>	<u>240,674</u>	<u>308,289</u>	<u>(67,615)</u>	

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

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
Expenditures (continued)				
Airport Operations				
Personal Services	\$ 112	-	700	(700)
Contractual Services	13,905	17,609	14,260	3,349
Commodities	31,058	33,178	35,000	(1,822)
Capital Outlay	14,899	11,481	5,000	6,481
Total Airport Operations	59,974	62,268	54,960	7,308
 Civil Defense	1,563	694	3,000	(2,306)
 Nonoperating Expenses				
Miscellaneous	-	-	505	(505)
 Total Expenditures	2,456,961	2,881,634	2,913,445	(31,811)
 Receipts Over (Under) Expenditures	104,891	(129,971)		
 Unencumbered Cash - Beginning	384,569	489,495		
 Prior Year Cancelled Encumbrances	35	-		
 Unencumbered Cash - Ending	\$ 489,495	359,524		

CITY OF OAKLEY, KANSAS

Library Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes				
Ad Valorem Tax	\$ 159,163	164,815	167,948	(3,133)
Delinquent Tax	928	5,633	-	5,633
Vehicle Tax	26,143	26,400	21,901	4,499
Excise Tax	6	9	-	9
Neighborhood Revitalization Rebate	-	(2,414)	(2,388)	(26)
Total Receipts	186,240	194,443	<u>187,461</u>	<u>6,982</u>
Expenditures				
Appropriations	186,670	187,461	<u>187,461</u>	<u>-</u>
Receipts Over (Under) Expenditures	(430)	6,982		
Unencumbered Cash - Beginning	430	-		
Unencumbered Cash - Ending	\$ -	6,982		

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes				
State Gasoline Tax	\$ 54,433	59,588	46,430	13,158
Expenditures				
Contractual Services	16,759	16,060	18,500	(2,440)
Commodities	19,566	19,444	50,000	(30,556)
Capital Outlay	-	2,192	-	2,192
Total Expenditures	36,325	37,696	68,500	(30,804)
Receipts Over (Under) Expenditures	18,108	21,892		
Unencumbered Cash - Beginning	41,778	59,886		
Unencumbered Cash - Ending	\$ 59,886	81,778		

CITY OF OAKLEY, KANSAS
Special Parks and Recreation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Reimbursed Expenses	\$ 17,465	3,050	-	3,050
Dane G Hansen Grant	-	50,000	-	50,000
KDHE Grant	-	2,310	-	2,310
Taxes				
Private Club and Liquor Tax	6,671	10,023	7,554	2,469
Total Receipts	24,136	65,383	7,554	57,829
Expenditures				
Capital Outlay	34,476	84,817	50,000	34,817
Miscellaneous	528	-	-	-
(a) Adjustment for Qualifying Budget Credit	-	-	50,000	(50,000)
Total Expenditures	35,004	84,817	100,000	(15,183)
Receipts Over (Under) Expenditures	(10,868)	(19,434)		
Unencumbered Cash - Beginning	45,900	35,032		
Unencumbered Cash - Ending	\$ 35,032	15,598		

(a) Adjustment for Qualifying Budget Credits

Dane G Hansen Grant Over Amount Budgeted \$ 50,000

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

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts				
Taxes				
Transient Guest Tax	\$ 72,040	105,666	93,750	11,916
Reimbursed Expense	-	70	-	70
Total Receipts	72,040	105,736	93,750	11,986
Expenditures				
Contractual Services	36,020	52,833	-	52,833
Commodities	36,896	16,395	103,375	(86,980)
Capital Outlay	50,000	5,000	60,000	(55,000)
Total Expenditures	122,916	74,228	163,375	(89,147)
Receipts Over (Under) Expenditures	(50,876)	31,508		
Unencumbered Cash - Beginning	98,126	47,365		
Prior Year Cancelled Encumbrances	115	-		
Unencumbered Cash - Ending	\$ 47,365	78,873		

CITY OF OAKLEY, KANSAS
Equipment Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 100,000	87,600
Expenditures		
Principal	32,784	-
Interest	1,083	-
Capital Outlay	18,895	63,290
Total Expenditures	52,762	63,290
Receipts Over (Under) Expenditures	47,238	24,310
Unencumbered Cash - Beginning	149,061	196,299
Unencumbered Cash - Ending	\$ 196,299	220,609

CITY OF OAKLEY, KANSAS
Capital Improvement Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 30,000	-
Expenditures		
Construction Costs	-	48,600
Capital Outlay	193,362	20,013
Total Expenditures	193,362	68,613
Receipts Over (Under) Expenditures	(163,362)	(68,613)
Unencumbered Cash - Beginning	1,131,793	968,431
Unencumbered Cash - Ending	\$ 968,431	899,818

CITY OF OAKLEY, KANSAS
Capital Improvement - Streets Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 235,135	263,390
Expenditures		
Capital Outlay	301,526	244,530
Receipts Over (Under) Expenditures	(66,391)	18,860
Unencumbered Cash - Beginning	255,635	189,244
Unencumbered Cash - Ending	\$ 189,244	208,104

CITY OF OAKLEY, KANSAS
911 Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
State Payments	\$ 120,535	119,781
Interest Income	1,321	321
Reimbursements	21	-
Other Revenue	33	35
Total Receipts	121,910	120,137
Expenditures		
Contractual Services	2,080	927
Commodities	65,338	49,471
Capital Outlay	36,000	36,832
Total Expenditures	103,418	87,230
Receipts Over (Under) Expenditures	18,492	32,907
Unencumbered Cash - Beginning	361,230	379,784
Prior Year Cancelled Encumbrances	62	-
Unencumbered Cash - Ending	\$ 379,784	412,691

CITY OF OAKLEY, KANSAS
Law Enforcement VIN Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
VIN Inspections	\$ 400	1,320
Expenditures		
Law Enforcement Equipment	-	5,467
Receipts Over (Under) Expenditures	400	(4,147)
Unencumbered Cash - Beginning	5,800	6,200
Unencumbered Cash - Ending	\$ 6,200	2,053

CITY OF OAKLEY, KANSAS
Airport Grant Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	\$ 38,295	-
Expenditures		
Capital Outlay	20,070	36,630
Receipts Over (Under) Expenditures	18,225	(36,630)
Unencumbered Cash - Beginning	(18,225)	-
Unencumbered Cash - Ending	\$ -	(36,630)

CITY OF OAKLEY, KANSAS
SPARK - Covid Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	\$ 31,319	-
Expenditures		
Personal Services	5,576	-
Commodities	21,882	1,884
Miscellaneous	1,440	537
Total Expenditures	28,898	2,421
Receipts Over (Under) Expenditures	2,421	(2,421)
Unencumbered Cash - Beginning	-	2,421
Unencumbered Cash - Ending	\$ 2,421	-

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

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	\$ -	44,000
Expenditures		
Grant Expenditures	-	44,000
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

CITY OF OAKLEY, KANSAS
American Rescue Plan Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	\$ -	158,332
Interest on Investments	-	69
Total Receipts	-	158,401
Expenditures	-	-
Receipts Over (Under) Expenditures	-	158,401
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	158,401

CITY OF OAKLEY, KANSAS

Bond and Interest Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

			Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)	
Receipts					
Taxes					
Ad Valorem Tax	\$ 29,520	36,973	37,681	(708)	
Delinquent Tax	212	1,279	-	1,279	
Motor Vehicle Tax	6,623	5,245	3,974	1,271	
Excise Tax	2	2	-	2	
Special Assessments	11,809	14,310	13,665	645	
Neighborhood Revitalization Rebate	(618)	(542)	(528)	(14)	
Total Receipts	<u>47,548</u>	<u>57,267</u>	<u>54,792</u>	<u>2,475</u>	
Expenditures					
Principal	47,000	49,000	49,000	-	
Interest	6,912	5,878	5,878	-	
Cash Basis Reserve	-	-	8,150	(8,150)	
Total Expenditures	<u>53,912</u>	<u>54,878</u>	<u>63,028</u>	<u>(8,150)</u>	
Receipts Over (Under) Expenditures	(6,364)	2,389			
Unencumbered Cash - Beginning	<u>14,363</u>	<u>7,999</u>			
Unencumbered Cash - Ending	\$ <u>7,999</u>	<u>10,388</u>			

CITY OF OAKLEY, KANSAS

Water Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

			Current Year		
	Prior Year Actual		Actual	Budget	Variance Over Under
Receipts					
Charges for Services					
Utility Sales	\$ 525,915	612,021	415,000	197,021	
Water Meter Replacement	22,962	23,264	-	23,264	
Penalties	10,490	11,590	5,000	6,590	
Service Connections	3,710	5,340	5,000	340	
Water Taps	2,096	9,199	500	8,699	
Taxes					
Sales Tax	179	781	-	781	
Miscellaneous					
Reimbursed Expense	19,238	5,606	12,000	(6,394)	
State Water Protection Fee	4,938	5,010	4,500	510	
Water Tower Rent	5,456	5,620	-	5,620	
Miscellaneous	28	217	5,000	(4,783)	
Total Receipts	595,012	678,648	447,000	231,648	
Expenditures					
Water Production					
Contractual Services	55,743	20,199	33,350	(13,151)	
Commodities	702	768	2,000	(1,232)	
Capital Outlay	-	3,344	10,000	(6,656)	
Total Water Production	56,445	24,311	45,350	(21,039)	
Water Transmission and Distribution					
Contractual Services	5,000	8,203	7,000	1,203	
Commodities	21,217	22,088	45,000	(22,912)	
Capital Outlay	-	-	10,000	(10,000)	
Total Water Trans. and Dist.	26,217	30,291	62,000	(31,709)	
Water Commercial and General					
Contractual Services	73,945	72,105	73,000	(895)	
Commodities	26,121	28,115	29,587	(1,472)	
Capital Outlay	667	3,178	2,000	1,178	
Total Water Comm. and Gen.	\$ 100,733	103,398	104,587	(1,189)	

CITY OF OAKLEY, KANSAS

Water Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	
Expenditures (continued)				
Nonoperating Expenses				
Commodities	\$ 63	780	5,500	(4,720)
Contractual	1,904	3,777	-	3,777
Transfers Out	279,460	292,514	295,000	(2,486)
State Water Fee and Sales Tax	5,666	5,815	5,500	315
Miscellaneous	-	-	-	-
Total Nonoperating Expenses	287,093	302,886	306,000	(3,114)
 Total Expenditures	 470,488	 460,886	 517,937	 (57,051)
 Receipts Over (Under) Expenditures	 124,524	 217,762		
 Unencumbered Cash - Beginning	 290,477	 415,001		
 Unencumbered Cash - Ending	 \$ 415,001	 632,763		

CITY OF OAKLEY, KANSAS
Water Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 90,000	90,000
Expenditures		
Commodities	1,509	-
Capital Outlay	-	215,116
Total Expenditures	1,509	215,116
Receipts Over (Under) Expenditures	88,491	(125,116)
Unencumbered Cash - Beginning	213,849	302,340
Unencumbered Cash - Ending	\$ 302,340	177,224

CITY OF OAKLEY, KANSAS

Sanitation Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Refuse Collection	\$ 385,767	382,488	360,000	22,488
Sewer Charges	328,562	329,896	335,000	(5,104)
Penalties	-	-	2,500	(2,500)
Miscellaneous				
Reimbursed Expense	5,597	5,233	15,000	(9,767)
Miscellaneous	-	-	6,250	(6,250)
State Aid	16,879	12,482	-	12,482
Total Receipts	<u>736,805</u>	<u>730,099</u>	<u>718,750</u>	<u>11,349</u>
Expenditures				
Refuse Collection				
Contractual Services	21,053	22,018	25,700	(3,682)
Commodities	86,950	102,618	78,500	24,118
Capital Outlay	22,196	2,923	40,000	(37,077)
Grant Expense	22,190	-	6,250	(6,250)
Total Refuse Collection	<u>152,389</u>	<u>127,559</u>	<u>150,450</u>	<u>(22,891)</u>
Sewage Treatment				
Personal Services	1,348	1,210	1,000	210
Contractual Services	52,414	38,878	48,490	(9,612)
Commodities	17,012	38,792	21,500	17,292
Debt Service	97,912	97,912	100,584	(2,672)
Capital Outlay	-	10,033	10,000	33
Total Sewage Treatment	<u>168,686</u>	<u>186,825</u>	<u>181,574</u>	<u>5,251</u>
Nonoperating Expenses				
Commodities	8,452	9,273	5,000	4,273
Contractual	23	96,379	-	96,379
Miscellaneous	-	-	-	-
Transfers Out	503,462	484,875	520,000	(35,125)
(a) Adjustment for Qualifying Budget Credit	-	-	12,482	(12,482)
Total Nonoperating Expenses	<u>511,937</u>	<u>590,527</u>	<u>537,482</u>	<u>53,045</u>
Total Expenditures	<u>833,012</u>	<u>904,911</u>	<u>869,506</u>	<u>35,405</u>
Receipts Over (Under) Expenditures	(96,207)	(174,812)		
Unencumbered Cash - Beginning	<u>660,855</u>	<u>564,648</u>		
Unencumbered Cash - Ending	\$ <u>564,648</u>	<u>389,836</u>		

(a) Adjustment for Qualifying Budget Credits

State Aid Over Amount Budgeted

\$ 12,482

CITY OF OAKLEY, KANSAS
Sanitation Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 150,000	120,000
Expenditures		
Principal	23,224	64,244
Interest	3,639	10,436
Capital Outlay	23,707	61,907
Total Expenditures	50,570	136,587
Receipts Over (Under) Expenditures	99,430	(16,587)
Unencumbered Cash - Beginning	425,368	524,798
Unencumbered Cash - Ending	\$ 524,798	508,211

CITY OF OAKLEY, KANSAS
Museum Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Donations	\$ 5,319	6,386
Interest Income	273	30
Reimbursed Expense	-	91
Total Receipts	5,592	6,507
Expenditures		
Contractual Services	1,224	1,198
Commodities	1,895	4,226
Miscellaneous	-	200
Total Expenditures	3,119	5,624
Receipts Over (Under) Expenditures	2,473	883
Unencumbered Cash - Beginning	13,431	16,404
Prior Year Cancelled Encumbrance	500	-
Unencumbered Cash - Ending	\$ 16,404	17,287

CITY OF OAKLEY, KANSAS
Museum Store Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Sales and Commissions	\$ 4,839	9,184
Interest Income	134	8
Total Receipts	4,973	9,192
Expenditures		
Supplies and Inventory	2,898	6,338
Receipts Over (Under) Expenditures	2,075	2,854
Unencumbered Cash - Beginning	68,321	70,396
Unencumbered Cash - Ending	\$ 70,396	73,250

CITY OF OAKLEY, KANSAS
Cemetery Trust Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts	\$ -	-
Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	6,500	6,500
Unencumbered Cash - Ending	\$ 6,500	6,500

CITY OF OAKLEY, KANSAS
Special Law Enforcement Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts	\$ -	-
Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	3,567	3,567
Unencumbered Cash - Ending	\$ 3,567	3,567

CITY OF OAKLEY, KANSAS
Prosecutor's Charitable Trust Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Fines and Fees	\$ 950	900
Expenditures		
Scholarships	1,020	1,000
Receipts Over (Under) Expenditures	(70)	(100)
Unencumbered Cash - Beginning	1,550	1,480
Prior Year Cancelled Encumbrance	-	340
Unencumbered Cash - Ending	\$ 1,480	1,720

CITY OF OAKLEY, KANSAS
Library - General Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Appropriations From City Library Fund	\$ 186,670	187,461
Intergovernmental		
Grants	7,605	5,830
Uses of Money and Property		
Interest Income	729	736
Miscellaneous		
Fines and Fees	1,368	1,531
Contributions and Memorials	1,575	2,043
Book Sales	190	498
Miscellaneous	6,102	2,053
Total Receipts	204,239	200,152
Expenditures		
Personal Services	145,925	152,239
Contractual Services	12,044	10,260
Commodities	22,331	20,253
Capital Outlay	9,592	5,794
Transfers Out	3,121	4,254
Total Expenditures	193,013	192,800
Receipts Over (Under) Expenditures	11,226	7,352
Unencumbered Cash - Beginning	164,626	175,852
Unencumbered Cash - Ending	\$ 175,852	183,204

CITY OF OAKLEY, KANSAS
Library - Capital Improvement Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Interest Income	\$ 1,441	-
Transfers In	3,121	4,254
Total Receipts	4,562	4,254
Expenditures		
Miscellaneous	5,803	-
Receipts Over (Under) Expenditures	(1,241)	4,254
Unencumbered Cash - Beginning	118,315	117,074
Unencumbered Cash - Ending	\$ <u>117,074</u>	<u>121,328</u>

CITY OF OAKLEY, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2021

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Flexible Spending Plan Fund	\$ 10,053	77,900	79,179	8,774
Flexible Spending Plan Fund - Library	1,683	-	1,683	-
Forfeiture Fund	40,461	52	15,304	25,209
Total	\$ 52,197	77,952	96,166	33,983