



Certified Public Accountants

CITY OF DE SOTO, KANSAS

FINANCIAL STATEMENT
YEAR ENDED DECEMBER 31, 2022

CITY OF DE SOTO, KANSAS
 FINANCIAL STATEMENT
 REGULATORY BASIS
 Year Ended December 31, 2022

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INDEPENDENT AUDITORS' REPORT

Mayor and City Council
City of De Soto, 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 De Soto, Kansas (the City) as of and for the year ended December 31, 2022 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 as of December 31, 2022, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2022, 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 2.

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 Auditors' 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 2 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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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 2; 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 within one year after the date that the financial statement is issued or available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 (the basic financial statement) as a whole. The schedules listed under supplementary information in the accompanying 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 2.

BT&Co, P.A.

May 12, 2023
Topeka, Kansas

CITY OF DE SOTO, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH - REGULATORY BASIS
Year Ended December 31, 2022

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General fund	\$ 3,437,226	\$ -	\$ 6,284,101	\$ 6,744,679	\$ 2,976,648	\$ 203,062	\$ 3,179,710
Special purpose funds:							
Law enforcement	93,758	-	535,467	546,375	82,850	135,826	218,676
Special highway	77,140	-	176,093	190,000	63,233	-	63,233
Special parks and recreation	93,732	-	51,292	40,000	105,024	-	105,024
Transient guest tax	33,745	-	26,682	29,600	30,827	-	30,827
Sponsorship	31,480	-	4,641	268	35,853	-	35,853
Water development fee	83,133	-	61,900	20,000	125,033	-	125,033
Sewer development fee	107,711	-	40,525	78,124	70,112	-	70,112
Electric utility investment	1,533,636	-	152,324	40,000	1,645,960	-	1,645,960
Enhancement community fountain	36	-	-	-	36	-	36
Commerce Drive tax increment	21,115	-	220,192	204,056	37,251	-	37,251
CDBG	-	-	100,000	100,000	-	-	-
Community center building maintenance	-	-	35,000	35,000	-	-	-
Aquatic center maintenance	32,500	-	30,000	55,303	7,197	-	7,197
Technology	-	-	18,760	5,909	12,851	-	12,851
Bond and interest fund	1,074,622	-	2,552,383	1,608,750	2,018,255	-	2,018,255
Capital project fund:							
Capital improvements	1,821,134	-	16,318,626	2,626,296	15,513,464	368,348	15,881,812
Business funds:							
Water system	1,176,782	-	1,950,776	2,477,428	650,130	40,088	690,218
Sewer system	426,273	-	733,916	731,938	428,251	4,483	432,734
Refuse system	83,856	-	685,039	730,231	38,664	-	38,664
Shop	(6,792)	-	163,025	160,544	(4,311)	4,335	24
Trust fund:							
Shughart trust	24,943	-	150	4,958	20,135	-	20,135
Total reporting entity (excluding agency fund)	<u>\$ 10,146,030</u>	<u>\$ -</u>	<u>\$ 30,140,892</u>	<u>\$ 16,429,459</u>	<u>\$ 23,857,463</u>	<u>\$ 756,142</u>	<u>\$ 24,613,605</u>

Composition of cash

Great American Bank:	
Checking accounts	\$ 21,280
ICS (insured cash sweep)	3,424,187
Certificates of deposit	20,000
Tri-Century Bank:	
Checking accounts	623,955
ICS (insured cash sweep)	3,457,222
TD Ameritrade	17,087,984
Kansas Municipal Investment Pool	15
Total cash	<u>24,634,643</u>
Agency funds per Schedule 4	<u>(21,038)</u>
Total reporting entity (excluding agency fund)	<u>\$ 24,613,605</u>

See accompanying notes to financial statement.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
December 31, 2022

1 - Municipal Financial Reporting Entity

The City of De Soto, Kansas (the City) is a municipal corporation governed by a mayor and five-member council. The basic financial statement presents the City as the primary government. The City has no related municipal entities.

2 - Summary of Significant Accounting Policies

(a) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis 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 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.

(b) 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 regulatory basis fund types comprise the financial activities of the City for the year ended December 31, 2022:

General Fund is used to account for the general operations of the City and is used to account for all unrestricted resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

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

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

Capital Project Funds are 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 Funds are financed in whole or in part by fees charged to users of the goods or services.

Trust Funds are used to report assets held in trust for the benefit of the City.

Agency Funds are used to report assets held by the City in a purely custodial capacity.

(c) 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), the bond and interest fund, 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 is adjusted to on or before September 20th. The City held a revenue neutral rate hearing for the year ended December 31, 2022.

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. The City amended the budget for the General Fund, Water System Fund, Sewer System Fund, and Refuse System Fund for the year ended December 31, 2022.

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 statements are presented for each budgeted fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances. 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.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

A legal operating budget is not required for capital project funds, trust funds, agency funds, the Shop Fund, or the following special purpose funds: Electric Utility Investment, Enhancement Community Fountain, Commerce Drive Tax Increment, and CDBG.

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

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the County Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payment.

These taxes become a lien against all property on November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the City after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

The County Treasurer is the tax collection agent for all taxing entities within the County. The initial distribution to the subdivisions, including the City, is on or before January 20th of the ensuing year. Additional amounts are distributed on four subsequent dates throughout the calendar year.

(d) Annual Personal and Sick Leave Benefits

Under the terms of the City's personnel policy, City employees are granted annual personal and sick leave in varying amounts.

Full-time employees accrue vacation each year at the following rates:

- One to four years of service – 10 days
- Five to nine years of service – 15 days
- 10 to 14 years of service – 20 days
- 15 to 19 years of service – 25 days
- 20 or more years of service – 30 days

Employees cannot carry over more than one half of the annual entitlement for the year in which it was earned. Upon termination or resignation, employees are compensated for unused vacation time, up to a maximum of the yearly amount of vacation time earned.

(e) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase.

CITY OF DE SOTO, KANSAS
 NOTES TO FINANCIAL STATEMENT
 (Continued)

(f) Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

3 - Deposits and Investments

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

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

The City may invest bond proceeds pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 12-1675 or include other investments such as the KMIP, direct obligations of the U.S. government or any agency thereof, and various other investments as specified in K.S.A. 10-131.

At December 31, 2022, the fair value of the City's investments is as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>
Kansas Municipal Investment Pool	\$ 15	Less than a year
U.S. government securities	87,048	N/A
FHLB discount note	<u>17,024,632</u>	Less than a year
Total investments	<u><u>\$ 17,111,695</u></u>	

KMIP 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. The City's investment in the KMIP was not rated by a rating agency as of December 31, 2022.

CITY OF DE SOTO, KANSAS
 NOTES TO FINANCIAL STATEMENT
 (Continued)

Fair value measurement. The City categorizes its fair value measurements within the fair value hierarchy. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. For the year ended December 31, 2022, the U.S. government securities and FHLB discount note were valued with significant other observable inputs (Level 2). Fair value measurement hierarchy information is not provided for the City's deposits in the Kansas Municipal Investment Pool. The City's investments are reported at cost.

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, 2022, is as follows:

Investment Type	Percentage of Investments
Kansas Municipal Investment Pool	0.00%
U.S. government securities	0.51%
FHLB discount note	99.49%

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. Kansas 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.

At December 31, 2022, the City's carrying amount of deposits was \$ 7,546,644, and the bank balance was \$ 7,766,216. The City's deposits were held by two banks resulting in a concentration of credit risk. Of the City's bank balance, \$ 7,392,261 was covered by federal depository insurance, and the remaining \$ 373,955 was not secured.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. At December 31, 2022, the City's investments were not exposed to custodial credit risk.

4 - Defined Benefit Pension Plan

General Information about the 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 Annual Comprehensive Financial Report which can be found on the KPERS website www.kpers.org or by writing to KPERS (611 South Kansas Avenue, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

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 6.00% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.90% for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were \$ 256,524 for the year ended December 31, 2022.

Net Pension Liability

At December 31, 2022, the City's proportionate share of the collective net pension liability reported by KPERS was \$ 2,286,152. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

5 - Long-Term Debt

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for general government activities.

Changes in long-term debt for the City for the year ended December 31, 2022 were as follows:

Issue	Interest Rates	Date of Issue	Date of Final Maturity	Original Amount Issued	Balance Beginning of Year	Additions	Refunded	Reductions/ Payments	Balance End of Year	Interest Paid
General obligation bonds:										
Series 2015-A	2.00% - 4.00%	7/24/2015	9/1/2045	\$ 9,635,000	\$ 7,010,000	\$ -	\$ -	\$ 455,000	\$ 6,555,000	\$ 236,988
Series 2015-B	0.85% - 4.00%	7/31/2015	9/1/2035	1,765,000	1,310,000	-	-	80,000	1,230,000	42,900
Series 2017-A	2.50% - 3.50%	9/28/2017	9/1/2039	2,285,000	2,020,000	-	-	100,000	1,920,000	62,962
Series 2019-A	3.00% - 4.00%	4/11/2019	9/1/2039	945,000	875,000	-	-	35,000	840,000	28,200
Series 2019-B	3.00% - 4.00%	6/27/2019	9/1/2039	975,000	910,000	-	-	35,000	875,000	29,300
Series 2021-A	2.00%	7/22/2021	9/1/2043	7,015,000	6,670,000	-	-	370,000	6,300,000	133,400
Series 2022-A	4.00% - 5.00%	12/15/2022	9/1/2052	13,375,000	-	13,375,000	-	-	13,375,000	-
Series 2022-B	4.00%	12/15/2022	9/1/2044	2,400,000	-	2,400,000	-	-	2,400,000	-
Total general obligation bonds					<u>18,795,000</u>	<u>15,775,000</u>	<u>-</u>	<u>1,075,000</u>	<u>33,495,000</u>	<u>533,750</u>
Finance leases:										
2022 LP SD Trailer										
LP800	0.00%	3/1/2022	3/1/2027	84,986	-	84,986	-	14,164	70,822	-
2022 Chevy Traverse	0.00%	2/2/2022	2/2/2024	16,659	-	16,659	-	7,636	9,023	-
Total finance leases					<u>-</u>	<u>101,645</u>	<u>-</u>	<u>21,800</u>	<u>79,845</u>	<u>-</u>
Total contractual indebtedness					<u>\$ 18,795,000</u>	<u>\$ 15,876,645</u>	<u>\$ -</u>	<u>\$ 1,096,800</u>	<u>\$ 33,574,845</u>	<u>\$ 533,750</u>

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

Annual debt service requirements to maturity for the general obligation bonds are as follows:

	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038-2042	2043-2047	2048-2052	Total
General obligation bonds:											
Principal											
Series 2015-A	\$ 470,000	\$ 480,000	\$ 490,000	\$ 495,000	\$ 505,000	\$ 2,610,000	\$ 310,000	\$ 700,000	\$ 495,000	\$ -	\$ 6,555,000
Series 2015-B	85,000	85,000	85,000	90,000	90,000	510,000	285,000	-	-	-	1,230,000
Series 2017-A	105,000	110,000	115,000	180,000	185,000	705,000	360,000	160,000	-	-	1,920,000
Series 2019-A	40,000	40,000	40,000	40,000	45,000	240,000	275,000	120,000	-	-	840,000
Series 2019-B	40,000	40,000	40,000	45,000	45,000	250,000	285,000	130,000	-	-	875,000
Series 2021-A	350,000	335,000	325,000	255,000	230,000	1,120,000	2,965,000	675,000	45,000	-	6,300,000
Series 2022-A	-	-	-	-	-	-	-	-	4,945,000	8,430,000	13,375,000
Series 2022-B	-	-	-	-	-	-	-	1,385,000	1,015,000	-	2,400,000
Total principal	1,090,000	1,090,000	1,095,000	1,105,000	1,100,000	5,435,000	4,480,000	3,170,000	6,500,000	8,430,000	33,495,000
Interest:											
Series 2015-A	218,788	199,988	185,588	170,888	156,038	547,140	275,183	178,195	38,750	-	1,970,558
Series 2015-B	40,900	38,775	36,225	33,675	30,975	110,300	22,600	-	-	-	313,450
Series 2017-A	59,962	56,812	53,512	50,062	45,562	147,776	66,678	8,400	-	-	488,764
Series 2019-A	26,800	25,200	23,600	22,000	20,400	81,300	43,350	5,400	-	-	248,050
Series 2019-B	27,900	26,300	24,700	23,100	21,300	85,350	45,600	5,850	-	-	260,100
Series 2021-A	126,000	119,000	112,300	105,800	100,700	441,200	237,100	31,400	900	-	1,274,400
Series 2022-A	399,293	561,506	561,506	561,506	561,506	2,807,530	2,807,530	2,807,530	2,563,530	1,151,518	14,782,955
Series 2022-B	68,267	96,000	96,000	96,000	96,000	480,000	480,000	417,800	62,200	-	1,892,267
Total interest	967,910	1,123,581	1,093,431	1,063,031	1,032,481	4,700,596	3,978,041	3,454,575	2,665,380	1,151,518	21,230,544
Total principal and interest	2,057,910	2,213,581	2,188,431	2,168,031	2,132,481	10,135,596	8,458,041	6,624,575	9,165,380	9,581,518	54,725,544
Finance leases:											
Principal											
2022 LP SD Trailer LP800	16,997	16,997	16,997	16,997	2,833	-	-	-	-	-	70,821
2022 Chevy Traverse	8,330	694	-	-	-	-	-	-	-	-	9,024
Total principal	25,327	17,691	16,997	16,997	2,833	-	-	-	-	-	79,845
Total contractual indebtedness	\$ 2,083,237	\$ 2,231,272	\$ 2,205,428	\$ 2,185,028	\$ 2,135,314	\$ 10,135,596	\$ 8,458,041	\$ 6,624,575	\$ 9,165,380	\$ 9,581,518	\$ 54,805,389

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

Conduit Debt

Tax Increment Revenue Bonds

During the year ended December 31, 2018, the City issued \$ 2,161,559 in Series 2018 special obligation tax increment revenue bonds for the Commerce Drive Project. This redevelopment project supports the development of a commercial grocery store site on land in the Commerce Drive TIF District.

This debt is to be paid solely from incremental property tax revenues generated by the private development of the Commerce Drive TIF District. The following is a description of the outstanding special obligation bond as of December 31, 2022:

Bond Issue	Interest Rate	Date Issued	Original Issue Amount	Final Maturity	Outstanding Balance
Series 2018 (Commerce Drive Project)	5.00%	2/16/2018	\$ 2,161,559	12/30/2036	\$ 1,564,559

Industrial Revenue Bonds

The City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the City, the State of Kansas, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. As of December 31, 2022, there were eight series of industrial revenue bonds outstanding with an aggregate principal amount payable of \$ 93,119,014.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

6 - Interfund Transfers

A reconciliation of transfers by fund for the year ending December 31, 2022 is as follows:

From	To	Regulatory Authority	Amount
General	Technology	KSA 12-1118	\$ 14,865
General	Capital Improvement	KSA 12-1118	916,620
General	Community Center Building Maintenance	KSA 12-17,118	35,000
General	Aquatic Center Maintenance	KSA 12-17,118	30,000
Special Highway	Bond and Interest	Bond Ord 2168	15,000
Special Highway	Capital Improvement	KSA 12-1118	175,000
Special Parks	Capital Improvement	KSA 12-1118	40,000
CDBG	Capital Improvement	KSA 12-1118	100,000
Water Development Fee	Bond and Interest	KSA 12-825d	20,000
Sewer Development Fee	Bond and Interest	KSA 12-825d	42,000
Capital Improvement	Bond and Interest	KSA 12-1118	35,000
Water System	Technology	KSA 12-825d	2,315
Water System	Water Development Fee	KSA 12-825d	45,000
Water System	Sewer System	KSA 12-825d	65,193
Water System	General	KSA 12-825d	24,171
Water System	Bond and Interest	KSA 12-825d	390,334
Sewer System	Technology	KSA 12-825d	1,580
Sewer System	Sewer Development Fee	KSA 12-825d	15,000
Sewer System	General	KSA 12-1118	24,171
Sewer System	Bond and Interest	KSA 12-825d	140,000
Electric Utility Investment	Capital Improvement	KSA 12-1118	40,000

7 - 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 retirees because each participant is charged a level 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.

Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Reimbursement 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, 2022.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

8 - Capital Projects

During 2022, the City approved the bid for construction for the Ottawa Street Project totaling \$ 1,987,654. Total expenditures incurred for the project as of December 31, 2022 were \$ 475,244.

During 2022, the City approved the contract for drilling for the Well Upgrade Project totaling \$ 904,239. Total expenditures incurred for the project as of December 31, 2022, were \$ 109,786.

9 - Lease Agreement

The City continues to operate the water treatment plant at the former Sunflower Army Ammunition Plant, now owned by private developer Sunflower Redevelopment, LLC. The City's use is pursuant to a perpetual lease agreement dated July 29, 2005. Pursuant to a Real Estate Transfer Agreement dated July 29, 2005 between the City and Sunflower Redevelopment, LLC, the City will receive fee title interest to the treatment plant as soon as the land receives a CERCLA Covenant pursuant to 42 U.S.C. § 9620(h)(3)(A)(ii). The City initiated improvements to the water treatment plant site in 2010; the improvements included a back-up electrical generator, the installation of new electrical service to the plant, and a new water main leading from the plant to the City's distribution system. Construction was completed in 2011. The City, in conjunction with the City of Baldwin, the City of Wellsville, and the Douglas County Rural Water District #4, completed a broader water facilities study in 2012. The study evaluated the concept and costs of creating a regional wholesale water supply district. Proceeding with the creation of a regional wholesale water supply district does not appear feasible at the present time due to the City of Baldwin deciding not to participate.

10 - Interfund Balances

The Electric Utility Investment Fund has advanced money to the General Fund and Water System Fund for the purchase of equipment in the amount of \$ 616,781. During the year ended December 31, 2022, the General Fund and Water System Fund paid the Electric Utility Investment Fund \$ 110,933 for repayment of the advances. The balance of the advances remaining at December 31, 2022 was \$ 254,275.

11 - Commitments and Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the basic financial statement as of December 31, 2022.

CITY OF DE SOTO, KANSAS
NOTES TO FINANCIAL STATEMENT
(Continued)

12 - 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; injuries to employees; and natural disasters for which it carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have not been significant reductions in coverage from prior years.

13 - Statutory Compliance

The Shop Fund had a deficit cash balance of \$ 4,311 at December 31, 2022 that will be recovered from future transfers to the fund.

14 - Subsequent Events

The City has evaluated subsequent events through the date of the independent auditors' report, which is the date the financial statement is available to be issued.

SUPPLEMENTARY INFORMATION

CITY OF DE SOTO, KANSAS
SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(BUDGETED FUNDS ONLY)
Year Ended December 31, 2022

Fund	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General fund	\$ 7,641,636	\$ -	\$ 7,641,636	\$ 6,744,679	\$ (896,957)
Special purpose funds:					
Law enforcement	648,580	-	648,580	546,375	(102,205)
Special highway	190,000	-	190,000	190,000	-
Special parks and recreation	40,000	-	40,000	40,000	-
Transient guest tax	32,000	-	32,000	29,600	(2,400)
Sponsorship	5,500	-	5,500	268	(5,232)
Water development fee	85,000	-	85,000	20,000	(65,000)
Sewer development fee	85,000	-	85,000	78,124	(6,876)
Community center building maintenance	35,000	-	35,000	35,000	-
Aquatic center maintenance	62,500	-	62,500	55,303	(7,197)
Technology	6,000	-	6,000	5,909	(91)
Bond and interest fund	2,520,600	-	2,520,600	1,608,750	(911,850)
Business funds:					
Water system	2,478,241	-	2,478,241	2,477,428	(813)
Sewer system	824,552	-	824,552	731,938	(92,614)
Refuse system	785,000	-	785,000	730,231	(54,769)
Totals	<u>\$ 15,439,609</u>	<u>\$ -</u>	<u>\$ 15,439,609</u>	<u>\$ 13,293,605</u>	

CITY OF DE SOTO, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts and transfers:				
Property taxes	\$ 1,388,204	\$ 1,388,204	\$ 1,353,324	\$ (34,880)
Sales and use taxes	1,890,000	1,890,000	2,409,858	519,858
Intergovernmental	8,000	8,000	525,908	517,908
Licenses and permits	150,000	150,000	257,439	107,439
Franchise fee	620,000	620,000	747,087	127,087
Charges for services	199,000	199,000	303,744	104,744
Use of money and property	93,000	93,000	89,394	(3,606)
Fines and fees	200,000	200,000	361,204	161,204
Miscellaneous	500,857	500,857	181,920	(318,937)
Interest income	8,000	8,000	5,881	(2,119)
Transfers in	148,342	-	48,342	48,342
Total receipts and transfers	<u>\$ 5,205,403</u>	<u>\$ 5,057,061</u>	<u>6,284,101</u>	<u>\$ 1,227,040</u>
Expenditures, encumbrances, and transfers:				
Personal services	\$ 2,550,092	\$ 2,798,092	2,708,868	\$ (89,224)
Contractual services	2,029,727	2,250,139	1,313,961	(936,178)
Commodities	404,519	461,019	508,347	47,328
Capital outlay	1,561,066	1,561,066	1,118,997	(442,069)
Electric utility loan repayment	-	-	98,021	98,021
Reserve	439,700	439,700	-	(439,700)
Transfers out	131,620	131,620	996,485	864,865
Total expenditures, encumbrances, and transfers	<u>\$ 7,116,724</u>	<u>\$ 7,641,636</u>	<u>6,744,679</u>	<u>\$ (896,957)</u>
Receipts and transfers under expenditures, encumbrances, and transfers			(460,578)	
Unencumbered cash, beginning			<u>3,437,226</u>	
Unencumbered cash, ending			<u>\$ 2,976,648</u>	

(Continued)

CITY OF DE SOTO, KANSAS
LAW ENFORCEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Property taxes	\$ 551,453	\$ 535,467	\$ (15,986)
Expenditures and encumbrances:			
Contractual services	\$ 556,000	546,375	\$ (9,625)
Reserve	92,580	-	(92,580)
Total expenditures and encumbrances	\$ 648,580	546,375	\$ (102,205)
Receipts under expenditures and encumbrances		(10,908)	
Unencumbered cash, beginning		93,758	
Unencumbered cash, ending		\$ 82,850	

(Continued)

CITY OF DE SOTO, KANSAS
SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Intergovernmental	\$ 167,460	\$ 176,093	\$ 8,633
Transfers:			
Transfers out	\$ 190,000	190,000	\$ -
Receipts under transfers		(13,907)	
Unencumbered cash, beginning		77,140	
Unencumbered cash, ending		\$ 63,233	

(Continued)

CITY OF DE SOTO, KANSAS
SPECIAL PARKS AND RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Intergovernmental	\$ 11,666	\$ 29,013	\$ 17,347
Charges for services	25,000	22,279	(2,721)
Total receipts	\$ 36,666	51,292	\$ 14,626
Transfers:			
Transfers out	\$ 40,000	40,000	\$ -
Receipts over transfers		11,292	
Unencumbered cash, beginning		93,732	
Unencumbered cash, ending		\$ 105,024	

(Continued)

CITY OF DE SOTO, KANSAS
TRANSIENT GUEST TAX FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Intergovernmental	\$ 24,000	\$ 26,682	\$ 2,682
Expenditures:			
Contractual services	\$ 32,000	29,600	\$ (2,400)
Receipts under expenditures		(2,918)	
Unencumbered cash, beginning		33,745	
Unencumbered cash, ending		\$ 30,827	

(Continued)

CITY OF DE SOTO, KANSAS
SPONSORSHIP FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Receipts:			
Charges for services	<u>\$ 4,000</u>	\$ 4,641	<u>\$ 641</u>
Expenditures:			
Commodities	<u>\$ 5,500</u>	<u>268</u>	<u>\$ (5,232)</u>
Receipts over expenditures		4,373	
Unencumbered cash, beginning		<u>31,480</u>	
Unencumbered cash, ending		<u>\$ 35,853</u>	

(Continued)

CITY OF DE SOTO, KANSAS
WATER DEVELOPMENT FEE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
Receipts and transfers:			
Charges for services	\$ 25,000	\$ 16,900	\$ (8,100)
Transfers in	45,000	45,000	-
Total receipts and transfers	\$ 70,000	61,900	\$ (8,100)
Expenditures and transfers:			
Capital outlay	\$ 65,000	-	\$ (65,000)
Transfers out	20,000	20,000	-
Total expenditures and transfers	\$ 85,000	20,000	\$ (65,000)
Receipts and transfers over expenditures and transfers		41,900	
Unencumbered cash, beginning		83,133	
Unencumbered cash, ending		\$ 125,033	

(Continued)

CITY OF DE SOTO, KANSAS
SEWER DEVELOPMENT FEE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

(Continued)
Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
Receipts and transfers:			
Charges for services	\$ 50,000	\$ 25,525	\$ (24,475)
Transfers in	15,000	15,000	-
Total receipts and transfers	\$ 65,000	40,525	\$ (24,475)
Expenditures and transfers:			
Capital outlay	\$ 43,000	36,124	\$ (6,876)
Transfers out	42,000	42,000	-
Total expenditures and transfers	\$ 85,000	78,124	\$ (6,876)
Receipts and transfers under expenditures and transfers		(37,599)	
Unencumbered cash, beginning		107,711	
Unencumbered cash, ending		\$ 70,112	

(Continued)

CITY OF DE SOTO, KANSAS
COMMUNITY CENTER BUILDING MAINTENANCE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS

(Continued)

Year Ended December 31, 2022

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Transfers:			
Transfers in	\$ 35,000	\$ 35,000	\$ -
Expenditures:			
Commodities	\$ 35,000	-	\$ (35,000)
Capital outlay	-	35,000	35,000
Total expenditures	<u>\$ 35,000</u>	<u>35,000</u>	<u>\$ -</u>
Transfers over expenditures		-	
Unencumbered cash, beginning		<u>-</u>	
Unencumbered cash, ending		<u>\$ -</u>	

(Continued)

CITY OF DE SOTO, KANSAS
AQUATIC CENTER MAINTENANCE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	\$ 30,000	\$ 30,000	\$ -
Expenditures:			
Commodities	\$ 35,000	-	\$ (35,000)
Capital outlay	27,500	55,303	27,803
Total expenditures	<u>\$ 62,500</u>	<u>55,303</u>	<u>\$ (7,197)</u>
Transfers under expenditures		(25,303)	
Unencumbered cash, beginning		<u>32,500</u>	
Unencumbered cash, ending		<u>\$ 7,197</u>	

(Continued)

CITY OF DE SOTO, KANSAS
TECHNOLOGY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
encumbrances, and transfers

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Transfers:			
Transfers in	<u>\$ 18,760</u>	\$ 18,760	<u>\$ -</u>
Expenditures:			
Commodities	<u>\$ 6,000</u>	<u>5,909</u>	<u>\$ (91)</u>
Transfers over expenditures		12,851	
Unencumbered cash, beginning		<u>-</u>	
Unencumbered cash, ending		<u>\$ 12,851</u>	

(Continued)

CITY OF DE SOTO, KANSAS
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance Over (Under)
Receipts and transfers:			
Taxes	\$ 995,404	\$ 934,387	\$ (61,017)
Interest income	10,000	14,697	4,697
Special assessments	-	165	165
Transfers in	717,952	642,334	(75,618)
Bond proceeds	-	960,800	960,800
	\$ 1,723,356	2,552,383	\$ 829,027
Expenditures:			
Bond principal	\$ 1,075,000	1,075,000	\$ -
Interest expense	533,750	533,750	-
Reserve	911,850	-	(911,850)
	\$ 2,520,600	1,608,750	\$ (911,850)
Receipts and transfers over expenditures		943,633	
Unencumbered cash, beginning		1,074,622	
Unencumbered cash, ending		\$ 2,018,255	

(Continued)

CITY OF DE SOTO, KANSAS
WATER SYSTEM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Receipts:				
Charges for services	\$ 1,984,860	\$ 1,984,860	\$ 1,950,776	\$ (34,084)
Expenditures, encumbrances, and transfers:				
Personal services	\$ 722,109	\$ 925,000	877,424	\$ (47,576)
Contractual services	422,580	498,970	457,918	(41,052)
Commodities	323,413	397,450	561,156	163,706
Capital outlay	81,917	82,000	41,005	(40,995)
Electric utility loan repayment	-	-	12,912	12,912
Transfers out	702,631	574,821	527,013	(47,808)
Total expenditures, encumbrances, and transfers	<u>\$ 2,252,650</u>	<u>\$ 2,478,241</u>	2,477,428	<u>\$ (813)</u>
Receipts under expenditures, encumbrances, and transfers			(526,652)	
Unencumbered cash, beginning			<u>1,176,782</u>	
Unencumbered cash, ending			<u>\$ 650,130</u>	

(Continued)

CITY OF DE SOTO, KANSAS
SEWER SYSTEM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts and transfers:				
Charges for services	\$ 646,519	\$ 646,519	\$ 668,723	\$ 22,204
Transfers in	65,193	65,193	65,193	-
Total receipts and transfers	<u>\$ 711,712</u>	<u>\$ 711,712</u>	<u>733,916</u>	<u>\$ 22,204</u>
Expenditures, encumbrances, and transfers:				
Personal services	\$ 206,537	\$ 300,000	225,540	\$ (74,460)
Capital outlay	6,987	17,275	12,273	(5,002)
Contractual services	246,744	242,376	210,666	(31,710)
Commodities	82,300	84,150	102,708	18,558
Transfers out	180,751	180,751	180,751	-
Total expenditures, encumbrances, and transfers	<u>\$ 723,319</u>	<u>\$ 824,552</u>	<u>731,938</u>	<u>\$ (92,614)</u>
Receipts and transfers over expenditures, encumbrances, and transfers			1,978	
Unencumbered cash, beginning			<u>426,273</u>	
Unencumbered cash, ending			<u>\$ 428,251</u>	

(Continued)

CITY OF DE SOTO, KANSAS
REFUSE SYSTEM FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Receipts:				
Charges for services	\$ 625,850	\$ 692,700	\$ 685,039	\$ (7,661)
Expenditures:				
Contractual services	\$ 630,000	\$ 785,000	730,231	\$ (54,769)
Receipts under expenditures			(45,192)	
Unencumbered cash, beginning			<u>83,856</u>	
Unencumbered cash, ending			<u>\$ 38,664</u>	

CITY OF DE SOTO, KANSAS
ELECTRIC UTILITY INVESTMENT FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year Ended December 31, 2022

Receipts:	
Interest income	\$ 41,391
Loan repayment	110,933
	<hr/>
Total receipts	152,324
Transfers:	
Transfers out	40,000
	<hr/>
Receipts over transfers	112,324
Unencumbered cash, beginning	1,533,636
	<hr/>
Unencumbered cash, ending	\$ 1,645,960
	<hr/> <hr/>

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
ENHANCEMENT COMMUNITY FOUNTAIN FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

Unencumbered cash, beginning	<u>\$</u> <u>36</u>
Unencumbered cash, ending	<u>\$</u> <u>36</u>

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
COMMERCE DRIVE TAX INCREMENT FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

Receipts:	
Taxes	\$ 220,192
	<hr/>
Expenditures:	
Contractual services	2,041
Miscellaneous	202,015
	<hr/>
Total expenditures	204,056
	<hr/>
Receipts over expenditures	16,136
Unencumbered cash, beginning	21,115
	<hr/>
Unencumbered cash, ending	\$ 37,251
	<hr/> <hr/>

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
CDBG FUND*
SCHEDULE OF RECEIPTS AND TRANSFERS
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

Receipts:		
Intergovernmental	\$	100,000
Transfers:		
Transfers out		<u>100,000</u>
Receipts over transfers		-
Unencumbered cash, beginning		<u>-</u>
Unencumbered cash, ending	\$	<u><u>-</u></u>

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
CAPITAL IMPROVEMENTS FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

Receipts and transfers:	
Intergovernmental	\$ 132,733
Miscellaneous	54,000
Bond proceeds	14,814,200
Bond premium	46,073
Transfers in	1,271,620
	16,318,626
Total receipts and transfers	
	16,318,626
Expenditures, encumbrances, and transfers:	
Contractual services	2,222,770
Cost of issuance	368,526
Transfers out	35,000
	2,626,296
Total expenditures, encumbrances, and transfers	
	2,626,296
Receipts and transfers over expenditures, encumbrances, and transfers	
	13,692,330
Unencumbered cash, beginning	
	1,821,134
Unencumbered cash, ending	
	\$ 15,513,464

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
SHOP FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

Receipts:	
Charges for services	<u>\$ 163,025</u>
Expenditures and encumbrances:	
Commodities	156,520
Contractual services	<u>4,024</u>
Total expenditures and encumbrances	<u>160,544</u>
Receipts over expenditures and encumbrances	2,481
Unencumbered cash, beginning	<u>(6,792)</u>
Unencumbered cash, ending	<u><u>\$ (4,311)</u></u>

* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS
SHUGHART TRUST FUND*
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
(Continued)
Year Ended December 31, 2022

Receipts:	
Interest income	\$ 150
Expenditures:	
Commodities	<u>4,958</u>
Receipts under expenditures	(4,808)
Unencumbered cash, beginning	<u>24,943</u>
Unencumbered cash, ending	<u><u>\$ 20,135</u></u>

* This fund is not required to be budgeted.

CITY OF DE SOTO, KANSAS
 AGENCY FUNDS
 SUMMARY OF RECEIPTS AND DISBURSEMENTS
 REGULATORY BASIS
 Year Ended December 31, 2022

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
IRB fund	\$ 39,749	\$ 70,000	\$ 98,956	\$ 10,793
Municipal court fund	24,910	39,415	54,080	10,245
	<u>\$ 64,659</u>	<u>\$ 109,415</u>	<u>\$ 153,036</u>	<u>\$ 21,038</u>