

CITY OF PAOLA
Paola, Kansas

FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT

December 31, 2021

CITY OF PAOLA, KANSAS

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Year ended December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

City Commissioners
City of Paola, Kansas
Paola, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Paola, 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 matter discussed in the "Basis of Adverse Opinion 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 City of Paola, Kansas 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 City of Paola, Kansas 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 C.

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 responsibility 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 City of Paola, Kansas, 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.

Matters giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note C of the financial statement, the financial statement is prepared by City of Paola, Kansas 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 C 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 Statements

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 C; 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 City of Paola, Kansas 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 objectives are to obtain reasonable assurance about where 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 an 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:

1. Exercise professional judgement and maintain professional skepticism throughout the audit.
2. 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.
3. 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 City of Paola, Kansas's internal control. Accordingly, no such opinion is expressed.
4. Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimate made by management, as well as evaluate the overall presentation of the financial statement.
5. Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Paola, Kansas 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 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 expenditure-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds, (Schedules 1, 2, and 3 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 C.

Prior Year Comparative

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Paola, Kansas as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated May 20, 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 available in electronic form from the web site of the Kansas Department of Administration at the following link <http://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, 2021 (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 statements 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 C.

Harold K. Mayes Jr.

Harold K. Mayes Jr. CPA
Agler & Gaeddert, Chartered
Ottawa, Kansas
June 14, 2022

City of Paola, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2021

	<u>Beginning Unencumbered Cash Balances</u>	<u>Receipts</u>
General Fund	\$ 837,007	\$ 4,548,751
Special Purpose Funds		
Library	79,257	338,341
Employee Benefit	694,067	1,303,645
Family Aquatics Center	47,084	142,053
Community Center	13,798	128,576
Storm Water Management	186,289	86,862
Special Park and Recreation	51,913	21,838
Street Repair/Special Highway	127,568	165,830
Special Law Enforcement Account	7,498	27
Transient Guest Tax	64,035	31,893
Family Aquatics Center Equipment Reserve	89,667	215
Covid-19	0	438,180
Escrow Proceeds	3,546	300
Mennenoah Cemetery	2,287	8
Special Grants Fund	43,261	60,334
Drug Enforcement Account	1,583	2,352
	1,411,853	2,720,454
Debt Service Funds		
Bond and Interest	598,591	1,223,805
Capital Projects Funds		
Waste Water Treatment Plant Construction	736,879	21,927
Equipment Replacement	102,480	167,897
Capital Projects Fund	1,660,148	2,260,611
	2,499,507	2,450,435

The accompanying notes are an integral part of this statement.

Statement 1

<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balances</u>
\$ 4,944,451	\$ 441,307	\$ 165,869	\$ 607,176
330,017	87,581	9,310	96,891
1,181,754	815,958	32,170	848,128
143,766	45,371	115	45,486
137,330	5,044	4,762	9,806
10,802	262,349	0	262,349
34,217	39,534	0	39,534
111,068	182,330	1,088	183,418
0	7,525	0	7,525
31,100	64,828	0	64,828
90,000	(118)	0	(118)
1,794	436,386	0	436,386
900	2,946	0	2,946
0	2,295	0	2,295
59,747	43,848	5,342	49,190
2,842	1,093	0	1,093
<u>2,135,337</u>	<u>1,996,970</u>	<u>52,787</u>	<u>2,049,757</u>
<u>1,378,287</u>	<u>444,109</u>	<u>0</u>	<u>444,109</u>
758,806	0	0	0
167,550	102,827	0	102,827
<u>1,687,397</u>	<u>2,233,362</u>	<u>0</u>	<u>2,233,362</u>
<u>2,613,753</u>	<u>2,336,189</u>	<u>0</u>	<u>2,336,189</u>

The accompanying notes are an integral part of this statement.

City of Paola, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2021

	<u>Beginning Unencumbered Cash Balances</u>	<u>Receipts</u>
Business Funds		
Sewer Service Operating	\$ 218,387	\$ 1,468,446
Water Utility Operating	194,317	1,902,945
Sewer Line Replacement	182,932	2,233
Health and Sanitation	51,503	417,251
Water Treatment Plant	261,352	819
Wastewater Treatment Plant	<u>138,540</u>	<u>975,764</u>
	<u>828,644</u>	<u>3,299,012</u>
	<u>\$ 6,175,602</u>	<u>\$ 14,242,457</u>

The accompanying notes are an integral part of this statement.

Statement 1

<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balances</u>
\$ 892,708	\$ 794,125	\$ 12,453	\$ 806,578
2,066,560	30,702	8,953	39,655
185,165	0	0	0
378,483	90,271	0	90,271
38,275	223,896	15,500	239,396
184,592	929,712	5,500	935,212
<u>2,853,075</u>	<u>1,274,581</u>	<u>42,406</u>	<u>2,111,112</u>
<u>\$ 13,924,903</u>	<u>\$ 6,493,156</u>	<u>\$ 261,062</u>	<u>\$ 7,548,343</u>

Cash balance consisting of

Balance on deposit		
Checking, money market accounts & petty cash	\$	3,297,250
Certificates of deposit		4,250,000
Police bond		19,134
Payroll withholding		6,799
Police account		1,093
Total cash		<u>7,574,276</u>
Agency Funds Per Schedule 3		<u>(25,933)</u>
Total cash (excluding agency funds)	\$	<u>7,548,343</u>

The accompanying notes are an integral part of this statement.

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2021

NOTE A. MUNICIPAL REPORTING ENTITY

The City of Paola is a municipal corporation governed by a mayor/council/manager form of government. These financial statements present the government and its related municipal entities, entities for which the government is considered financially accountable.

Related Municipal Entities

The Paola Free Library is governed by a board appointed by the City Council. The Library's budget and its expenditures and contractual arrangements, are approved by the City council. The Library has been included in the accompanying financial statements as a special purpose fund of the primary government.

Other Entities

The Paola Housing Authority has been omitted from the accompanying financial statements. The Paola Housing Authority Board is appointed by the City Council and oversees the operations of the Paola Housing Authority. The financial statements of the Paola Housing Authority are audited annually as of the Paola Housing Authority's fiscal year end (March 31). Those financial statements are issued separately and may be obtained from the Paola Housing Authority.

The City entered into a joint venture with the City of Louisburg for the purpose of developing a public utility to treat and disburse water to the two cities. The water treatment plant has been completed and is in operation. Both Cities provide labor, supplies and administrative costs to the operation for which both are reimbursed. Those financial statements are issued separately and may be obtained at City Hall.

The Public Building Commission activity is included in these financial records as part of the City's activity. There is no separate accounting by the Public Building Commission of its activity.

NOTE B. 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. 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 City potential could have the following types of funds.

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 revenues sources (other than Capital Project and tax levies for long-term debt) that are intended for specific purposes.

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

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

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

Trust Fund – 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 municipality reporting entity scholarship funds, etc.). The City does not have any funds of this type.

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2021

NOTE B. REGULATORY BASIS FUND TYPES - continued

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

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

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

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

Should the City hold a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th.

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

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

Adjustment for Qualifying Budget Credits – Municipalities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2021

NOTE D. BUDGETARY INFORMATION - continued

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 the following special purpose funds and capital project funds:

Special Law Enforcement	Drug Enforcement Account
Family Aquatics Center Equipment	Wastewater Treatment Plant Construction
Covid-19	Equipment Replacement
Escrow Fund	Capital Projects
Mennenoah Cemetery	Wastewater Treatment Plant
Special Grants	

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

NOTE E. CASH AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available in certificates of deposit and other authorized investments. Earning from these investments are allocated to designated funds.

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 City or in an adjoining City 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 bank 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. The City rates investments (if any) as noted.

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. The City has no investments other than money markets and certificates of deposit.

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%. There were no designated "peak periods" during the year. All bank deposits were legally secured at December 31, 2021.

At December 31, 2021, the carrying amount of the City's bank deposits was \$7,574,276 (which includes petty cash funds) and the bank balance was \$7,624,116. The bank balance was held by two banks which reduces concentration of credit risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, \$500,000 was covered by federal depository insurance, and \$7,124,116 was collateralized with securities held by the pledging financial institution's 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

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2021

NOTE E. CASH AND INVESTMENTS – continued

possession of an outside party. State statutes require investments be adequately secured. The City had no such investments at year-end.

NOTE F. LONG-TERM DEBT

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Maturity
General obligation bonds:				
Refunding Series 2012	2.00-3.20	09/01/12	7,525,000	09/01/31
Refunding Series 2014	2.00-3.00	10/06/14	2,485,000	09/01/25
GO Refunding Series 2020	3.00%	06/04/20	4,140,000	09/01/31
Public Building Commission				
Series 2008	3.25-4.25	09/25/08	3,660,000	05/01/21
Series 2012	2.00-2.125	11/01/12	2,055,000	11/01/21
Refunding Series 2016	2.0-3.0	01/12/16	2,185,000	11/01/26
Capital leases:				
Vac-Con Truck	2.85	12/22/16	185,000	12/22/19
Fire Truck	2.25	04/28/15	750,000	4/28/29
Ford Explorer Police Cars	3.08	01/05/17	56,500	1/5/20
Dump Truck	3.47	03/14/18	190,000	3/14/22
Copiers	0.00	01/18/18	18,300	1/18/22

	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General obligation bonds:						
Refunding Series 2014	\$ 1,260,000	\$ 0	\$ 305,000	\$ (305,000)	\$ 955,000	\$ 37,800
GO Refunding Series 2020	4,140,000	0	85,000	(85,000)	4,055,000	154,215
Public Building Commission						
Series 2008	85,000	0	85,000	(85,000)	0	1,764
Series 2012	230,000	0	230,000	(230,000)	0	4,888
Refunding Series 2016	1,110,000	0	235,000	(235,000)	875,000	30,712
Total bonds	<u>\$ 6,825,000</u>	<u>\$ 0</u>	<u>\$ 940,000</u>	<u>\$ (940,000)</u>	<u>\$ 5,885,000</u>	<u>\$ 229,379</u>

	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
Capital leases:						
Fire Truck	\$ 475,856	\$ 0	\$ 48,290	\$ (48,290)	\$ 427,566	\$ 10,707
Dump Truck	98,290	0	48,295	(48,295)	49,995	3,458
Copiers	7,320	0	3,660	(3,660)	3,660	0
Total for leases	<u>581,466</u>	<u>0</u>	<u>100,245</u>	<u>(100,245)</u>	<u>481,221</u>	<u>14,165</u>
Total for all debt	<u>\$ 7,406,466</u>	<u>\$ 0</u>	<u>\$ 1,040,245</u>	<u>\$ (1,040,245)</u>	<u>\$ 6,366,221</u>	<u>\$ 243,544</u>

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2021

NOTE F. LONG-TERM DEBT – continued

	Year				
	2022	2023	2024	2025	2026
Principal:					
Bonds	\$ 785,000	\$ 955,000	\$ 1,120,000	\$ 380,000	\$ 395,000
Capital Leases	100,246	103,032	50,488	51,624	52,786
	<u>885,246</u>	<u>1,058,032</u>	<u>1,170,488</u>	<u>431,624</u>	<u>447,786</u>
Interest:					
Bonds	173,962	150,412	128,288	107,250	85,500
Capital Leases	14,165	11,379	8,509	7,373	6,212
	<u>188,127</u>	<u>161,791</u>	<u>136,797</u>	<u>114,623</u>	<u>91,712</u>
Total Principal & Interest	\$ <u>1,073,373</u>	\$ <u>1,219,823</u>	\$ <u>1,307,285</u>	\$ <u>546,247</u>	\$ <u>539,498</u>

	Year		Total
	2027-2031	2032	
Principal:			
Bonds	\$ 2,250,000	\$ 0	\$ 5,885,000
Capital Leases	223,290	0	581,466
	<u>2,473,290</u>	<u>0</u>	<u>6,466,466</u>
Interest:			
Bonds	193,800	0	839,212
Capital Leases	12,700	0	60,338
	<u>206,500</u>	<u>0</u>	<u>899,550</u>
Total Principal & Interest	\$ <u>2,679,790</u>	\$ <u>0</u>	\$ <u>7,366,016</u>

The debt limit per Kansas Statutes is limited to thirty percent of the assessed tangible valuation for exempt farm property, business aircraft and motor vehicles given by the County Appraiser to the County Clerk on June 15 each year. At December 31, 2021, the statutory limit for the City was \$16,365,727 providing a debt margin of \$10,480,726 after removing debt exempt from the limitation.

NOTE G. CAPITAL PROJECTS

<u>Project Name</u>	<u>Project Authorization</u>	<u>Project Expenditures</u>
Traffic Signal Project	\$ 333,334	\$ 333,334
Baptiste Drive	765,975	765,975

These projects were approved in 2020 and work was completed in 2021.

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2021

NOTE H. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From:</u>	<u>To:</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	Community Center	12-1118	\$ 100,000
General	Employee Benefit	12-1118	443,300
Library	Employee Benefit	12-1118	55,000
Family Aquatics Center	Employee Benefit	12-1118	25,000
Community Center	Employee Benefit	12-1118	13,500
Family Aquatics Center Equipment Reserve	Family Aquatics Center	12-1118	90,000
Bond and Interest	Capital Projects	12-1118	208,908
Water Utility	Employee Benefit	12-1118	126,000
Sewer Service	Bond and Interest	12-1118	216,744
Sewer Service	Wastewater Treatment Plant	12-1118	165,226
Sewer Service	Employee Benefit	12-1118	58,245
Sewer Service	Sewer Line Replacement	12-1118	1,750
Waste Water Treatment Plant	Bond and Interest	12-825d	758,806
Waste Water Treatment Plant	Employee Benefit	12-1118	142,755
Capital Projects	Wastewater Treatment Plant	12-1118	627,392
Sewer Line Replacement	Wastewater Treatment Plant	12-1118	175,715
Sewer Line Replacement	Wastewater Treatment Plant	12-1118	1,750
			<u>\$ 3,210,091</u>

NOTE I. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS

Other Post Employment Benefits:

As provided by K.S.A. 12-5040, the City 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 retiree's health insurance plan because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been qualified 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.

The City has adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Service Code. All employees of the City working 20 or more hours per week are eligible to participate in the plan beginning the first day of a pay period following coincidental with an employee's satisfaction of eligibility requirements of any Optional Benefit Plan. Each participant may elect to reduce his or her salary, subject to the limitations of the Individual Optional Benefit plans, to purchase benefits offered through the Plan. All benefits offered through the plan involve insurance coverage, dependent care reimbursements and health expense reimbursements.

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

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT
December 31, 2021

NOTE I. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS - continued

Compensated Absences:

Vacation Pay - Full-time employees are entitled to paid vacation leave time according to one of the following schedules:

- (a) Full-time employees hired prior to January 1, 1992:

The employee shall be credited with ninety-six (96) hours for each year for up to ten (10) years. Employees with more than ten (10) years of service shall be entitled to eight (8) additional hours for each year of service longer than ten (10) years.

Full-time employees hired after January 1, 1992:

Years of Continuous Employment:	0 to 5	5 to 10	10 to 15	over 15
Hours earned per bi-weekly pay period:	3.6923	4.6153	5.5384	6.4615

- (b) New employees shall be awarded vacation time beginning on the first day of the month following (30) days of employment.
- (c) Employees may accumulate vacation leave time up to the maximum of two hundred (200) hours. An employee shall not earn additional vacation leave during any time period that the employee maintains the two hundred (200) hours maximum accumulation.
- (d) Off-duty employees on a leave of absence without pay for more than seven (7) working days in any one (1) calendar month shall not be eligible for earning vacation time during such month.
- (e) Vacation schedules are established by the Department Heads. Vacation time shall be reported as prescribed by the Human Resources Director and shall be taken as follows:

Employees who work 8 hour days	Increments of four (4) hours
Employees who work 10 hour days	Increments of five (5) hours

- (f) Bonus personal time shall be rewarded to employees not using sick leave as prescribed by the following schedule:

Hours of Sick Leave Used	Personal Hours Awarded
0 – 3	24
4 – 8	16
9 – 16	8
17 or more	0

To qualify for bonus personal time, employees must have been employed by the City for the entire calendar year. Bonus personal time is awarded in the first pay period of the calendar year and must be used prior to the end of the calendar year that it is awarded or it shall be cancelled without any payment due to the employee. Bonus personal time may be taken in 1-hour increments.

- (g) Employees shall receive payment for unused vacation time upon voluntary or involuntary termination of employment. As of December 31, 2021, the unused vacation time represented a potential liability to the City in the amount of \$147,983.

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2021

NOTE I. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS - continued

Compensated Absences: - continued

Sick Pay - Full-time employees may accumulate up to 180 days of sick leave. Twenty-five percent (25%) of unused sick leave will be paid upon termination of employment if in good standing. At December 31, 2021, City employees' sick leave payout at 25% would be \$136,466. In addition to vacation and sick leave, the City also has paid leave for comp time, Covid leave, personal days and wellness that amounted to \$44,100 as of December 31, 2021. There is no accrual for these amounts in the financial statements as amounts are expensed as the amounts are paid out.

NOTE J. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. Settlement of claims has not exceeded commercial insurance coverage in any of the last three fiscal years.

NOTE K. DEFINED BENEFIT PENSION PLAN

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

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 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 establishes the KPERS member-employee contribution rates a 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. K.S.A. 74-4975 establishes KP&F (Kansas Police and Fire) member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the internal revenue code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F 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 KPERS and 22.80% for KP&F for the fiscal year ended December 31, 2021. Contributions to the pension plan from the City were \$181,442 for KPERS and \$212,997 for KP&F for the year ended December 31, 2021.

Net Pension Liability: At December 31, 2021, the City's proportionate share of the collective net pension liability reported to KPERS was \$1,147,194 and \$1,633,495 for KP&F. 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 ration of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2021

NOTE L. OTHER INFORMATION

Reimbursed Expenses: The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursement as revenue in the same fund. For purposes of budgetary comparisons, the reimbursements are shown as adjustments for qualifying budget credits.

Compliance with Kansas Statutes: References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the State Director of Accounts and Reports and interpretation by the legal representative of the municipality. There are budget violations in General Fund and Community Center.

Ad valorem tax revenues: The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county. In accordance with Kansas statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. One-half of the property taxes are due December 20th, prior to the fiscal year for which they are budgeted and the second half is due the following May 10th. This procedure eliminates the need to issue tax anticipation notes since funds will be on hand prior to the beginning of each fiscal year. The City Treasurer draws down all available funds from the County Treasurer's office in two-month intervals.

Reimbursements: The City of Paola records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenues to the fund receiving the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursement.

Special assessments: Projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the bond and interest fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the bond and interest fund.

NOTE M. COVID 19

COVID-19

On January 30, 2021, 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 2021, 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 decrease in certain revenues, etc. and disruptions or restrictions on the City’s ability to operate under its current mission and operating model.

The City has significant interest/debt payments due in each year, which if tax, grant, etc. receipts decline due to the impact of the COVID-19 outbreak on taxpayers, grants available, may lead to the City seeking debt forbearance/restructuring and additional sources of debt and or equity financing. The City expects to meet certain covenant provisions in its debt arrangements. This may lead to the City seeking debt forbearance/restructuring and additional sources of debt and/or equity financing.

CITY OF PAOLA, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2021

NOTE N. SUBSEQUENT EVENTS

Subsequent Events: The City evaluated subsequent events through June 14, 2022, the date the financial statements were available to be issued.

Senate Bill 13 repealed the tax lid law and introduced the use of a revenue neutral rate with an additional budget hearing required if the proposed tax levy exceeds the revenue neutral rate. These policy changes apply to the 2022 budget cycle. Additional information can be found in the Memo to State of Kansas Subdivisions (2021) at <https://admin.ks.gov/offices/oar/municipal-services>.

REGULATORY BASIS
SUPPLEMENTARY INFORMATION

City of Paola, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
(Budgeted Funds Only)
For the Year Ended December 31, 2021

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustments for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
General Fund	\$ 4,879,345	\$ 0	\$ 4,879,345	\$ 4,944,451	\$ 65,106
Special Purpose Funds					
Library	370,670	0	370,670	330,017	(40,653)
Employee Benefit	1,802,229	0	1,802,229	1,181,754	(620,475)
Family Aquatics Center	211,300	0	211,300	143,766	(67,534)
Community Center	127,816	0	127,816	137,330	9,514
Storm Water Management	87,700	0	87,700	10,802	(76,898)
Special Park and Recreation	34,500	0	34,500	34,217	(283)
Street Repair/Special Highway	130,000	0	130,000	111,068	(18,932)
Transient Guest Tax	40,000	0	40,000	31,100	(8,900)
Debt Service Funds					
Bond and Interest	1,745,000	0	1,745,000	1,378,287	(366,713)
Business Funds					
Sewer Service					
Operating	1,242,992	0	1,242,992	892,708	(350,284)
Water Utility					
Operating	2,457,650	0	2,457,650	2,066,560	(391,090)
Sewer Line Replacement	216,875	0	216,875	185,165	(31,710)
Health and Sanitation					
Operating	390,875	0	390,875	378,483	(12,392)
Water Treatment Plant	100,000	0	100,000	38,275	(61,725)

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
 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)

	2020		2021		Variance Over (Under)
	Actual		Actual	Budget	
Cash receipts					
Taxes					
Ad valorem property tax	\$ 1,469,617	\$	1,513,279	\$ 1,467,500	\$ 45,779
Back tax collections	28,461		26,186	12,500	13,686
Motor vehicle tax	162,197		179,842	166,409	13,433
City sales tax	876,836		921,832	810,000	111,832
County sales tax	635,522		707,473	570,000	137,473
Sales tax	1,787		2,274	2,500	(226)
Mowing assessments	1,310		836	0	836
In lieu of taxes	22,652		25,460	21,000	4,460
Total taxes	3,198,382		3,377,182	3,049,909	327,273
Intergovernmental					
Liquor	14,467		21,665	17,500	4,165
Community fisheries program	6,489		6,489	6,400	89
Total Intergovernmental	20,956		28,154	23,900	4,254
Licenses, fees and permits					
Franchise tax	443,309		450,139	422,500	27,639
Pet licenses	1,114		1,555	2,000	(445)
General licenses	39,195		40,339	34,000	6,339
Lake permits	44,229		53,236	40,000	13,236
Zoning/planning	2,398		836	1,000	(164)
Building permits	55,706		91,872	50,000	41,872
Total Licenses, Fees & Permits	585,951		637,977	549,500	88,477
Charges for services					
Rural fire	88,012		89,146	90,000	(854)
Fines, forfeitures, penalties					
Fines and fees	140,184		194,043	200,000	(5,957)
Court costs	34,980		46,140	50,000	(3,860)
Total Fines, Forfeitures, Penalties	175,164		240,183	250,000	(9,817)
Use of money and property					
Rentals	54,690		55,462	52,750	2,712
Cemetery	30,575		16,475	13,000	3,475
Interest on investments	20,600		8,845	14,000	(5,155)
Total Use of Money & Property	105,865		80,782	79,750	1,032

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
 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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Cash receipts - continued				
Other				
Reimbursed expense	\$ 148,683	\$ 88,021	\$ 74,500	\$ 13,521
Reimbursed NSF Checks	4,392	2,906	10,000	(7,094)
Miscellaneous	4,899	4,400	9,500	(5,100)
Total Other	157,974	95,327	94,000	1,327
Operating Transfers	0	0	325,000	(325,000)
Total Cash Receipts	4,332,304	4,548,751	4,462,059	86,692
Expenditures				
Administration				
Full time salaries	116,029	458,258	446,500	11,758
Part time help	15,097	14,833	21,750	(6,917)
Overtime	41	137	100	37
Other personal services	3,267	9,438	2,500	6,938
Professional services	0	105,996	14,500	91,496
Legal service	14,250	48,430	13,000	35,430
Telephone	6,503	8,110	7,000	1,110
Credit card transaction fees	18,736	22,478	14,000	8,478
Training, travel and dues	6,165	6,392	11,000	(4,608)
Legal printing	3,068	1,921	1,500	421
Advertising	680	1,198	1,000	198
Insurance	11,502	11,045	11,000	45
Utility charges	7,300	7,183	11,000	(3,817)
Other contractual	67,036	53,265	53,000	265
Civil defense sirens	1,762	7,791	4,000	3,791
Street lights	149,940	160,558	160,000	558
Chamber of commerce dues	0	5,000	5,000	0
General office supplies	6,160	11,406	6,000	5,406
Postage	3,195	2,923	4,000	(1,077)
Gifts and memorials	321	334	500	(166)
Operational supplies	1,970	2,731	3,000	(269)
Vehicle maintenance	0	32	0	32
Building and maintenance supplies	6,995	3,326	1,000	2,326
Cleaning supplies	600	568	750	(182)
Non sufficient funds checks	4,800	3,532	8,000	(4,468)
Miscellaneous	513	1,710	500	1,210
Computer equip. & software	6,820	250	1,000	(750)
Refunds	0	88	100	(12)
Sales tax	1,836	2,176	2,500	(324)
Total Administration	454,586	951,109	804,200	146,909

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
 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)

Expenditures - continued	2020		2021		Variance Over (Under)
	Actual		Actual	Budget	
Police Department					
Full time salaries	\$ 1,105,064	\$	1,080,239	\$ 1,178,000	\$ (97,761)
Part time help	18,242		11,088	24,000	(12,912)
Overtime	60,106		71,909	65,000	6,909
Holiday overtime	34,973		34,050	40,000	(5,950)
Communications equipment	1,829		1,963	2,000	(37)
Telephone	16,230		17,295	20,000	(2,705)
Training, travel and dues	19,973		19,957	18,000	1,957
Training T&D Command Staff	2,309		3,714	4,000	(286)
Advertising	432		2,446	500	1,946
Insurance	24,207		30,956	25,000	5,956
Lease payments	0		42,000	42,000	0
Animal care	7,744		8,160	18,000	(9,840)
Utilities	25,605		24,734	31,000	(6,266)
Other services	51,575		83,539	76,620	6,919
Office supplies	3,624		11,897	4,000	7,897
Postage	2,000		781	2,200	(1,419)
Operational supplies	10,031		12,897	12,000	897
DARE supplies	0		310	1,700	(1,390)
Vehicle maintenance	10,420		8,640	7,500	1,140
Equipment maintenance	4,987		5,787	5,000	787
Building maintenance	16,772		15,975	15,000	975
Cleaning supplies	1,539		1,532	2,000	(468)
Motor fuel and lubrication	22,211		30,079	32,000	(1,921)
Uniforms	7,310		6,964	10,000	(3,036)
Enforcement equip. & supplies	15,599		16,436	15,000	1,436
Miscellaneous supplies	2,134		2,500	0	2,500
Office equipment	1,874		2,000	2,000	0
Computer equip. & software	27,021		27,554	20,000	7,554
Body cameras	0		0	5,700	(5,700)
Equipment, bldg. & grounds	4,155		4,969	5,000	(31)
Motor vehicles	8,776		8,911	10,000	(1,089)
Miscellaneous	0		0	2,500	(2,500)
Total Police Department	1,506,742		1,589,282	1,695,720	(106,438)
Fire Department					
Full time salaries	228,135		239,520	215,000	24,520
Part time help	5,126		24	0	24
Legal services	0		0	0	0
Telephone	3,124		3,770	3,000	770
Travel, dues and tags	628		4,371	9,000	(4,629)
Insurance	16,149		14,484	16,500	(2,016)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
 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)

Expenditures - continued	2021			Variance Over (Under)
	2020 Actual	Actual	Budget	
Fire Department - continued				
Utilities	\$ 16,972	\$ 16,669	\$ 20,000	\$ (3,331)
Other contractual	15,654	15,862	14,000	1,862
General office supplies	156	3,937	800	3,137
Postage	0	40	100	(60)
Gifts/memorials	761	0	500	(500)
Operational supplies	18,015	17,240	19,000	(1,760)
Vehicle maintenance	4,783	2,612	4,000	(1,388)
Equipment maintenance	5,603	6,557	5,000	1,557
Comm. equip. & maint.	1,798	3,700	5,000	(1,300)
Building maintenance	15,781	14,681	14,000	681
Cleaning supplies	(555)	481	1,100	(619)
Motor fuel and lubrication	1,135	2,027	2,000	27
Rural fuel	1,496	1,548	3,000	(1,452)
Uniforms	6,053	6,802	6,500	302
Protective clothing	14,364	12,392	17,000	(4,608)
Miscellaneous	44	0	100	(100)
Computer equip. & software	1,200	3,058	3,000	58
Total Fire Department	356,422	369,775	358,600	11,175
Municipal Court				
Full time salaries	44,087	34,886	46,300	(11,414)
Part time help	35,024	36,143	35,700	443
Overtime	0	50	0	50
Legal services	74,152	114,002	90,000	24,002
Telephone services	0	183	0	183
Training, travel and dues	210	25	1,000	(975)
Legal printing expense	0	126	0	126
Prisoner care	19,846	23,727	30,000	(6,273)
Other contract	13,305	14,826	19,000	(4,174)
Office supplies	972	819	1,500	(681)
Postage	747	750	850	(100)
Operational supplies	356	159	1,000	(841)
Refunds	0	284	400	(116)
Office Equip - Furniture	399	0	1,000	(1,000)
Computer equip. & software	1,047	842	1,000	(158)
Total Municipal Court	190,145	226,822	227,750	(928)

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
 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)

Expenditures - continued	2021			Variance Over (Under)
	2020 Actual	Actual	Budget	
Street Department				
Full time salaries	\$ 242,139	\$ 465,311	\$ 481,000	\$ (15,689)
Part time help	0	0	6,500	(6,500)
Overtime	3,950	6,595	0	6,595
Telephone	2,493	3,149	2,500	649
Training, travel, dues	1,500	1,134	1,800	(666)
Advertising	67	30	500	(470)
Insurance	16,401	17,028	17,000	28
Lease payments	51,754	51,754	52,000	(246)
Utility charges	10,608	14,003	18,500	(4,497)
Other services	8,132	13,763	8,500	5,263
Tree care	1,125	0	6,000	(6,000)
General office supplies	371	792	500	292
Operational supplies	16,033	24,252	24,000	252
Vehicle maintenance	2,507	3,246	7,000	(3,754)
Snow/Ice Control	12,041	8,668	18,000	(9,332)
Equipment maintenance	21,549	23,761	29,000	(5,239)
Traffic	2,720	13,839	10,000	3,839
Building maintenance	2,531	769	3,500	(2,731)
Construction material	30,435	30,161	30,000	161
Motor fuel and lubrication	17,932	23,613	27,000	(3,387)
Uniforms	3,467	3,323	4,500	(1,177)
Miscellaneous supplies	0	0	300	(300)
Office equipment furniture	260	159	500	(341)
Computer equipment/ software	324	525	0	525
Motor vehicle/equipment	0	5	0	5
Miscellaneous capital items	89,489	0	0	0
Total Street Department	537,828	705,880	748,600	(42,720)
Park and Recreation				
Full time salaries	201,116	139,437	138,000	1,437
Part time help	22,357	25,175	25,000	175
Overtime	3,390	2,736	1,200	1,536
Telephone	2,242	2,162	2,500	(338)
Training, travel and dues	700	984	1,000	(16)
Advertising	418	291	1,200	(909)
Insurance	9,505	9,314	8,000	1,314
Utility charges	32,902	35,913	0	35,913
Other services	22,309	30,376	25,000	5,376

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
 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)

Expenditures - continued	2021			Variance Over (Under)
	2020 Actual	Actual	Budget	
Park and Recreation - continued				
Tree care	\$ 5,600	\$ 4,000	\$ 6,000	\$ (2,000)
General office supplies	185	327	200	127
Operational supplies	10,363	8,634	15,000	(6,366)
Chemicals and fertilizer	2,151	5,192	5,000	192
Plant materials	2,102	3,035	4,000	(965)
Consumables	221	827	1,500	(673)
Vehicle maintenance	928	1,668	4,000	(2,332)
Equipment maintenance	8,262	9,272	8,000	1,272
Building maintenance	6,059	8,956	7,000	1,956
Construction material	574	453	3,000	(2,547)
Motor fuel and lubrication	11,048	16,481	17,000	(519)
Uniforms	1,025	1,006	1,400	(394)
Computer Equip/Software	752	702	750	(48)
Equipment/building & grounds	16,474	7,412	16,500	(9,088)
Total Park & Recreation	360,683	314,353	291,250	23,103
Cemetery				
Full time salaries	62,018	52,613	52,400	213
Overtime	5,067	3,547	0	3,547
Training, travel and dues	200	0	200	(200)
Advertising	72	76	100	(24)
Insurance	680	748	800	(52)
Other Contractual	1,892	1,896	6,500	(4,604)
Operational supplies	1,221	160	1,250	(1,090)
Vehicle maintenance	50	0	1,000	(1,000)
Equipment maintenance	428	880	1,000	(120)
Building maintenance	152	436	3,000	(2,564)
Construction materials	0	1,511	2,000	(489)
Motor fuel and lube	1,063	1,868	2,500	(632)
Uniforms	211	241	300	(59)
Total Cemetery	73,054	63,976	71,050	(7,074)

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

Expenditures - continued	2020		2021		Variance Over (Under)
	Actual	Actual	Budget	Budget	
Community Development					
Full time salaries	\$ 145,716	\$ 140,455	\$ 116,000	\$	24,455
Part time help	3,610	0	0		0
Overtime	7,145	0	300		(300)
Professional services	7,333	2,714	5,500		(2,786)
Legal services	0	0	1,000		(1,000)
Telephone	3,123	3,310	4,200		(890)
Training, travel and dues	2,187	2,712	2,500		212
Legal printing	1,823	1,599	2,000		(401)
Advertising	0	925	100		825
Insurance	1,971	1,475	2,000		(525)
Other contractual	4,339	10,655	7,500		3,155
General office supplies	1,457	4,196	3,500		696
Postage	0	300	800		(500)
Operational supplies	904	1,087	1,500		(413)
Vehicle maintenance	14	731	1,000		(269)
Cleaning supplies	12	35	0		35
Motor fuel and lubrication	488	1,730	1,500		230
Uniforms	205	233	325		(92)
Miscellaneous	354	1,040	0		1,040
Computer equipment & software	3,295	3,295	3,500		(205)
Motor Vehicle/Equipment	19	62	100		(38)
Refunds	4,717	3,400	500		2,900
Total Community Development	188,712	179,954	153,825		26,129
Economic Development					
Miscellaneous	38	0	0		0
Total Economic Development	38	0	0		0
Operating transfers	592,300	543,300	528,350		14,950
Appropriated reserve	0	0	0		0
Total expenditures and transfers subject to budget	4,260,510	4,944,451	4,879,345		65,106
Receipts over (under) expenditures	71,794	(395,700)			
Unencumbered cash, January 1	765,213	837,007			
Unencumbered cash, December 31	\$ 837,007	\$ 441,307			

City of Paola, Kansas

Schedule 2b

SPECIAL PURPOSE FUNDS
 LIBRARY FUND - 02
 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)

			2021		Variance Over (Under)
	2020 Actual	Actual	Budget		
Cash receipts					
Taxes					
Ad valorem property tax	\$ 259,423	\$ 266,710	\$ 258,572	\$	8,138
Back tax collections	5,081	4,646	2,500		2,146
Motor vehicle tax	28,653	31,732	29,380		2,352
Total taxes	293,157	303,088	290,452		12,636
Intergovernmental					
State aid and grants	27,335	30,365	25,000		5,365
Use of money and property					
Interest on investments	1,950	666	1,000		(334)
Fines and fees					
	1,261	388	3,000		(2,612)
Other					
Miscellaneous	4,844	3,834	4,000		(166)
Total cash receipts	328,547	338,341	323,452	\$	14,889
Expenditures					
Regular salaries	105,240	112,766	105,600	\$	7,166
Temporary help	53,449	46,003	63,500		(17,497)
Library pages	13,617	23,422	24,700		(1,278)
Overtime	407	950	550		400
Unemployment benefits	172	186	200		(14)
Telephone services	2,605	3,498	2,600		898
Training	638	646	1,500		(854)
Advertising	719	758	1,100		(342)
Insurance and bond premiums	6,924	7,125	7,500		(375)
Utility charges	9,641	10,765	13,000		(2,235)
Other services	19,832	21,629	15,370		6,259
Office supplies	1,024	1,413	1,700		(287)
Postage	145	126	400		(274)
Operation supplies	6,177	3,365	5,500		(2,135)
Building maintenance supplies	8,847	9,594	6,500		3,094
Cleaning supplies	1,041	728	900		(172)
Library media	12,922	15,142	20,000		(4,858)
Library materials	1,309	1,491	1,500		(9)
Children's programming	1,155	1,860	2,000		(140)
Adult Programming	179	20	0		20
Computer equipment and software	4,559	5,060	5,250		(190)
Library books	8,398	8,345	8,500		(155)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2b

SPECIAL PURPOSE FUNDS
 LIBRARY FUND - 02
 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)

	2020		2021		Variance Over (Under)
	Actual		Actual	Budget	
Expenditures - continued					
Refunds	\$ 0	\$	0	\$ 100	\$ (100)
Other	0		125	0	125
Total expenditures	259,000		275,017	287,970	(12,953)
Operating transfers	55,000		55,000	55,000	0
Appropriated reserve	0		0	27,700	(27,700)
Total expenditures and transfers subject to budget	314,000		330,017	370,670	(40,653)
Receipts over (under) expenditures	14,547		8,324		
Unencumbered cash, January 1	64,710		79,257		
Unencumbered cash, December 31	\$ 79,257	\$	87,581		

City of Paola, Kansas

Schedule 2c

SPECIAL PURPOSE FUNDS
 EMPLOYEE BENEFIT FUND - 05
 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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Taxes				
Ad valorem property tax	\$ 314,107	\$ 323,265	\$ 313,500	\$ 9,765
Back tax collections	6,235	5,659	4,000	1,659
Motor vehicle tax	34,734	38,450	35,553	2,897
Total taxes	<u>355,076</u>	<u>367,374</u>	<u>353,053</u>	<u>14,321</u>
Use of money and property				
Interest on investments	<u>9,916</u>	<u>2,992</u>	<u>6,200</u>	<u>(3,208)</u>
Other				
Reimbursements	<u>58,822</u>	<u>69,479</u>	<u>61,000</u>	<u>8,479</u>
Operating transfers	<u>886,800</u>	<u>863,800</u>	<u>863,800</u>	<u>0</u>
Total cash receipts	<u>1,310,614</u>	<u>1,303,645</u>	<u>1,284,053</u>	<u>19,592</u>
Expenditures				
Final Benefits Payout	99,351	56,890	180,000	(123,110)
HRA	12,159	18,155	35,000	(16,845)
Health Premiums	434,889	337,723	550,000	(212,277)
Cobra Insurance Premiums	20,045	22,687	20,000	2,687
Worker's compensation	52,223	55,885	75,000	(19,115)
FICA employer's contributions	237,106	248,382	250,000	(1,618)
KPERS employer's contributions	391,299	394,439	445,000	(50,561)
Section 125 payments	29,409	26,531	36,000	(9,469)
Unemployment	3,090	3,191	6,500	(3,309)
Training, travel, dues	411	219	1,000	(781)
Insurance	6,088	6,240	6,000	240
Employee assistance	8,442	9,880	10,000	(120)
Other contractual	1,683	1,767	1,500	267
Operational supplies	0	0	750	(750)
Miscellaneous	800	397	2,000	(1,603)
Employee development	23,052	(632)	25,000	(25,632)
Total expenditures	<u>1,320,047</u>	<u>1,181,754</u>	<u>1,643,750</u>	<u>(461,996)</u>
Appropriated reserve	<u>0</u>	<u>0</u>	<u>158,479</u>	<u>(158,479)</u>
Total expenditures subject to budget	<u>1,320,047</u>	<u>1,181,754</u>	<u>1,802,229</u>	<u>(620,475)</u>
Receipts over (under) expenditures	(9,433)	121,891		
Unencumbered cash, January 1	<u>703,500</u>	<u>694,067</u>		
Unencumbered cash, December 31	<u>\$ 694,067</u>	<u>\$ 815,958</u>		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2d

SPECIAL PURPOSE FUNDS
 FAMILY AQUATICS CENTER FUND - 07
 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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Taxes				
Sales Tax	\$ 0	\$ 1,165	\$ 1,500	\$ (335)
Charges for services				
Season passes	0	12,245	19,500	(7,255)
Gate receipts	0	19,345	28,750	(9,405)
Coupon books	0	3,420	6,500	(3,080)
Concessions	0	12,598	15,000	(2,402)
Lessons	0	3,093	9,600	(6,507)
Total charges for services	0	50,701	79,350	(28,649)
Use of money and property				
Rentals	0	0	4,000	(4,000)
Interest on investments	742	187	500	(313)
Total use of money & property	742	187	4,500	(4,313)
Other				
Reimbursed expenses	540	0	0	0
Operating transfers	100,000	90,000	90,000	0
Total cash receipts	101,282	142,053	175,350	(33,297)
Expenditures				
Regular Salaries	56,735	312	50,000	(49,688)
Temporary help	1,725	50,634	70,000	(19,366)
Overtime	191	2,590	5,000	(2,410)
Other personal services	840	4	900	(896)
Professional services	0	10,000	0	10,000
Telephone	1,302	1,372	1,100	272
Training, travel, dues	0	2,400	2,000	400
Advertising	444	1,372	2,000	(628)
Insurance	4,837	4,898	5,500	(602)
Utilities	4,889	13,541	13,000	541
Other contractual	1,762	4,261	2,500	1,761
General office supplies	35	602	200	402
Postage	236	7	0	7
Operational supplies	1,607	12,293	10,000	2,293
Equipment maintenance	0	1,167	500	667
Building & maintenance	0	358	5,000	(4,642)
Cleaning	27	316	100	216

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2d

SPECIAL PURPOSE FUNDS
 FAMILY AQUATICS CENTER FUND - 07
 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)

	2020		2021		Variance Over (Under)
	Actual		Actual	Budget	
Expenditures - continued					
Uniforms	\$ 0	\$	1,547	\$ 2,000	\$ (453)
Concession supplies	0		7,674	10,000	(2,326)
Equipment and plant	0		2,275	5,000	(2,725)
Other	0		4	0	4
Sales tax	0		1,139	1,500	(361)
Total expenditures	<u>74,630</u>		<u>118,766</u>	<u>186,300</u>	<u>(67,534)</u>
Operating transfers	<u>25,000</u>		<u>25,000</u>	<u>25,000</u>	<u>0</u>
Appropriated reserve	<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>
Total expenditures and transfers subject to budget	<u>99,630</u>		<u>143,766</u>	<u>211,300</u>	<u>(67,534)</u>
Receipts over (under) expenditures	1,652		(1,713)		
Unencumbered cash, January 1	<u>45,432</u>		<u>47,084</u>		
Unencumbered cash, December 31	<u>\$ 47,084</u>	\$	<u>45,371</u>		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2e

SPECIAL PURPOSE FUNDS
 COMMUNITY CENTER - 08
 SCHEDULE 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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Charges for services				
Rentals	\$ 15,799	\$ 20,717	\$ 25,000	\$ (4,283)
Concessions	180	669	250	419
Ticket sales	712	610	2,500	(1,890)
Program and events	0	0	2,000	(2,000)
Total charges for services	16,691	21,996	29,750	(7,754)
Intergovernmental				
Grants	8,000	6,300	3,000	3,300
Use of money and property				
Interest on investments	280	53	100	(47)
Fees				
Fees	0	0	0	0
Other				
Reimbursed expenses	0	13	0	13
Miscellaneous	0	110	0	110
Sales Tax	83	104	100	4
Total other	83	227	100	127
Operating transfers	83,000	100,000	100,000	0
Total cash receipts	108,054	128,576	132,950	(4,374)
Expenditures				
Full time salaries	59,031	61,768	55,000	6,768
Part time help	3,752	3,424	5,200	(1,776)
Overtime	0	39	150	(111)
Telephone	2,473	2,956	2,400	556
Training and travel	100	102	600	(498)
Legal printing expense	14	0	0	0
Advertising	4,040	4,490	3,900	590
Insurance	9,668	10,341	10,000	341
Lease Payments	5,041	5,041	5,041	0
Utilities	12,101	12,844	16,000	(3,156)
Other contractual	2,093	11,795	2,500	9,295
Event and program costs	2,345	983	4,000	(3,017)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2e

SPECIAL REVENUE FUNDS
 COMMUNITY CENTER - 08
 SCHEDULE 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)

	2020		2021		Variance Over (Under)
	Actual		Actual	Budget	
Expenditures - continued					
General office supplies	\$ 29	\$	302	\$ 300	\$ 2
Postage	0		0	300	(300)
Gifts/memorials	0		0	100	(100)
Operating supplies	614		861	2,000	(1,139)
Building maintenance	1,951		7,687	3,500	4,187
Cleaning supplies	152		527	1,100	(573)
Concession supplies	220		19	500	(481)
Office Equip. Furniture	0		0	200	(200)
Miscellaneous	0		0	50	(50)
Computer equipment and software	532		0	200	(200)
Sales tax	101		118	175	(57)
Real Estate taxes	525		383	1,000	(617)
Refunds	150		150	100	50
Total expenditures	104,932		123,830	114,316	9,514
Operating transfers	13,500		13,500	13,500	0
Appropriated reserve	0		0	0	0
Total expenditures and transfers subject to budget	118,432		137,330	127,816	9,514
Receipts over (under) expenditures	(10,378)		(8,754)		
Unencumbered cash, January 1	24,176		13,798		
Unencumbered cash, December 31	\$ 13,798	\$	5,044		

City of Paola, Kansas

Schedule 2f

SPECIAL PURPOSE FUNDS
 STORM WATER MANAGEMENT - 12
 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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Charges for services				
Storm water management fees	\$ 85,424	\$ 86,118	\$ 85,000	\$ 1,118
Use of money and property				
Interest on investments	2,046	744	900	(156)
Total cash receipts	87,470	86,862	85,900	962
Expenditures				
Full time salaries	4,468	27	0	27
Overtime	143	5	0	5
Professional Services	14,652	0	20,000	(20,000)
Other contractual	0	0	5,000	(5,000)
Construction materials	0	0	30,000	(30,000)
Lease payments	5,600	6,300	5,200	1,100
Equipment/plant	1,700	0	2,500	(2,500)
Storm water construction	655	4,470	25,000	(20,530)
Total expenditures	27,218	10,802	87,700	(76,898)
Operating transfers	11,000	0	0	0
Appropriated reserve	0	0	0	0
Total expenditures and transfers subject to budget	38,218	10,802	87,700	(76,898)
Receipts over (under) expenditures	49,252	76,060		
Unencumbered cash, January 1	137,037	186,289		
Unencumbered cash, December 31	\$ 186,289	\$ 262,349		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2g

SPECIAL PURPOSE FUNDS
 SPECIAL PARK AND RECREATION FUND - 14
 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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Intergovernmental				
Local liquor tax	\$ 14,467	\$ 21,666	\$ 17,500	\$ 4,166
Use of money and property				
Interest on investment	687	172	400	(228)
Total cash receipts	15,154	21,838	17,900	3,938
Expenditures				
Other contractual	8,151	6,225	0	6,225
Operational supplies	0	2,300	2,500	(200)
Equip/Bldg. & Grounds	14,268	15,692	16,000	(308)
Construction materials	0	10,000	16,000	(6,000)
Total expenditures	22,419	34,217	34,500	(283)
Appropriated reserve	0	0	0	0
Total expenditures subject to budget	22,419	34,217	34,500	(283)
Receipts over (under) expenditures	(7,265)	(12,379)		
Unencumbered cash, January 1	59,178	51,913		
Unencumbered cash, December 31	\$ 51,913	\$ 39,534		

City of Paola, Kansas

Schedule 2h

SPECIAL PURPOSE FUNDS
 STREET REPAIR - SPECIAL HIGHWAY FUND - 17
 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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Taxes				
Gas tax	\$ 148,118	\$ 165,209	\$ 126,120	\$ 39,089
Use of money and property				
Interest on investments	1,739	621	0	621
Total cash receipts	149,857	165,830	126,120	39,710
Expenditures				
Full time salaries	6,581	36	0	36
Overtime	0	0	0	0
Other contractual	0	0	0	0
Construction material	83,323	111,032	130,000	(18,968)
Total expenditures	89,904	111,068	130,000	(18,932)
Operating transfers	6,000	0	0	0
Appropriated reserve	0	0	0	0
Total expenditures subject to budget	95,904	111,068	130,000	(18,932)
Receipts over (under) expenditures	53,953	54,762		
Unencumbered cash, January 1	73,615	127,568		
Unencumbered cash, December 31	\$ 127,568	\$ 182,330		

City of Paola, Kansas

Schedule 2i

SPECIAL PURPOSE FUNDS
 SPECIAL LAW ENFORCEMENT ACCOUNT - 18
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS

For the Year Ended December 31, 2021

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

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Cash receipts		
Use of money and property		
Interest on investment	\$ 99	\$ 27
Other		
Miscellaneous	<u>1,557</u>	<u>0</u>
Total cash receipts	<u>1,656</u>	<u>27</u>
Expenditures		
Miscellaneous	<u>0</u>	<u>0</u>
Total expenditures	<u>0</u>	<u>0</u>
Receipts over (under) expenditures	1,656	27
Unencumbered cash, January 1	<u>5,842</u>	<u>7,498</u>
Unencumbered cash, December 31	<u>\$ 7,498</u>	<u>\$ 7,525</u>

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2j

SPECIAL PURPOSE FUNDS
 TRANSIENT GUEST TAX - 20
 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)

			2021		Variance Over (Under)
	2020 Actual	Actual	Budget		
Cash receipts					
Taxes					
Transient guest tax	\$ 21,769	\$ 31,664	\$ 25,000	\$	6,664
Use of money and property					
Interest on investment	1,081	229	0		229
Total cash receipts	<u>22,850</u>	<u>31,893</u>	<u>25,000</u>	\$	<u>6,893</u>
Expenditures					
Other contractual	300	0	0	\$	0
Economic Development Chamber	15,000	15,000	15,000		0
Promotional campaigns	16,602	15,900	25,000		(9,100)
Other	0	200	0		200
Total expenditures	31,902	31,100	40,000		(8,900)
Appropriated reserve	<u>0</u>	<u>0</u>	<u>0</u>		<u>0</u>
Total expenditures and transfers subject to budget	<u>31,902</u>	<u>31,100</u>	<u>40,000</u>	\$	<u>(8,900)</u>
Receipts over (under) expenditures	(9,052)	793			
Unencumbered cash, January 1	<u>73,087</u>	<u>64,035</u>			
Unencumbered cash, December 31	\$ <u>64,035</u>	\$ <u>64,828</u>			

City of Paola, Kansas

Schedule 2k

SPECIAL PURPOSE FUNDS
 FAMILY AQUATICS CENTER EQUIPMENT RESERVE - 23
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS

For the Year Ended December 31, 2021

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

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Cash receipts		
Use of money and property		
Interest on investments	\$ 2,048	\$ 215
Total cash receipts	<u>2,048</u>	<u>215</u>
Expenditures		
Operating transfers	<u>100,000</u>	<u>90,000</u>
Total expenditures and transfers	<u>100,000</u>	<u>90,000</u>
Receipts over (under) expenditures	(97,952)	(89,785)
Unencumbered cash, January 1	<u>187,619</u>	<u>89,667</u>
Unencumbered cash, December 31	\$ <u><u>89,667</u></u>	\$ <u><u>(118)</u></u>

City of Paola, Kansas

Schedule 21

SPECIAL PURPOSE FUNDS
 COVID-19 - 26
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS

For the Year Ended December 31, 2021

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

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Cash receipts		
Intergovernmental		
Grants	\$ 59,770	\$ 438,180
Total cash receipts	<u>59,770</u>	<u>438,180</u>
Expenditures		
Other contractual	43,889	0
Operating supplies	13,020	1,794
Other	<u>2,861</u>	<u>0</u>
Total expenditures	<u>59,770</u>	<u>1,794</u>
Receipts over (under) expenditures	0	436,386
Unencumbered cash, January 1	<u>0</u>	<u>0</u>
Unencumbered cash, December 31	<u>\$ 0</u>	<u>\$ 436,386</u>

City of Paola, Kansas

Schedule 2m

SPECIAL PURPOSE FUNDS
 ESCROW FUND - 46
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS

For the Year Ended December 31, 2021

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

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Cash receipts		
Escrow receipts	\$ 300	\$ 300
Total cash receipts	<u>300</u>	<u>300</u>
Expenditures		
Escrow disbursements	<u>0</u>	<u>900</u>
Total expenditures	<u>0</u>	<u>900</u>
Receipts over (under) expenditures	300	(600)
Unencumbered cash, January 1	<u>3,246</u>	<u>3,546</u>
Unencumbered cash, December 31	<u>\$ 3,546</u>	<u>\$ 2,946</u>

City of Paola, Kansas

Schedule 2n

SPECIAL PURPOSE FUNDS
 MENNENOAH CEMETERY - 47
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Cash receipts		
Use of money and property		
Interest on investment	\$ 46	\$ 8
Total cash receipts	<u>46</u>	<u>8</u>
Expenditures		
Other Contractual	<u>1,500</u>	<u>0</u>
Total expenditures	<u>1,500</u>	<u>0</u>
Receipts over (under) expenditures	(1,454)	8
Unencumbered cash, January 1	<u>3,741</u>	<u>2,287</u>
Unencumbered cash, December 31	<u>\$ 2,287</u>	<u>\$ 2,295</u>

City of Paola, Kansas

Schedule 20

SPECIAL PURPOSE FUNDS
 SPECIAL GRANTS FUND - 70
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS

For the Year Ended December 31, 2021

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

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Cash receipts		
Intergovernmental		
Grants	\$ 47,354	\$ 56,834
Use of money and property		
Donations and Gifts	1,362	3,500
Total cash receipts	<u>48,716</u>	<u>60,334</u>
Expenditures		
Library materials	24,846	54,591
Other contractual	0	538
Equipment	10,370	0
Other	1,000	4,618
Total expenditures	<u>36,216</u>	<u>59,747</u>
Receipts over (under) expenditures	12,500	587
Unencumbered cash, January 1	<u>30,761</u>	<u>43,261</u>
Unencumbered cash, December 31	<u>\$ 43,261</u>	<u>\$ 43,848</u>

City of Paola, Kansas

Schedule 2p

SPECIAL PURPOSE FUNDS
 DRUG ENFORCEMENT ACCOUNT
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS

For the Year Ended December 31, 2021

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

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Cash receipts		
Other		
Reimbursement	\$ 5	\$ 2,352
Expenditures		
Other services	<u>205</u>	<u>2,842</u>
Receipts over (under) expenditures	(200)	(490)
Unencumbered cash, January 1	<u>1,783</u>	<u>1,583</u>
Unencumbered cash, December 31	<u>\$ 1,583</u>	<u>\$ 1,093</u>

City of Paola, Kansas

Schedule 2g

DEBT SERVICE FUND
 BOND & INTEREST - 06
 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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Taxes				
Ad valorem property tax	\$ 305,794	\$ 309,196	\$ 300,000	\$ 9,196
Back tax collections	7,047	5,812	3,000	2,812
Motor vehicle tax	39,470	38,646	34,660	3,986
Special assessments	68,625	37,644	10,000	27,644
Total taxes	420,936	391,298	347,660	43,638
Use of money and property				
Interest on investments	17,801	5,904	6,000	(96)
Total use of money and property	17,801	5,904	6,000	(96)
Other				
Miscellaneous	44,014	24	0	24
Operating transfers	959,054	826,579	826,579	0
Total cash receipts	1,441,805	1,223,805	1,180,239	43,566
Expenditures				
Bond principal	1,145,000	940,000	940,000	0
Interest expense	235,545	229,379	230,000	(621)
Administrative expense	39,374	0	0	0
Other	195	0	0	0
Total expenditures	1,420,114	1,169,379	1,170,000	(621)
Operating transfers	0	208,908	575,000	(366,092)
Total expenditures and transfers subject to budget	1,420,114	1,378,287	1,745,000	(366,713)
Receipts over (under) expenditures	21,691	(154,482)		
Unencumbered cash, January 1	576,900	598,591		
Unencumbered cash, December 31	\$ 598,591	\$ 444,109		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2r

CAPITAL PROJECTS FUNDS
 WASTE WATER TREATMENT PLANT CONSTRUCTION - 31
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS

For the Year Ended December 31, 2021

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

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Cash receipts		
Use of money and property		
Interest on investments	\$ 10,919	\$ 3,014
Other		
Reimbursements	<u>18,913</u>	<u>18,913</u>
Total cash receipts	<u>29,832</u>	<u>21,927</u>
Expenditures		
Operating transfers	<u>0</u>	<u>758,806</u>
Receipts over (under) expenditures	29,832	(736,879)
Unencumbered cash, January 1	<u>707,047</u>	<u>736,879</u>
Unencumbered cash, December 31	\$ <u><u>736,879</u></u>	\$ <u><u>0</u></u>

City of Paola, Kansas

Schedule 2s

CAPITAL PROJECTS FUNDS
EQUIPMENT REPLACEMENT - 80
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended December 31, 2021

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

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Cash receipts		
Intergovernmental		
Grants	\$ 0	\$ 0
Other		
Reimbursed Expenses	123,813	167,550
Miscellaneous	3,117	347
Total other	<u>126,930</u>	<u>167,897</u>
Operating Transfers	<u>45,000</u>	<u>0</u>
Total cash receipts	<u>171,930</u>	<u>167,897</u>
Expenditures		
Equipment/plant	1,504	0
Equipment/plant	123,813	0
Motor vehicle	<u>0</u>	<u>167,550</u>
Total expenditures	<u>125,317</u>	<u>167,550</u>
Receipts over (under) expenditures	46,613	347
Unencumbered cash, January 1	<u>55,867</u>	<u>102,480</u>
Unencumbered cash, December 31	<u>\$ 102,480</u>	<u>\$ 102,827</u>

City of Paola, Kansas

Schedule 2t

CAPITAL PROJECTS FUNDS
 CAPITAL PROJECTS - 90
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS

For the Year Ended December 31, 2021

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

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Cash receipts		
Taxes and shared revenues		
City sales tax	\$ 1,315,255	\$ 1,382,748
Other		
Interest	10,762	3,560
Miscellaneous	4,797	3,662
Reimbursements	64,109	22,132
Grants	467,058	638,851
Donations and gifts	18,588	750
Total other	<u>565,314</u>	<u>668,955</u>
Operating transfers	<u>31,000</u>	<u>208,908</u>
Total cash receipts	<u>1,911,569</u>	<u>2,260,611</u>
Expenditures		
Construction materials	10,926	11,279
Other contractual	80,151	61,893
Motor Vehicle/Equipment	47,753	10,050
Equip/Bldg. & Grounds	21,876	60,478
Capital improvements	0	57,991
Professional services	103,938	21,768
Other	262,755	836,546
Total expenditures	<u>527,399</u>	<u>1,060,005</u>
Operating transfers	<u>582,038</u>	<u>627,392</u>
Total expenditures and transfers	<u>1,109,437</u>	<u>1,687,397</u>
Receipts over (under) expenditures	802,132	573,214
Unencumbered cash, January 1	<u>858,016</u>	<u>1,660,148</u>
Unencumbered cash, December 31	<u>\$ 1,660,148</u>	<u>\$ 2,233,362</u>

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2u

BUSINESS FUNDS
SEWER SERVICE FUND - 04
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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Charges for services				
Connect & disconnect	\$ 0	\$ 16,992	\$ 30,000	\$ (13,008)
Inspection charges	1,200	930	2,000	(1,070)
Sewer lagoon dumping	12,681	3,261	15,000	(11,739)
Sewer service charges	747,431	1,298,211	1,313,000	(14,789)
Total charges for services	761,312	1,319,394	1,360,000	(40,606)
Use of money and property				
Interest on investments	2,928	1,131	4,200	(3,069)
Other				
Reimbursed expenses	5,117	3,416	10,600	(7,184)
Operating transfers	0	144,505	0	144,505
Total cash receipts	769,357	1,468,446	\$ 1,374,800	\$ 93,646
Expenditures				
Administration				
Full time salaries	100,507	137	\$ 0	\$ 137
Overtime	0	(34)	0	(34)
Other personal services	2,517	13	0	13
Telephone services	0	480	0	480
Training, Travel, Dues	0	0	8,000	(8,000)
Insurance	26,571	27,450	28,000	(550)
Other contractual	5,396	5,563	4,600	963
General office supplies	744	943	500	443
Postage	4,190	3,992	4,500	(508)
Refunds	100	1,468	0	1,468
Total administration	140,025	40,012	45,600	(5,588)
Production				
Full time salaries	42,138	56,213	53,000	3,213
Overtime	1,463	5,170	5,500	(330)
Telephone services	831	806	1,300	(494)
Training, travel, dues	500	511	1,000	(489)
Lease payments	0	19,777	19,777	0
Utilities	99,771	102,156	97,000	5,156
Testing and analytical	5,670	8,074	8,000	74
Other contractual	8,016	27,677	15,500	12,177
General office supplies	168	170	200	(30)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2u

BUSINESS FUNDS
SEWER SERVICE FUND - 04
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)

Expenditures - continued	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Production - continued				
Operational supplies	\$ 7,657	\$ 4,646	\$ 20,000	\$ (15,354)
Vehicle maintenance	0	0	500	(500)
Equipment maintenance	936	57	1,500	(1,443)
Building maintenance	0	28	2,000	(1,972)
Motor fuel and lubricants	2,020	1,012	2,900	(1,888)
Uniforms	193	249	500	(251)
Miscellaneous	0	0	10,000	(10,000)
Computer Equipment and Software	0	0	1,000	(1,000)
Equipment, Plant	7,456	27,307	27,500	(193)
Equipment, building and grounds	4,636	10,512	6,000	4,512
Total production	181,455	264,365	273,177	(8,812)
Distribution				
Full time salaries	148,731	50,565	61,100	(10,535)
Overtime	2,533	3,426	4,000	(574)
Telephone services	2,060	1,492	3,100	(1,608)
Training, travel, dues	1,000	917	1,200	(283)
Advertising	377	0	500	(500)
Lease Payments	0	0	25,000	(25,000)
Utilities	8,485	8,173	12,000	(3,827)
Other contractual	10,856	12,726	12,000	726
General office supplies	303	175	400	(225)
Operational supplies	4,743	12,738	10,000	2,738
Vehicle maintenance	158	915	1,500	(585)
Equipment maintenance	13,538	9,268	10,000	(732)
Building maintenance	1,326	436	3,500	(3,064)
Construction materials	62	25	4,500	(4,475)
Motor fuel and lubricants	3,251	5,904	10,000	(4,096)
Uniforms	483	549	900	(351)
Office equip. furniture	0	0	0	0
Computer equipment and software	282	525	300	225
Motor vehicle/equipment	0	0	16,000	(16,000)
Equipment, building and grounds	5,325	8,016	8,000	16
Distribution lines	44,927	30,516	50,000	(19,484)
Total distribution	248,440	146,366	234,000	(87,634)

City of Paola, Kansas

Schedule 2u

BUSINESS FUNDS
 SEWER SERVICE FUND - 04
 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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Expenditures - continued				
Operating transfers	\$ 190,000	\$ 441,965	\$ 690,215	\$ (248,250)
Appropriated reserve	0	0	0	0
Total expenditures and transfers subject to budget	759,920	892,708	1,242,992	(350,284)
Receipts over (under) expenditures	9,437	575,738		
Unencumbered cash, January 1	208,950	218,387		
Unencumbered cash, December 31	\$ 218,387	\$ 794,125		

City of Paola, Kansas

Schedule 2v

BUSINESS FUNDS
 WATER UTILITY FUND - 09
 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)

	2021			Variance Over (Under)
	2020 Actual	Actual	Budget	
Cash receipts				
Charges for services				
Sale of water	\$ 1,793,700	\$ 1,796,765	\$ 2,200,000	\$ (403,235)
Water for resale	52,227	46,263	55,000	(8,737)
Sales tax	26,730	27,440	30,000	(2,560)
Tank sales	8,685	7,423	7,500	(77)
Installation charges	16,950	6,600	15,000	(8,400)
Connection fees	7,570	7,685	8,000	(315)
Total charges for services	1,905,862	1,892,176	2,315,500	(423,324)
Use of money and property				
Interest on investments	2,853	512	1,500	(988)
Total use of money and property	2,853	512	1,500	(988)
Other				
Reimbursed expenses	48,457	4,280	82,000	(77,720)
KS setoff reimbursement	6,979	5,655	7,000	(1,345)
Miscellaneous	350	350	350	0
Long/short	105	(28)	0	(28)
	55,891	10,257	89,350	(79,093)
Total cash receipts	1,964,606	1,902,945	2,406,350	(503,405)
Expenditures				
Administration				
Full time salaries	50,362	286	0	286
Other personal services	2,517	13	2,500	(2,487)
Telephone services	0	370	0	370
Insurance and bonds	10,637	11,358	11,500	(142)
Other contractual	5,748	5,931	5,000	931
General office supplies	744	943	700	243
Postage	4,190	3,992	5,000	(1,008)
Operational supplies	943	0	1,000	(1,000)
Refunds	1,500	52	0	52
Sales tax remittance	40,184	40,365	30,000	10,365
Total administration	116,825	63,310	55,700	7,610

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2v

BUSINESS FUNDS
 WATER UTILITY FUND - 09
 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)

Expenditures - continued	2020		2021		Variance Over (Under)
	Actual	Actual	Actual	Budget	
Production					
Full time salaries	\$ 34,211	\$ 0	\$ 0	\$ 0	0
Overtime	100	0	0	0	0
Telephone services	194	0	500	500	(500)
Training, travel, dues	164	169	200	200	(31)
Utilities	5,736	5,954	7,000	7,000	(1,046)
Water purchase	1,430,136	1,587,909	1,800,000	1,800,000	(212,091)
Motor fuel and lubrication	60	0	275	275	(275)
Uniforms	0	0	275	275	(275)
Total production	1,470,601	1,594,032	1,808,250	1,808,250	(214,218)
Distribution					
Full time salaries	20,521	104,871	146,500	146,500	(41,629)
Overtime	852	2,984	1,000	1,000	1,984
Tank maintenance	9,293	10,687	10,700	10,700	(13)
Legal	3	15	0	0	15
Telephone services	2,367	1,812	4,000	4,000	(2,188)
Training, travel, dues	1,455	1,824	2,000	2,000	(176)
Advertising	377	0	500	500	(500)
Lease Payments	0	0	25,000	25,000	(25,000)
Utilities	1,474	2,889	2,200	2,200	689
Testing analytical	2,383	1,793	3,000	3,000	(1,207)
Other contractual	10,993	13,844	12,000	12,000	1,844
General office supplies	436	183	500	500	(317)
Postage	437	308	600	600	(292)
Operational supplies	24,950	25,548	35,000	35,000	(9,452)
Vehicle maintenance	1,571	1,727	2,500	2,500	(773)
Equipment maintenance	11,048	2,674	4,000	4,000	(1,326)
Building and maintenance	1,498	437	2,500	2,500	(2,063)
Construction materials	26,017	21,151	24,000	24,000	(2,849)
Motor fuel and lubrication	4,578	6,612	12,000	12,000	(5,388)
Uniforms	557	595	1,200	1,200	(605)
Motor vehicle/equipment	0	0	16,000	16,000	(16,000)
Computer equipment and software	2,301	1,378	2,500	2,500	(1,122)
Mains and meters	109,827	81,886	110,000	110,000	(28,114)
Total distribution	232,938	283,218	417,700	417,700	(134,482)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2v

BUSINESS FUNDS
 WATER UTILITY FUND - 09
 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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Expenditures - continued				
Operating transfers	\$ 126,000	\$ 126,000	\$ 176,000	\$ (50,000)
Appropriated reserve	0	0	0	0
Total expenditures and transfers subject to budget	1,946,364	2,066,560	2,457,650	(391,090)
Receipts over (under) expenditures	18,242	(163,615)		
Unencumbered cash, January 1	176,075	194,317		
Unencumbered cash, December 31	\$ 194,317	\$ 30,702		

City of Paola, Kansas

Schedule 2w

BUSINESS FUNDS
SEWER LINE REPLACEMENT - 11
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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Use of money and property				
Interest on investments	\$ 2,915	\$ 483	\$ 0	\$ 483
Operating transfers	7,000	1,750	0	1,750
Total cash receipts	9,915	2,233	0	2,233
Expenditures				
Equipment/plant	36,858	7,700	0	7,700
Operating transfers	0	177,465	216,875	(39,410)
Total expenditures subject to budget	36,858	185,165	216,875	(31,710)
Receipts over (under) expenditures	(26,943)	(182,932)		
Unencumbered cash, January 1	209,875	182,932		
Unencumbered cash, December 31	\$ 182,932	\$ 0		

City of Paola, Kansas

Schedule 2x

BUSINESS FUNDS
HEALTH AND SANITATION FUND - 13
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)

	2020		2021		Variance Over (Under)
	Actual	Actual	Budget		
Cash receipts					
Charges for services					
Haulers' permits	\$ 300	\$ 1,950	\$ 1,500	\$ 450	
Landfill charges and collections	382,132	414,426	385,500	28,926	
Total charges for services	382,432	416,376	387,000	29,376	
Use of money and property					
KS setoff reimbursement	256	92	300	(208)	
Interest on investments	441	123	400	(277)	
Total use of money & property	697	215	700	(485)	
Fees	300	660	200	460	
Total cash receipts	383,429	417,251	\$ 387,900	\$ 29,559	
Expenditures					
Full time salaries	19,815	107	\$ 0	\$ 107	
Advertising	880	440	0	440	
Insurance	1,266	1,298	1,275	23	
Other contractual	334,388	375,926	364,000	11,926	
General office supplies	716	712	600	112	
Pay Stickers	405	0	0	0	
Total expenditures	357,470	378,483	365,875	12,608	
Operating transfers	6,000	0	25,000	(25,000)	
Appropriated reserve	0	0	0	0	
Total expenditures and transfers subject to budget	363,470	378,483	\$ 390,875	\$ (12,392)	
Receipts over (under) expenditures	19,959	38,768			
Unencumbered cash, January 1	31,544	51,503			
Unencumbered cash, December 31	\$ 51,503	\$ 90,271			

City of Paola, Kansas

Schedule 2y

BUSINESS FUNDS
 WATER TREATMENT PLANT FUND - 15
 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)

	2020 Actual	2021		Variance Over (Under)
		Actual	Budget	
Cash receipts				
Use of money and property				
Interest	\$ 3,855	\$ 819	\$ 0	\$ 819
Total cash receipts	<u>3,855</u>	<u>819</u>	<u>0</u>	<u>819</u>
Expenditures				
Other Contractual	<u>20,724</u>	<u>38,275</u>	<u>100,000</u>	<u>(61,725)</u>
Total expenditures and transfers subject to budget	<u>20,724</u>	<u>38,275</u>	<u>100,000</u>	<u>(61,725)</u>
Receipts over (under) expenditures	(16,869)	(37,456)		
Unencumbered cash, January 1	<u>278,221</u>	<u>261,352</u>		
Unencumbered cash, December 31	\$ <u>261,352</u>	\$ <u>223,896</u>		

City of Paola, Kansas

Schedule 2z

BUSINESS FUNDS
 WASTEWATER TREATMENT PLANT - 16
 SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
 REGULATORY BASIS

For the Year Ended December 31, 2021

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

	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Actual</u>
Cash receipts		
Charges for services		
Connect & disconnect	\$ 21,875	\$ 0
Sewer service charge	530,738	0
Total charges for services	<u>552,613</u>	<u>0</u>
Use of money and property		
Interest income	2,100	1,214
Operating transfers	0	974,550
Total cash receipts	<u>554,713</u>	<u>975,764</u>
Expenditures		
Full time salaries	82,991	869
Overtime	5,565	68
Lease payments	19,777	0
Other contractual	9,800	40,900
Miscellaneous	2,200	0
Refunds	1,750	0
Equipment/plant	11,176	0
Total expenditures	<u>133,259</u>	<u>41,837</u>
Operating transfer	<u>405,016</u>	<u>142,755</u>
Total expenditures and transfers subject to budget	<u>538,275</u>	<u>184,592</u>
Receipts over (under) expenditures	16,438	791,172
Unencumbered cash, January 1	<u>122,102</u>	<u>138,540</u>
Unencumbered cash, December 31	<u>\$ 138,540</u>	<u>\$ 929,712</u>

City of Paola, Kansas

Schedule 3

AGENCY FUNDS
 SCHEDULE OF RECEIPTS AND CASH DISBURSEMENTS
 REGULATORY BASIS
 For the Year Ended December 31, 2021

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Police bond	\$ 15,395	\$ 54,870	\$ 51,131	\$ 19,134
Payroll withholding	7,367	363,470	364,038	6,799
	<u>\$ 22,762</u>	<u>\$ 418,340</u>	<u>\$ 415,169</u>	<u>\$ 25,933</u>



