CITY OF ERIE, KANSAS

Independent Auditor's Report and
Financial Statement with
Supplementary Information

For the Year Ended December 31, 2023

CITY OF ERIE, KANSAS

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JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Erie, Kansas

Adverse and Unmodified Opinions
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Erie, Kansas, as of and for the year ended December 31, 2023 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Erie, Kansas as of December 31, 2023, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Erie, Kansas as of December 31, 2023, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

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

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the City of Erie, 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 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

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

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 supplementary schedule of bond information (Schedule 4 as listed in the table of contents) is presented for purposes of additional analysis as required by bond agreements and is not a required part of the financial statement. Such information has not been subjected to the auditing procedures applied in the audit of the financial statement, and, accordingly, we express no opinion on it.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Erie, Kansas as of and for the year ended December 31, 2022 (not presented herein), and have issued our report thereon dated July 3, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2023 (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 2022 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 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 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 2022 basic financial statement or to the 2022 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 2022 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, 2022, on the basis of accounting described in Note 1.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

May 28, 2024
Chanute, Kansas

CITY OF ERIE, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2023

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Cash Balance December 31, 2023
General	$ 18,825.03	$ 747,588.66	$ 761,413.69	$ 5,000.00	$ 24,620.25	$ 29,620.25
Special Purpose Funds:						
Tort Liability	10,063.97	4,943.88	5,739.39	9,268.46	-	9,268.46
Employee Benefits	10,150.68	183,814.28	150,610.38	43,354.58	3,368.30	46,722.88
Library	-	37,154.12	37,154.12	-	-	-
Industrial Development	1,775.32	35.99	-	1,811.31	-	1,811.31
Recreation	-	18,576.96	18,576.96	-	-	-
Special Park and Recreation	3,384.16	3,581.08	1,129.98	5,835.26	-	5,835.26
Special Highway	181,890.43	27,947.73	66,358.92	143,479.24	264.11	143,743.35
Special Police and Fire	41,690.76	12,384.12	14,352.01	39,722.87	-	39,722.87
Equipment Reserve	55,789.33	36,000.00	10,848.50	80,940.83	-	80,940.83
Capital Improvement	75,472.07	-	1,032.86	74,439.21	-	74,439.21
Miscellaneous Grants	106,306.52	200.00	-	106,506.52	-	106,506.52
City Street Sales Tax	278,228.89	75,769.67	-	353,998.56	-	353,998.56
Bond and Interest Funds:						
G.O. Bond and Interest	12,860.49	104,057.79	103,160.00	13,758.28	-	13,758.28
Business Funds:						
Grocery Store	-	1,168,100.27	1,168,100.27	-	19,547.51	19,547.51
Sewer Utility	15,041.02	189,103.18	175,864.00	28,280.20	1,606.26	29,886.46
Sewer Utility Improvement Reserve	32,116.44	3,000.00	-	35,116.44	-	35,116.44
Water Utility	17,732.34	342,078.00	356,211.57	3,598.77	21,104.29	24,703.06
Electric Utility	233,520.25	1,738,196.36	1,783,676.16	188,040.45	67,836.63	255,877.08
Electric Utility II	(270,619.24)	1,162,772.34	892,153.10	-	24,871.48	24,871.48
Electric Utility Improvement Reserve	33,019.48	-	-	33,019.48	-	33,019.48
Electric Utility II Debt Service	199,439.36	654,820.64	714,260.00	140,000.00	-	140,000.00
Security Deposits	3,157.96	5,865.00	6,039.64	2,983.32	55,131.00	58,114.32
Total Reporting Entity (Excluding Agency Funds)	$ 1,059,845.26	$ 6,515,990.07	$ 6,266,681.55	$ 1,309,153.78	$ 218,349.83	$ 1,527,503.61

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

CITY OF ERIE, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2023

	2023
Total Cash to be accounted for:	$ 1,527,503.61
Composition of Cash:	
Cash on Hand	$ 300.00
Checking Accounts	
Bank of Commerce	
General Operating	(38,403.45)
General Money Market Account	237,962.36
Petty Cash Account	750.00
Electronic Funds Transfers Account	100.00
Grow Neosho County	6,767.48
Community Garden	1,021.90
Community National Bank	
Grow Neosho County	4,083.17
Investments	
Kansas State Treasury Investment Pool	1,372,931.14
Total Cash	1,585,512.60
Agency Funds Per Schedule 3	(58,008.99)
Total Reporting Entity (Excluding Agency Funds)	$ 1,527,503.61

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Erie, Kansas (the City) is incorporated as a city of the third class under the provisions of the Kansas Constitution, Article 12, Section 5 and K.S.A. 15-101 *et seq*. The City operates under a Council-City Clerk form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water, electric, trash and sewer, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

The financial statement and schedules of the City of Erie, Kansas, have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow. Note 1 describes how the City's accounting policies differ from accounting principles generally accepted in the United States of America.

Financial Reporting Entity
The City of Erie, Kansas, is a municipal corporation governed by an elected five-member council. This financial statement presents the City of Erie.

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the City exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the City. Related municipal entities are not required to be included in the City's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related municipal entities:

Erie Public Library
The City of Erie, Kansas, Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Bond issuances must also be approved by the City. The City levies taxes for the Library Board and significantly influences the Library's operations. Separate internal financial statements are available at the Library.

Erie Recreation Commission
The Erie Recreation Commission oversees recreational activities. The City levies taxes for the Recreation Commission. Bond issuance or acquisition of real property must be approved by the City. Separate internal financial statements are available at the Recreation Commission.

Regulatory Basis Fund Types
A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the City of Erie, Kansas, for the year of 2023:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types (Continued)

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

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

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

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

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

Basis of Presentation – Regulatory Basis of Accounting

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

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

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a regulatory receipt 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 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for receipt recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are a lien on the property.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as regulatory receipts. In the financial statement and budget comparisons presented in this report, reimbursements and refunds are recorded as regulatory receipts. The reimbursements are recorded as cash receipts when received by the City Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Pension Plan

Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System, or the State of Kansas Police and Fire Retirement System, both of which are a multi-employer state-wide pension plan. The City's policy is to fund all pension costs accrued. Such costs to be funded are actuarially determined annually by the State of Kansas.

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.

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts 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. The City did not amend any funds for the year ended December 31, 2023.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (Continued)

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose fund:

- Miscellaneous Grants Fund

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The City agrees to fix, establish, maintain and collect such rates, fees or charges for Electric Utility service which will be sufficient to enable the City to have, in each fiscal year, a net income in an amount that will be not less than 110% amount required to be paid by the City during that fiscal year on account of both principal and interest of all Electric Utility System Bonds of the City at the time outstanding. Net income is defined as gross income less operating expenses, but before any transfers, depreciation and capital expense. For the year ended December 31, 2023 the City had net income available for debt service of $1,574,975.44. The revenue bond ordinance requires net income available for debt service of $784,026.38, which is 110.00% of the principal and interest requirements for 2024. The City was in compliance with the electric utility rate requirements, as net operating income of the Electric Utility II Fund and Electric Utility Fund was 220.97% of year 2024 principal and interest requirements.

Compliance with Kansas Statutes

Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1, the City was in compliance with the cash basis laws of the State of Kansas. As shown in Schedule 1, the City was in apparent violation of K.S.A. 79-2935, as the City has obligated expenditures in excess of budget authority in the Library Fund and Recreation Fund.

The City was in apparent violation of K.S.A. 12-1608 which requires the treasurer of third class cities to publish an annual statement showing the total amount received into each fund and the total amount expended from each fund and the cash balances of each fund at the beginning and close of the year. Such statement shall show the amount of outstanding registered warrants, temporary notes, bonds and all other obligations and liabilities of the City. The City did not publish a treasurer's report for the year ended December 31, 2023.

The City was in apparent violation of K.S.A. 10-130, which requires bond payments to be remitted to the state fiscal agency at least 20 days before the redemption of such bonds and the payment of the interest theron. In apparent violation of K.S.A. 10-130, one bond payment was received by the Office of the State Treasurer sixteen days prior to the redemption date.

3. DEPOSITS AND INVESTMENTS

As of December 31, 2023, the City has the following investments and maturities.

		Investment Maturities (in Years)		
Investment Type	Fair Value	Less than 1	1 - 2	Rating
Kansas Municipal Investment Pool Overnight Pool	$1,372,931.14	$1,372,931.14	- -	S&P AAAf/S1+

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 branch or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the bank provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City's allocation of investments as of December 31, 2023, is as follows:

Investment Type	Percentage of Investment
Kansas Municipal Investment Pool	100%

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. All deposits were legally secured at December 31, 2023.

At year-end, the City's carrying amount of deposits was $212,281.46 and the bank balance was $268,249.83 The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $268,249.83 was covered by FDIC insurance.

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 of collateral securities that are in the possession of an outside party. State statues require investments to be adequately secured.

At year-end, the City had invested $1,372,931.14 in the Kansas Municipal Investment Pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

4. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2023, were as follows:

Issue	Interest Rates	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Paid by Utility Funds:									
Refunding Bonds, Series 2018	1.8-3.75%	May 31, 2018	$1,465,000.00	September 1, 2036	$ 1,155,000.00	$ -	$ 65,000.00	$ 1,090,000.00	$ 38,160.00
Paid by Grocery Funds:									
Series 2021	1.00%	June 15, 2021	480,000.00	May 15, 2031	448,888.92	-	53,333.28	395,555.64	-
Revenue Bonds									
Paid by Utility Funds									
Revenue Refunding Bonds									
Series 2019	2.81%	December 20, 2019	6,470,000.00	March 15, 2030	4,745,000.00	-	585,000.00	4,160,000.00	129,260.00
Total Contractual Indebtedness					$ 6,348,888.92	$ -	$ 703,333.28	$ 5,645,555.64	$ 167,420.00

4. LONG-TERM DEBT (Continued)

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

Issue	2024	2025	2026	2027	2028	2029-2033	2034-2036	Total
Principal								
General Obligation Bonds								
Paid with Utility Revenues:								
Sewer System Improvement Refunding Bonds, Series 2018	$ 70,000.00	$ 70,000.00	$ 75,000.00	$ 75,000.00	$ 80,000.00	$ 430,000.00	$ 290,000.00	$ 1,090,000.00
Paid by Grocery Funds:								
Grocery Store Purchase Bonds Series 2021	53,333.28	53,333.28	53,333.28	53,333.28	53,333.28	128,889.24	-	395,555.64
Revenue Bonds								
Paid with Utility Revenues								
Taxable Electric Utility System Revenue Refunding Bonds Series 2019	600,000.00	615,000.00	635,000.00	655,000.00	335,000.00	1,320,000.00	-	4,160,000.00
Total Principal Payments	723,333.28	738,333.28	763,333.28	783,333.28	468,333.28	1,878,889.24	290,000.00	5,645,555.64
Interest								
General Obligation Bonds								
Paid with Utility Revenues:								
Sewer System Improvement Refunding Bonds, Series 2018	36,535.00	34,715.00	32,825.00	30,725.00	28,550.00	101,350.00	21,937.50	286,637.50
Paid by Grocery Funds:								
Grocery Store Purchase Bonds Series 2021	3,911.11	3,377.78	2,844.44	2,311.11	1,777.78	2,133.33	-	16,355.55
Revenue Bonds								
Paid with Utility Revenues								
Taxable Electric Utility System Revenue Refunding Bonds Series 2019	112,751.25	95,680.50	78,258.50	60,344.75	41,798.75	27,046.25	-	415,880.00
Total Interest Payments	153,197.36	133,773.28	113,927.94	93,380.86	72,126.53	130,529.58	21,937.50	718,873.05
Total Principal and Interest	$ 876,530.64	$ 872,106.56	$ 877,261.22	$ 876,714.14	$ 540,459.81	$ 2,009,418.82	$ 311,937.50	$ 6,364,428.69

5. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The City manages these risks of loss through the purchase of various insurance policies.

6. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 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 a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates 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 8.43% for KPERS and 22.86% for KP&F for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were $49,772.66 for KPERS and $20,640.18 for KP&F for the year ended December 31, 2023.

Net Pension Liability

At December 31, 2023, the City's proportionate share of the collective net pension liability reported by KPERS was $526,050.00 and $256,887.00 for KP&F. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and nonemployer 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 these financial statements.

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

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Death and Disability Other Post-Employment Benefits
As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2023.

Compensated Absences:
All full-time employees of the City with one year of employment are eligible for 10 days vacation benefits. All full-time employees of the City with ten years of employment are eligible for 15 days vacation benefits. Vacation is not earned for partial years worked. Vacation must be used by each anniversary date. In the event of termination, unused accrued vacation time is paid.

Sick leave accrues to all full-time employees at the rate of one day per month and is unlimited. Employees who terminate by other than retirement or death will not be paid for accumulated sick leave. An employee shall be paid for accumulated sick leave upon retirement or death only. Any unused sick leave at date of termination is lost.

The City accrues a liability for compensated absences which meet the following criteria:

1. The City's obligation relating to employees rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated and, is material.

In accordance with the above criteria, the City has an unfunded liability for vacation benefits at December 31, 2023 of $15,369.83, and has not estimated a liability for sick pay which has been earned, but not taken by City employees, inasmuch as the amount cannot be reasonably estimated.

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

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

8. ECONOMIC DEPENDENCY

During 2023, the City sold 40.87% of its water available for sale to Rural Water District #1.

9. OTHER COMMITMENTS

On October 26, 2009, the City entered into a ten-year agreement with the Kansas Power Pool (KPP), a municipal energy agency, to purchase its power requirements and transmission service from KPP and to pay KPP for the cost of construction of a substation. It is the responsibility of KPP to design, procure, and construct the project. The City will pay for the construction on a monthly basis, over ten years from the date of the commercial operation of the substation, which commenced on June 2013. Upon completion of the ten-year payment plan, the project has been completely paid for by the City as of June 30, 2023, and has been transferred to the City.

10. INTERFUND TRANSFERS

Operating transfers were as follows:

From Fund:	To Fund:	Statutory Authority	Amount
Sewer Utility	Sewer Utility Improvement Reserve	K.S.A. 12-825d	$ 3,000.00
Sewer Utility	Water Utility	K.S.A. 12-825d	16,620.86
Sewer Utility	General	K.S.A. 12-825d	7,475.50
Sewer Utility	G. O. Bond and Interest	K.S.A. 12-825d	103,158.96
Electric Utility	General	K.S.A. 12-825d	127,439.97
Electric Utility	Grocery Store	K.S.A. 12-825d	193,341.38
Electric Utility	Equipment Reserve	K.S.A. 12-1,117	36,000.00
Electric Utility	Electric Utility II	K.S.A. 12-825d	280,722.03
Electric Utility II	Electric Utility II Debt Service	K.S.A. 12-825d	654,820.64

11. SUBSEQUENT EVENTS

The City evaluated events and transactions occurring subsequent to year end, and there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure in the financial statement.

SUPPLEMENTARY INFORMATION

Schedule 1

CITY OF ERIE, KANSAS

Summary of Expenditures - Actual and Budget
(Budgeted Funds Only)
Regulatory Basis
For the Year Ended December 31, 2023

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General	$ 789,575.00	$ -	$ 761,413.69	$ (28,161.31)
Special Purpose Funds:				
Tort Liability	15,187.00	-	5,739.39	(9,447.61)
Employee Benefits	186,788.00	-	150,610.38	(36,177.62)
Library	35,941.00	-	37,154.12	1,213.12
Industrial Development	5,270.00	-	-	(5,270.00)
Recreation	17,971.00	-	18,576.96	605.96
Special Park and Recreation	3,803.00	-	1,129.98	(2,673.02)
Special Highway	326,589.00	-	66,358.92	(260,230.08)
Special Police and Fire	54,749.00	-	14,352.01	(40,396.99)
Equipment Reserve	93,441.00	-	10,848.50	(82,592.50)
Capital Improvement	76,495.00	-	1,032.86	(75,462.14)
City Street Sales Tax	342,152.00	-	-	(342,152.00)
Bond and Interest Funds:				
G.O. Bond and Interest	115,240.00	-	103,160.00	(12,080.00)
Business Funds:				
Grocery Store	1,284,338.00	-	1,168,100.27	(116,237.73)
Sewer Utility	175,864.00	-	175,864.00	-
Water Utility	365,196.00	-	356,211.57	(8,984.43)
Electric Utility	1,787,528.00	-	1,783,676.16	(3,851.84)
Electric Utility II	988,011.00	-	892,153.10	(95,857.90)

CITY OF ERIE, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 117,600.32	$ 158,690.46	$ 167,387.00	$ (8,696.54)
Delinquent Tax	5,609.39	12,086.42	4,875.00	7,211.42
Motor Vehicle Tax	37,535.33	33,313.90	33,393.00	(79.10)
Recreational Vehicle Tax	382.81	392.59	450.00	(57.41)
16/20M Vehicle Tax	157.24	137.69	127.00	10.69
Commercial Vehicle Tax	2,127.33	2,108.96	1,601.00	507.96
Watercraft Tax	-	-	66.00	(66.00)
Sales Tax	218,034.66	233,696.74	209,332.00	24,364.74
Franchise Tax	40,827.64	44,279.44	37,499.00	6,780.44
Special Assessment	-	1,950.00	-	1,950.00
Intergovernmental				
Local Alcoholic Liquor Tax	2,943.08	3,581.10	1,502.00	2,079.10
Charges for Services				
Township Fire Contracts	7,905.00	11,000.00	9,000.00	2,000.00
Swimming Pool Fees	3,502.50	5,546.00	3,000.00	2,546.00
Animal Shelter Fees	-	9.00	-	9.00
Grave Openings and Closings	1,973.73	2,174.98	1,919.00	255.98
Sale of Cemetery Lots	600.00	150.00	900.00	(750.00)
Sanitation	2,531.38	2,527.24	2,536.00	(8.76)
Police VIN Fees	8,700.00	7,690.00	10,080.00	(2,390.00)
Fines, Forfeitures and Penalties				
Fines	3,609.00	4,202.00	4,277.00	(75.00)
Penalties	2,214.00	1,821.50	445.00	1,376.50
Licenses and Permits				
Licenses	1,618.00	2,500.00	2,084.00	416.00
Permits	1,268.78	747.50	1,166.00	(418.50)
Use of Money and Property				
Interest Income	43,293.61	82,752.67	1,657.00	81,095.67
Rentals	-	20.00	130.00	(110.00)
Other Receipts				
Accident Reports	24.00	-	24.00	(24.00)
Reimbursed Expense	1,010.00	1,295.00	-	1,295.00
Miscellaneous	72.16	-	-	-

CITY OF ERIE, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Receipts (Continued)				
Operating Transfers from:				
Water Utility Fund	$ 8,757.20	$ -	$ 6,000.00	$ (6,000.00)
Sewer Utility Fund	-	7,475.50	-	7,475.50
Electric Utility Fund	234,953.37	127,439.97	295,000.00	(167,560.03)
Total Receipts	747,250.53	747,588.66	$ 794,450.00	$ (46,861.34)
Expenditures				
General Administration				
Personal Services	105,956.73	114,541.40	$ 102,232.00	$ 12,309.40
Contractual Services	23,048.72	50,483.54	38,420.00	12,063.54
Commodities	8,094.83	6,384.38	6,032.00	352.38
Capital Outlay	-	-	2,788.00	(2,788.00)
Audit				
Contractual Services	9,700.00	7,500.00	9,800.00	(2,300.00)
Legislative Department				
Personal Services	13,000.00	11,611.23	12,143.00	(531.77)
Contractual Services	18,180.72	18,032.96	16,247.00	1,785.96
Commodities	52.92	196.79	350.00	(153.21)
Municipal Court				
Personal Services	13,152.00	14,026.73	12,466.00	1,560.73
Contractual Services	12,594.70	13,054.30	10,701.00	2,353.30
Commodities	-	64.31	100.00	(35.69)
Public Safety				
Fire Department				
Personal Services	12,930.00	12,727.50	13,427.00	(699.50)
Contractual Services	18,304.21	20,863.66	22,975.00	(2,111.34)
Commodities	4,763.53	3,674.49	2,000.00	1,674.49
Capital Outlay	2,853.50	182.00	-	182.00
Animal Control Department				
Contractual Services	239.50	462.40	500.00	(37.60)
Commodities	-	96.50	100.00	(3.50)
Police Department				
Personal Services	188,777.19	187,553.57	183,647.00	3,906.57
Contractual Services	23,606.28	21,384.12	28,694.00	(7,309.88)
Commodities	7,111.22	7,951.64	7,754.00	197.64
Capital Outlay	332.84	-	-	-

CITY OF ERIE, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Expenditures (Continued)				
Highways and Streets				
Personal Services	$ 70,593.08	$ 47,949.77	$ 72,844.00	$ (24,894.23)
Contractual Services	33,948.25	35,864.33	32,067.00	3,797.33
Commodities	53,280.42	55,202.56	91,760.00	(36,557.44)
Culture and Recreation				
Swimming Pool Department				
Personal Services	19,048.22	18,711.54	19,535.00	(823.46)
Contractual Services	13,198.24	16,720.22	13,000.00	3,720.22
Commodities	1,470.58	7,086.65	5,000.00	2,086.65
Park Department				
Personal Services	8,197.46	13,149.84	12,714.00	435.84
Contractual Services	4,099.42	5,599.16	5,000.00	599.16
Commodities	1,660.19	3,748.56	1,000.00	2,748.56
Library Department				
Contractual Services	27,509.93	32,534.51	25,500.00	7,034.51
Commodities	2,741.61	3,473.69	5,500.00	(2,026.31)
Demolition				
Contractual Services	-	-	7,000.00	(7,000.00)
Cemetery				
Personal Services	3,587.96	3,685.56	3,508.00	177.56
Contractual Services	26,464.21	26,551.56	24,671.00	1,880.56
Commodities	122.18	344.22	100.00	244.22
Total Expenditures	728,620.64	761,413.69	$ 789,575.00	$ (28,161.31)
Receipts Over(Under) Expenditures	18,629.89	(13,825.03)		
Unencumbered Cash, Beginning	195.14	18,825.03		
Unencumbered Cash, Ending	$ 18,825.03	$ 5,000.00		

CITY OF ERIE, KANSAS
TORT LIABILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Tax	$ 3,388.73	$ 3,569.75	$ 3,765.00	$ (195.25)
Delinquent Tax	143.50	337.85	110.00	227.85
Motor Vehicle Tax	925.80	960.76	963.00	(2.24)
Recreational Vehicle Tax	9.45	11.32	13.00	(1.68)
16/20M Vehicle Tax	4.16	3.38	4.00	(0.62)
Commercial Vehicle Tax	52.48	60.82	46.00	14.82
Watercraft Tax	-	-	2.00	(2.00)
Total Receipts	4,524.12	4,943.88	$ 4,903.00	$ 40.88
Expenditures				
General Government				
General Administration				
Contractual Services	5,315.05	5,739.39	$ 15,187.00	$ (9,447.61)
Total Expenditures	5,315.05	5,739.39	$ 15,187.00	$ (9,447.61)
Receipts Over(Under) Expenditures	(790.93)	(795.51)		
Unencumbered Cash, Beginning	10,854.90	10,063.97		
Unencumbered Cash, Ending	$ 10,063.97	$ 9,268.46		

CITY OF ERIE, KANSAS
EMPLOYEE BENEFITS FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 127,890.95	$ 133,797.55	$ 141,179.00	$ (7,381.45)
Delinquent Tax	4,549.95	10,857.46	4,112.00	6,745.46
Motor Vehicle Tax	26,036.26	36,335.31	36,422.00	(86.69)
Recreational Vehicle Tax	265.52	428.22	492.00	(63.78)
16/20M Vehicle Tax	116.26	95.51	139.00	(43.49)
Commercial Vehicle Tax	1,475.62	2,300.23	1,745.00	555.23
Watercraft Tax	-	-	72.00	(72.00)
Total Receipts	160,334.56	183,814.28	$ 184,161.00	$ (346.72)
Expenditures				
General Government				
General Administration				
Personal Services	150,364.72	150,610.38	$ 186,788.00	$ (36,177.62)
Total Expenditures	150,364.72	150,610.38	$ 186,788.00	$ (36,177.62)
Receipts Over(Under) Expenditures	9,969.84	33,203.90		
Unencumbered Cash, Beginning	180.84	10,150.68		
Unencumbered Cash, Ending	$ 10,150.68	$ 43,354.58		

CITY OF ERIE, KANSAS
LIBRARY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 25,406.99	$ 26,783.71	$ 28,236.00	$ (1,452.29)
Delinquent Tax	1,186.65	2,601.21	822.00	1,779.21
Motor Vehicle Tax	6,943.25	7,202.83	7,220.00	(17.17)
Recreational Vehicle Tax	70.82	84.91	98.00	(13.09)
16/20M Vehicle Tax	31.03	25.49	27.00	(1.51)
Commercial Vehicle Tax	393.51	455.97	346.00	109.97
Watercraft Tax	-	-	14.00	(14.00)
Total Receipts	34,032.25	37,154.12	$ 36,763.00	$ 391.12
Expenditures				
Culture and Recreation				
Appropriation to Library Board	34,032.25	37,154.12	$ 35,941.00	$ 1,213.12
Total Expenditures	34,032.25	37,154.12	$ 35,941.00	$ 1,213.12
Receipts Over(Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

CITY OF ERIE, KANSAS
INDUSTRIAL DEVELOPMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Delinquent Tax	$ 59.03	$ 35.99	$ -	$ 35.99
Total Receipts	59.03	35.99	$ -	$ 35.99
Expenditures				
General Government				
Personal Services	6,519.00	-	$ -	$ -
Contractual Services	-	-	5,270.00	(5,270.00)
Total Expenditures	6,519.00	-	$ 5,270.00	$ (5,270.00)
Receipts Over(Under) Expenditures	(6,459.97)	35.99		
Unencumbered Cash, Beginning	8,235.29	1,775.32		
Unencumbered Cash, Ending	$ 1,775.32	$ 1,811.31		

CITY OF ERIE, KANSAS
RECREATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 12,703.60	$ 13,391.74	$ 14,118.00	$ (726.26)
Delinquent Tax	593.37	1,300.67	411.00	889.67
Motor Vehicle Tax	3,472.35	3,601.39	3,610.00	(8.61)
Recreational Vehicle Tax	35.40	42.44	49.00	(6.56)
16/20M Vehicle Tax	15.50	12.73	14.00	(1.27)
Commercial Vehicle Tax	196.82	227.99	173.00	54.99
Watercraft Tax	-	-	7.00	(7.00)
Total Receipts	17,017.04	18,576.96	$ 18,382.00	$ 194.96
Expenditures				
Culture and Recreation				
Appropriation to Recreation Commission	17,017.04	18,576.96	$ 17,971.00	$ 605.96
Total Expenditures	17,017.04	18,576.96	$ 17,971.00	$ 605.96
Receipts Over(Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	$ -	$ -		

CITY OF ERIE, KANSAS
SPECIAL PARK AND RECREATION FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Local Alcoholic Liquor Tax	$ 2,943.10	$ 3,581.08	$ 1,502.00	$ 2,079.08
Other Receipts				
Reimbursed Expenses	0.02	-	-	-
Total Receipts	2,943.12	3,581.08	$ 1,502.00	$ 2,079.08
Expenditures				
Culture and Recreation				
Contractual Services	998.88	1,129.98	$ 2,000.00	$ (870.02)
Commodities	-	-	1,000.00	(1,000.00)
Capital Outlay	-	-	803.00	(803.00)
Total Expenditures	998.88	1,129.98	$ 3,803.00	$ (2,673.02)
Receipts Over(Under) Expenditures	1,944.24	2,451.10		
Unencumbered Cash, Beginning	1,439.92	3,384.16		
Unencumbered Cash, Ending	$ 3,384.16	$ 5,835.26		

CITY OF ERIE, KANSAS
SPECIAL HIGHWAY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
State Gasoline Tax	$ 28,627.88	$ 27,947.73	$ 30,220.00	$ (2,272.27)
Total Receipts	28,627.88	27,947.73	$ 30,220.00	$ (2,272.27)
Expenditures				
Highways and Streets				
Personal Services	-	-	$ 20,000.00	$ (20,000.00)
Contractual Services	6,164.93	5,758.92	10,000.00	(4,241.08)
Commodities	33,874.87	-	20,000.00	(20,000.00)
Capital Outlay	76,269.76	60,600.00	276,589.00	(215,989.00)
Total Expenditures	116,309.56	66,358.92	$ 326,589.00	$ (260,230.08)
Receipts Over(Under) Expenditures	(87,681.68)	(38,411.19)		
Unencumbered Cash, Beginning	269,572.11	181,890.43		
Unencumbered Cash, Ending	$ 181,890.43	$ 143,479.24		

CITY OF ERIE, KANSAS
SPECIAL POLICE AND FIRE FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 8,471.85	$ 8,926.43	$ 9,412.00	$ (485.57)
Delinquent Tax	395.58	867.16	274.00	593.16
Motor Vehicle Tax	2,314.81	2,401.67	2,406.00	(4.33)
Recreational Vehicle Tax	23.62	28.31	33.00	(4.69)
16/20M Vehicle Tax	10.35	8.50	9.00	(0.50)
Commercial Vehicle Tax	131.19	152.05	115.00	37.05
Watercraft Tax	-	-	5.00	(5.00)
Total Receipts	11,347.40	12,384.12	$ 12,254.00	$ 130.12
Expenditures				
Public Safety				
Contractual Services	352.60	431.01	$ 2,000.00	$ (1,568.99)
Commodities	-	13,921.00	5,000.00	8,921.00
Capital Outlay	1,644.00	-	47,749.00	(47,749.00)
Total Expenditures	1,996.60	14,352.01	$ 54,749.00	$ (40,396.99)
Receipts Over(Under) Expenditures	9,350.80	(1,967.89)		
Unencumbered Cash, Beginning	32,339.96	41,690.76		
Unencumbered Cash, Ending	$ 41,690.76	$ 39,722.87		

CITY OF ERIE, KANSAS
EQUIPMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Other Receipts				
Reimbursed Income	$ 6,300.00	$ -	$ -	$ -
Operating Transfers from				
Electric Utility Fund	36,000.00	36,000.00	36,000.00	-
Total Receipts	42,300.00	36,000.00	$ 36,000.00	$ -
Expenditures				
General Government				
Contractual Services	-	10,848.50	$ 13,018.00	$ (2,169.50)
Capital Outlay	40,304.89	-	66,423.00	(66,423.00)
Debt Service				
Lease Purchase - Grasshopper Mower	-	-	14,000.00	(14,000.00)
Total Expenditures	40,304.89	10,848.50	$ 93,441.00	$ (82,592.50)
Receipts Over(Under) Expenditures	1,995.11	25,151.50		
Unencumbered Cash, Beginning	53,794.22	55,789.33		
Unencumbered Cash, Ending	$ 55,789.33	$ 80,940.83		

CITY OF ERIE, KANSAS
GROCERY STORE IMPROVEMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
Grant Proceeds	$ -	$ -
Total Receipts	-	-
Expenditures		
Capital Improvements		
Contractual Services	15,000.00	-
Total Expenditures	15,000.00	-
Receipts Over(Under) Expenditures	(15,000.00)	-
Unencumbered Cash, Beginning	15,000.00	-
Unencumbered Cash, Ending	$ -	$ -

CITY OF ERIE, KANSAS
CAPITAL IMPROVEMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Use of Money and Property				
Sale of Assets	$ -	$ -	$ -	$ -
Total Receipts	-	-	$ -	$ -
Expenditures				
Capital Improvements				
Contractual Services	1,022.68	1,032.86	$ 5,000.00	$ (3,967.14)
Commodities	-	-	5,000.00	(5,000.00)
Capital Outlay	-	-	66,495.00	(66,495.00)
Total Expenditures	1,022.68	1,032.86	$ 76,495.00	$ (75,462.14)
Receipts Over(Under) Expenditures	(1,022.68)	(1,032.86)		
Unencumbered Cash, Beginning	76,494.75	75,472.07		
Unencumbered Cash, Ending	$ 75,472.07	$ 74,439.21		

CITY OF ERIE, KANSAS
MISCELLANEOUS GRANTS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
ARPA Grant Proceeds	$ 82,943.07	$ -
Other Receipts		
Miscellaneous	6.75	200.00
Total Receipts	82,949.82	200.00
Expenditures		
General Administration		
Capital Outlay	859.51	-
Total Expenditures	859.51	-
Receipts Over(Under) Expenditures	82,090.31	200.00
Unencumbered Cash, Beginning	24,216.21	106,306.52
Unencumbered Cash, Ending	$ 106,306.52	$ 106,506.52

CITY OF ERIE, KANSAS
CITY STREET SALES TAX FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Revenue				
Sales Tax	$ 70,275.36	$ 75,089.67	$ 67,119.00	$ 7,970.67
Licenses and Permits				
Permits	620.00	680.00	290.00	390.00
Total Receipts	70,895.36	75,769.67	$ 67,409.00	$ 8,360.67
Expenditures				
General Government				
Capital Outlay	-	-	$ 342,152.00	$ (342,152.00)
Total Expenditures	-	-	$ 342,152.00	$ (342,152.00)
Receipts Over(Under) Expenditures	70,895.36	75,769.67		
Unencumbered Cash, Beginning	207,333.53	278,228.89		
Unencumbered Cash, Ending	$ 278,228.89	$ 353,998.56		

CITY OF ERIE, KANSAS
G.O. BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 101.97	$ -	$ -	$ -
Delinquent Tax	537.68	886.61	-	886.61
Motor Vehicle Tax	3,333.56	-	-	-
Recreational Vehicle Tax	33.99	-	-	-
16/20M Vehicle Tax	14.89	12.22	-	12.22
Commercial Vehicle Tax	188.92	-	-	-
Operating Transfers from				
Sewer Utility Fund	-	103,158.96	103,160.00	(1.04)
Total Receipts	4,211.01	104,057.79	$ 103,160.00	$ 897.79
Expenditures				
Debt Service				
Principal	65,000.00	65,000.00	$ 65,000.00	$ -
Interest	39,720.00	38,160.00	38,160.00	-
Cash Basis Reserve	-	-	12,080.00	(12,080.00)
Total Expenditures	104,720.00	103,160.00	$ 115,240.00	$ (12,080.00)
Receipts Over(Under) Expenditures	(100,508.99)	897.79		
Unencumbered Cash, Beginning	113,369.48	12,860.49		
Unencumbered Cash, Ending	$ 12,860.49	$ 13,758.28		

CITY OF ERIE, KANSAS
GROCERY STORE FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Receipts				
Grocery Store Receipts	$ 1,004,930.62	$ 963,520.16	$ 1,283,865.00	$ (320,344.84)
Other Receipts				
Miscellaneous	9,825.04	11,238.73	-	11,238.73
Operating Transfer from:				
Electric Utility Fund	85,846.63	193,341.38	-	193,341.38
Water Utility Fund	25.00	-	-	-
Sewer Utility Fund	100,449.09	-	-	-
Total Receipts	1,201,076.38	1,168,100.27	$ 1,283,865.00	$ (115,764.73)
Expenditures				
Operations				
Personal Services	184,784.27	178,566.07	$ 175,000.00	$ 3,566.07
Contractual Services	110,469.60	128,763.01	130,000.00	(1,236.99)
Commodities	814,630.45	807,437.91	921,560.00	(114,122.09)
Debt Service				
Principal	31,111.08	53,333.28	57,778.00	(4,444.72)
Interest	4,800.00	-	-	-
Total Expenditures	1,145,795.40	1,168,100.27	$ 1,284,338.00	$ (116,237.73)
Receipts Over(Under) Expenditures	55,280.98	-		
Unencumbered Cash, Beginning	(55,280.98)	-		
Unencumbered Cash, Ending	$ -	$ -		

CITY OF ERIE, KANSAS
GROCERY STORE DEBT SERVICE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Debt Proceeds	$ 438,363.21	$ -
Total Receipts	438,363.21	-
Expenditures		
General Government		
Contractual Services	5,930.00	-
Debt Service		
Principal	425,000.00	-
Interest	7,433.21	-
Total Expenditures	438,363.21	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

CITY OF ERIE, KANSAS
SEWER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Receipts				
User Fees	$ 161,406.36	$ 189,103.18	$ 170,112.00	$ 18,991.18
Total Receipts	161,406.36	189,103.18	$ 170,112.00	$ 18,991.18
Expenditures				
Treatment				
Personal Services	10,348.73	8,983.22	$ 8,587.00	$ 396.22
Contractual Services	1,508.71	463.40	4,500.00	(4,036.60)
Commodities	83.13	108.87	1,000.00	(891.13)
Transmission and Distribution				
Personal Services	18,414.76	16,890.09	18,027.00	(1,136.91)
Contractual Services	12,834.09	12,768.99	16,000.00	(3,231.01)
Commodities	7,526.09	6,394.11	10,000.00	(3,605.89)
Capital Outlay	-	-	11,590.00	(11,590.00)
Operating Transfers to:				
Sewer Utility Improvement Reserve Fund	3,000.00	3,000.00	3,000.00	-
Water Utility Fund	-	16,620.86	-	16,620.86
General Fund	-	7,475.50	-	7,475.50
Grocery Store Fund	100,449.09	-	-	-
G. O. Bond and Interest Fund	-	103,158.96	103,160.00	(1.04)
Total Expenditures	154,164.60	175,864.00	$ 175,864.00	$ -
Receipts Over(Under) Expenditures	7,241.76	13,239.18		
Unencumbered Cash, Beginning	7,799.26	15,041.02		
Unencumbered Cash, Ending	$ 15,041.02	$ 28,280.20		

CITY OF ERIE, KANSAS
SEWER UTILITY IMPROVEMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from Sewer Utility Fund	$ 3,000.00	$ 3,000.00
Total Receipts	3,000.00	3,000.00
Expenditures		
Capital Improvements		
Commodities	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	3,000.00	3,000.00
Unencumbered Cash, Beginning	29,116.44	32,116.44
Unencumbered Cash, Ending	$ 32,116.44	$ 35,116.44

CITY OF ERIE, KANSAS
WATER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Receipts				
Water Sales	$ 312,512.62	$ 325,132.12	$ 321,192.00	$ 3,940.12
Other Sales	524.26	325.02	538.00	(212.98)
Other Receipts				
Miscellaneous	400.76	-	-	-
Operating Transfer from				
Sewer Utility Fund	-	16,620.86	-	16,620.86
Total Receipts	313,437.64	342,078.00	$ 321,730.00	$ 20,348.00
Expenditures				
Production				
Personal Services	64,420.69	56,875.39	$ 64,260.00	$ (7,384.61)
Contractual Services	67,708.52	80,453.72	81,270.00	(816.28)
Commodities	51,425.85	42,042.68	60,000.00	(17,957.32)
Capital Outlay	-	-	1,622.00	(1,622.00)
Transmission and Distribution				
Personal Services	92,973.89	90,991.03	87,000.00	3,991.03
Contractual Services	38,426.74	17,504.72	23,099.00	(5,594.28)
Commodities	40,115.89	68,344.03	16,945.00	51,399.03
Capital Outlay	-	-	25,000.00	(25,000.00)
Operating Transfers to:				
General Fund	8,757.20	-	6,000.00	(6,000.00)
Grocery Store Fund	25.00	-	-	-
Total Expenditures	363,853.78	356,211.57	$ 365,196.00	$ (8,984.43)
Receipts Over(Under) Expenditures	(50,416.14)	(14,133.57)		
Unencumbered Cash, Beginning	68,148.48	17,732.34		
Unencumbered Cash, Ending	$ 17,732.34	$ 3,598.77		

CITY OF ERIE, KANSAS
ELECTRIC UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Receipts				
Electric Sales	$ 1,733,270.34	$ 1,704,662.82	$ 1,631,226.00	$ 73,436.82
Reconnect Fee	200.00	-	650.00	(650.00)
Other Receipts				
Bad Debt Recovery	2,769.32	1,416.02	1,878.00	(461.98)
Miscellaneous	29,146.91	30,622.50	-	30,622.50
Reimbursed Expenses	31,565.72	1,495.02	31,546.00	(30,050.98)
Total Receipts	1,796,952.29	1,738,196.36	$ 1,665,300.00	$ 72,896.36
Expenditures				
Production				
Personal Services	53,764.74	18,242.02	$ 30,685.00	$ (12,442.98)
Contractual Services	1,198,124.65	823,014.56	1,001,466.00	(178,451.44)
Commodities	9,320.81	5,655.31	15,000.00	(9,344.69)
Transmission and Distribution				
Personal Services	56,236.36	113,152.30	64,532.00	48,620.30
Contractual Services	72,582.75	88,078.75	72,090.00	15,988.75
Commodities	27,299.17	40,517.86	35,000.00	5,517.86
Capital Outlay	117,085.10	57,511.98	167,755.00	(110,243.02)
Operating Transfers to:				
General Fund	234,953.37	127,439.97	295,000.00	(167,560.03)
Electric Utility II Fund	-	280,722.03	70,000.00	210,722.03
Grocery Store Fund	85,846.63	193,341.38	-	193,341.38
Equipment Reserve Fund	36,000.00	36,000.00	36,000.00	-
Total Expenditures	1,891,213.58	1,783,676.16	$ 1,787,528.00	$ (3,851.84)
Receipts Over(Under) Expenditures	(94,261.29)	(45,479.80)		
Unencumbered Cash, Beginning	327,781.54	233,520.25		
Unencumbered Cash, Ending	$ 233,520.25	$ 188,040.45		

CITY OF ERIE, KANSAS
ELECTRIC UTILITY II FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Operating Receipts				
Wholesale Electric Sales	$ 23,202.64	$ -	$ 30,011.00	$ (30,011.00)
Other Receipts				
Evergy Payments	703,000.00	879,881.31	888,000.00	(8,118.69)
Reimbursed Income	-	2,169.00	-	2,169.00
Operating Transfers from				
Electric Utility Fund	-	280,722.03	70,000.00	210,722.03
Total Receipts	726,202.64	1,162,772.34	$ 988,011.00	$ 174,761.34
Expenditures				
Operation and Maintenance				
Personal Services	8,771.58	8,976.67	$ 8,611.00	$ 365.67
Contractual Services	149,484.35	170,289.04	190,850.00	(20,560.96)
Commodities	128,528.97	58,066.75	70,000.00	(11,933.25)
Capital Outlay	-	-	4,290.00	(4,290.00)
Operating Transfers to				
Electric Utility II Debt Service Fund	710,276.93	654,820.64	714,260.00	(59,439.36)
Total Expenditures	997,061.83	892,153.10	$ 988,011.00	$ (95,857.90)
Receipts Over(Under) Expenditures	(270,859.19)	270,619.24		
Unencumbered Cash, Beginning	239.95	(270,619.24)		
Unencumbered Cash, Ending	$ (270,619.24)	$ -		

CITY OF ERIE, KANSAS
ELECTRIC UTILITY IMPROVEMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Debt Proceeds	$ -	$ -
Total Receipts	-	-
Expenditures		
General Government		
Commodities	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	33,019.48	33,019.48
Unencumbered Cash, Ending	$ 33,019.48	$ 33,019.48

CITY OF ERIE, KANSAS
ELECTRIC UTILITY II DEBT SERVICE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from Electric Utility II Fund	$ 710,276.93	$ 654,820.64
Total Receipts	710,276.93	654,820.64
Expenditures		
Debt Service		
Principal	565,000.00	585,000.00
Interest	145,277.00	129,260.00
Total Expenditures	710,277.00	714,260.00
Receipts Over(Under) Expenditures	(0.07)	(59,439.36)
Unencumbered Cash, Beginning	199,439.43	199,439.36
Unencumbered Cash, Ending	$ 199,439.36	$ 140,000.00

CITY OF ERIE, KANSAS
SECURITY DEPOSITS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Deposits Collected	$ 7,475.00	$ 5,865.00
Total Receipts	7,475.00	5,865.00
Expenditures		
Refundable Deposits	7,707.24	6,039.64
Total Expenditures	7,707.24	6,039.64
Receipts Over(Under) Expenditures	(232.24)	(174.64)
Unencumbered Cash, Beginning	3,390.20	3,157.96
Unencumbered Cash, Ending	$ 3,157.96	$ 2,983.32

CITY OF ERIE, KANSAS
AGENCY FUNDS
Schedule of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2023

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Utility Sales Tax	$ 11,920.24	$ 138,117.58	$ 148,902.66	$ 1,135.16
CMB Stamp Tax	125.00	100.00	125.00	100.00
Water Protection Fees	-	880.19	880.47	(0.28)
Fire Insurance	5,000.00	-	-	5,000.00
Sanitation Clearing	6,245.85	72,967.77	73,359.12	5,854.50
VIN Inspections	5,938.19	949.50	1,000.00	5,887.69
ADSAP Fees	1,025.00	-	-	1,025.00
Grow Neosho	11,382.84	20,125.88	20,658.07	10,850.65
Cemetery Perpetual Care	19,471.09	100.00	-	19,571.09
Payroll Clearing Fund	-	443,643.10	434,645.58	8,997.52
Community Garden Funds	1,376.16	40.00	394.26	1,021.90
Insurance Claim Fund	95.77	-	-	95.77
ISF Check Clearing Fund	(1,221.96)	682.39	990.44	(1,530.01)
Total Agency Funds	$ 61,358.18	$ 677,606.41	$ 680,955.60	$ 58,008.99

Schedule 4

CITY OF ERIE, KANSAS

Schedule of Required Bond Information

December 31, 2023

	Date Expires	Amount
Employers Mutual Casualty Company:		
Coverages:		
Buildings and Contents	4/1/2024	$ 51,326,565.00
Personal Property		109,180.00
Earthquake		20,189,237.00
Deductible:		25,000.00
Premium:		66,948.00

Total electric users for the beginning and end of the fiscal year 2022 were as follows:

	12/31/2023	1/1/2023
Electric	689	687

Jarred Gilmore Phillips

Honorable Mayor and City Council
City of Erie, Kansas

In planning and performing our audit of the financial statement of the City of Erie, Kansas as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the City of Erie, Kansas' system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the City of Erie, Kansas' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Erie, Kansas' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiency in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in internal control to be material weaknesses:

Preparation of Financial Statement

Accounting standards states the client must be able to accept responsibility and be able to identify a material misstatement when reviewing the financial statement, including footnotes and supplemental information. This would also include knowing if a required footnote disclosure was missing or not correctly stated. Presently, the City staff does not have the ability to process and prepare the required financial statement, including footnotes. The potential effects of this material weakness could be unrecognized errors on the financial statement. While we recognize that this condition is not unusual for a City your size, it is important that you be aware of this condition for financial reporting purposes. Management and the City Council should continually be aware of the financial reporting of the City and changes in reporting requirements.

Segregation of Duties

An internal control structure is, quite simply, the procedures and policies in effect which ensure that the City's financial activity is properly recorded, processed, summarized, and reported in the financial statement. A weakness in the control structure occurs when one person is responsible for all of the accounting activities such as performing billings, receipting cash, making deposits, reconciling the bank accounts, and having access to all books and records of the City. Due to small staff size, it is not possible for reviews of daily work to take place, potentially resulting in errors in financial records and reports.

This communication is intended solely for the information and use of management, the Mayor, City Council, and others within the City of Erie, Kansas, and is not intended to be, and should not be, used by anyone other than these specified parties.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
May 28, 2024