EL DORADO
KANSAS
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ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended
December 31, 2023

City of Annual Comprehensive Financial Report

of the

CITY OF EL DORADO, KANSAS

for the

Year Ended December 31, 2023

Mayor - Bill Young

Commissioner – Kendra Wilkinson
Commissioner – Syndee Scribner
Commissioner – Kelly Tetrick
Commissioner – Leon Leachman

City Manager - David Dillner

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CITY OF EL DORADO, KANSAS
Annual Comprehensive Financial Report
For the Year Ended December 31, 2023

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INTRODUCTION SECTION

EL DORADO
KANSAS

July 30, 2024

To the Honorable City Commission and Citizens of El Dorado:

The City of El Dorado was incorporated on September 12, 1871, as a city of the third class with an aldermanic form of government. It became a second-class city in 1885. In 1917, the City changed to its current form of government, Commission-Manager.

The governing body is comprised of a non-partisan mayor and four commissioners. Each member has an equal vote. The mayor serves a two-year term, while commission members serve staggered four-year terms.

Under this form, the governing body is responsible for hiring a professional administrator to implement its policies. The city manager serves at the pleasure of the elected governing body and is responsible for preparing the budget, directing day-to-day operations, hiring and firing personnel, and serves as the governing body's chief policy advisor.

The police and fire departments are staffed at all times to offer uninterrupted service. The City has 27 sworn police officers and 17 certified fire fighters/emergency medical technicians. Butler County provides EMS/ambulance services.

All common residential services and utilities are available in El Dorado. The City provides water, sewer, and trash; private companies provide electricity, gas and telecommunications utilities. The City has recently signed franchise agreements with two new internet service providers. They are working to place fiber throughout the community.

Additional services offered by the City include administration, streets, parks, recreation, animal control, municipal court, building and zoning, stormwater, cemetery, tourism and airport operations. Library and Senior Center services are provided independently with the financial and administrative support of the City.

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The Kansas Legislature modified the municipal budget process slightly. Cities receive the Revenue Neutral Rate (RNR) from the county appraiser in July. The City Commission discusses the City's need for new revenues to fund its priorities. The City Commission publishes a Notice to Exceed the Revenue Neutral Rate if the governing body wants to consider increasing revenues generated from property taxes. This notice informs taxpayers within the jurisdiction that the municipal government is considering an increase to property taxes. It also provides a date and time for a public hearing to allow the public to provide comments concerning the proposed increased tax rate.

The City is also required by law to publish notice of a budget hearing. This hearing provides the public with an opportunity to voice concerns or comments about the proposed budget. Public hearings are intended to provide transparency and accountability for municipal taxes and budgets, although these formal processes are more of a legal checkmark than a public engagement process. The public rarely shows up to public hearings because it appears that the decisions concerning the tax rate and the budget have already been made.

Cities, including El Dorado, should do a better job of engaging the public early in the budget process and often through it before a decision is made. To that end, the City started looking at ways to improve the public engagement opportunities throughout the budget process. We hope to have a better implementation of several new measures for next year's budget process. These measures will give the public hands-on experience in providing feedback concerning the proposed budget without requiring attendance at a public hearing.

The City Commission conducts several budget work sessions to understand the proposed budget and options with respect to funding it. These sessions translate into a final proposed budget that is published in the official newspaper and on the City's website. The City Commission adopts the annual budget following the Revenue Neutral Rate and Budget Hearings. The City sends the adopted budget to the County by October 1 so taxes may be assessed for the upcoming fiscal year.

The municipal budget serves as the planning document for the City's upcoming year and anticipates its revenues and expenditures needed to provide services at existing or enhanced service levels. The City must have a general sense of how money will flow into and out of the organization much like a business, non-profit, or even a household needs to understand its cash needs.

The budget also communicates the priorities of the City and allocates public resources to achieve or make progress on community priorities. It enables the governing body and the public to understand how public resources, such as taxes, facilitate public services. By default, the City Commission sets policy by allocating resources to various public projects and services. As the saying goes in government, "what gets funded, gets accomplished." Municipal departments would not operate without sufficient resources. Luckily, we can only imagine a scenario where there is not a police or fire department to call upon when an emergency happens in our neighborhood.

Finally, the budget sets the spending authority for the City. Statutorily, the City cannot spend more than what is approved in the budget. The City can amend its budget to spend more than the originally approved expenditures, but not until following a legally defined process to do so. Taxpayers can refer to the budget document to determine if the City plans to spend more than the prior year, and to understand how much more the City plans to spend. Expenditures directly impact the amount of taxes levied, so taxpayers may also use the budget to determine if taxes were raised to pay for increasing municipal expenditures.

The chart below shows the adopted, and later amended, budget for 2023 and the revenues and expenditures for select funds. Several funds were amended in 2023 to allow for the use of fund balance to pay for capital projects and special events. This simplified version of the City's financial statements will provide a snapshot of how the City performed financially.

	2023 BUDGET		2023 ACTUAL	
	Revenues	**Expenditures**	**Revenues**	**Expenditures**
GENERAL	$10,952,738	$12,520,047	$11,157,828	$8,488,913
AIRPORT	$306,057	$465,921	$351,737	$276,521
STORMWATER	$310,425	$478,642	$363,922	$193,327
WATER	$4,734,386	$5,972,065	$4,909,286	$3,721,095
SEWER	$2,921,788	$3,762,403	$2,791,799	$1,948,058
REFUSE	$1,896,865	$1,807,500	$1,562,800	$1,771,977
TOURISM	$235,000	$358,092	$340,216	$265,044

Another chart I will share provides readers with an overview of the fund balances in each of the aforementioned funds. Fund balances, proverbially known as reserves, mitigate the unexpected disruption

of essential public services in an unanticipated situation such as an economic downturn or natural disaster. Reserves help ensure that essential services continue at times when revenues may not be coming in as predicted. Fortune tellers, sports books, and meteorologists do not provide sufficient certainty to go without protection.

FUND BALANCES

	Minimum Requirement	As of Dec 31, 2023	As of Dec 31, 2022
GENERAL	$1,438,223	$5,596,847	$7,048,410
AIRPORT	$28,109	$226,071	$157,455
STORMWATER	$31,204	$369,626	$469,031
WATER	$593,031	$3,499,482	$3,212,660
SEWER	$391,413	$1,125,874	$1,439,534
REFUSE	$249,695	$301,488	$823,210
TOURISM	$16,929	$473,466	$398,294

All funds exceeded their respective minimum fund balance requirements established by local policy at year-end. The City will continue to manage its budget prudently to give taxpayers confidence that municipal services will be provided no matter what happens. Municipal services are the surest bet you can make.

*****

Cities often issue debt to finance public improvements that provide lasting benefits to the community. As of December 31, 2023, the City of El Dorado had outstanding debt obligations totaling $63 million, equal to $4,977 per resident. The total debt service payment in 2023, including principal and interest, amounted to $3,006,062. The table below provides a summary of this payment by fund.

FUND	PRINCIPLE	INTEREST	TOTAL
AIRPORT	$41,230	$3,711	$44,940
BOND & INTEREST	$1,371,031	$443,715	$1,814,746
GENERAL	$122,335	$6,529	$128,864
LIBRARY	$30,000	$2,400	$32,400
SEWER	$772,302	$96,374	$868,676
WATER	$105,929	$10,506	$116,436
TOTAL	**$2,442,827**	**$563,235**	**$3,006,062**

Debt borrows from future revenues to pay for something needed today. In the context of municipal government, debt is often used to fund improvements to public infrastructure because cities do not save up funds before doing a large project. The rationale is that citizens who use the public infrastructure after it is improved should bear the cost of paying for it. Paying for projects with cash saved up over time implies that past residents contributed to the cost of a project instead of the end users. In some cases, these residents will be the same. Public infrastructure projects, however, often have a useful life of more than twenty years. Therefore, most of the use will be derived from the residents of the future.

Another important consideration when issuing debt is how the City will repay, or service, the debt. Borrowed money requires a funding source sufficient to pay the cost of the project and the interest expenses associated with borrowing the money. In many cases, borrowing money means the City will have to increase taxes to cover the debt service. The City tries to time its bond issuances to take advantage

of maturing bonds. This means the City will have less debt to service and can issue additional debt without requiring a tax increase.

The City also repays debt with water and sewer revenues derived from utility use. This is especially true when debt is issued to improve the City's utility systems. The revenue from these business enterprises pays for debt issued to ensure the system continues to work for the public. Utility projects do not receive tax subsidization from the mill levy.

Debt can have a negative appeal to fiscally conservative residents. It is true that too much debt is not good for a community, so the City must actively manage its outstanding debt with new issuances to mitigate uncertainty and the need for tax increases. Statutorily, the City has about $26.7 million in General Obligation capacity available to finance projects. The City keeps its outstanding bonds below its legal limit to ensure legal compliance and because this provides the most conservative approach to managing its debt obligations.

In last year's letter, you will recall my lengthy discussion about the City's water supply contract with the U.S. Army Corps of Engineers. You will note that the City's outstanding of $39.2 million is not included in the figures above because the City is not presently making payments towards this debt. Payments will start when additional water storage is activated. Therefore, the outstanding annualized debt per resident currently stands at $4,650.

*****

The City's one-cent sales tax has been discussed in this letter several times since I wrote my first letter seven years ago. This year will be no different, as consistency provides certainty. The City's one-cent sales tax comes up for renewal nearly as often as a leap year occurs in the calendar. Every five years, voters are asked to reauthorize the sales tax to fund local priorities.

This circadian rhythm was modified in November 2023 when voters approved a continuous sales tax that will no longer require reauthorization by voters every five years. The one-cent sales tax will continue to generate a sustainable revenue source for municipal services in perpetuity. The sales tax experienced a good "test run" for over thirty years before the community decided it was worth keeping.

With voter approval, the City Commission elected to modify the allocation of sales tax funds and change the duration of the sales tax. The table below provides a comparison of the two sales tax formats.

FUNDING PRIORITY	PREVIOUS FORMULA	MODIFIED FORMULA
Property Tax Reduction	$1.65 million	$1.65 million
Street Maintenance	$600,000	$700,000
Economic Development	$100,000	$0
Excess Sales Tax Program	Funds greater than $2.35 million	Funds greater than $2.35 million

I offer a few professional observations on the noted changes. First, the property tax reduction component ($1.65 million) equates to nearly seventeen mills in property taxes that would otherwise be required to provide the same level of public services. The General Fund graciously receives these funds and uses them to pay for essential public services such as law enforcement and fire protection. The "property tax reduction" allocation equates to about 53% of the Police Department's annual budget or 82% of the Fire Department's annual budget.

Second, the City Commission wanted to increase the funds available for street maintenance. The City maintains about eighty-seven miles of streets. Staff estimates that it costs $350,000 per mile for a two-

inch mill and overlay project. Using these assumptions, the City should allocate about $2 million annually to ensure that each improved street receives a mill and overlay once every fifteen years. The City previously allocated $500,000 to mill and overlays. At this funding level, the City would be on track to provide major maintenance to all improved streets once every sixty years.

Increasing street maintenance to $700,000 will allow the City to allocate additional funds to major mill and overlay projects. This (albeit slight) increase in street maintenance funds will allow the City to provide a new, two-inch overlay on all improved streets about once every fifty-five years. Street maintenance dollars receive a lot of attention because everyone uses public streets. As the example demonstrates, these assets require significant public dollars to keep maintenance at levels acceptable to the public. Yet, the amount allocated to street maintenance is significantly lower than what is actually needed to preserve these important community assets.

A “missing” element of the new sales tax is the funds allocated to economic development purposes. These funds seemed to receive much skepticism from some folks in the community because of differences of opinion as to how economic development funds should be spent. It can be difficult to determine the return on investment for some past uses of these funds. For example, calculating the return on investment on a water or sanitary sewer master plan may yield a negative result because the studies do not create economic investment on their own merits. However, they provide the City with valuable information to understand the parameters to facilitate and support development opportunities.

Finally, any funds “in excess” of $2.35 million will revert to the Excess Sales Tax Program. The Excess Sales Tax Committee recommends these funds to the City Commission based on requests from municipal departments. Over the last five years, the average funds available for this program was nearly $700,000 annually. One of the benefits of a continuous sales tax is the ability for these excess funds to be programmed over a longer planning cycle to facilitate improvements to public amenities. Most recently, excess sales tax proceeds funded the $2.1 million Ballfield Improvement Program that made much-needed investments at McDonald Stadium and the Central and East Park ballfield complexes. Citizens should anticipate similar projects during the City’s next ten-year planning horizon.

The City appreciates the community's continued support of the one-cent sales tax. The sales tax has been in place since 1990 and has accomplished many great things for El Dorado. These recent changes will continue this success and provide investment in public infrastructure for many years.

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The City graciously accepted several large grants from the State of Kansas that will boost the City’s economic development strategy. Early in 2022, the Kansas Department of Commerce awarded the City a $3.0 million grant through the “Building a Stronger Economy” (BASE) program. The state awarded $98.9 million to municipalities through this competitive program tasked with identifying projects that will help jump-start the Kansas economy.

The City plans to use the funds to construct an upsized water transmission main along Central Avenue from the water treatment plant to Denver Street. The $7.8 million project will address a bottleneck at the water treatment plant that currently prevents the plant from reaching its supply capacity through the distribution system. The grant will also fund a portion of the $5.0 million Constant Creek Sewer Interceptor Project to accommodate increased wastewater flows from potential industrial development.

The project will benefit existing residents by expanding the capacity of a major sewer interceptor that operates "at capacity," and that can have problems, especially during significant storm events.

Finally, the BASE grant will allow the City to prepare several large tracts of land for industrial development by completing a site assessment that serves as necessary due diligence for prospective companies seeking to invest. Companies want to know everything about a piece of property before investing millions or billions of dollars in a new production facility. By completing the site assessment now, the City will shorten the due diligence process and allow a company to have the best information to aid the decision-making process. Completing the assessment will enable the City to enroll the sites in the Kansas Department of Commerce's Site Certification Program, another opportunity to market the properties to prospective industries.

El Dorado citizens should rejoice in receiving these funds since these infrastructure projects would not proceed without considerable cost to the citizens of El Dorado. Grant funds offset a significant portion of these projects' expenses and will make these projects affordable for the community with minimal debt issuance.

Admittedly, it is hard to predict the type of private investment that may benefit from such public infrastructure investments. The City, however, actively promotes its most important asset (its water storage capacity at El Dorado Lake) to industrial companies that require significant volumes of water for production and processes.

The City owns water storage space in El Dorado Lake with a capacity of 3.65 billion gallons per year (equal to 10 million gallons per day) to sell to industrial companies. For context, the City currently sells 9.1 million gallons per day. The monetary value of the City's available water capacity equates to about $6.1 million annually, assuming the remaining storage capacity was sold for industrial uses. Not only would the industrial user pay for water, but the company (or companies) will eventually pay property taxes and contribute to the local economy. We should be so fortunate and welcome such a water user to the community with open arms.

MAJOR FACTORS AFFECTING THE FINANCIAL STATEMENTS

Vacant Positions

Throughout the year, the City will have any number of vacant positions that arise when people elect to retire or accept another job opportunity with another organization. Open positions play a significant role in the City's financial statements because much of the City's expense is directly attributed to salaries and benefits of personnel hired to perform the work of the City.

Public services provided by the City are labor intensive – automation has not had the impact on the municipal workforce as it has on the private workforce. Long will come the day, for example, when a "robocop" actually enforces municipal laws. Many jobs in the municipal workforce cannot convert to an automated solution easily. Nor would we prefer this scenario. Serving people is a noble career choice, and one that allows the City to meet the expectations of the community with commitment and pride. You will not get the same treatment from a robot as you will an employee who is also a neighbor anytime soon.

The number of employees on the payroll heavily influences municipal expenses. At this time, the City has twelve vacant positions in various departments of the City. Vacant positions, especially if open for lengthy periods, allow for potentially significant savings to the bottom line. The average vacant position "saves" the City about $26 per hour. The cost savings for such positions may also amount to a service

reduction, as fewer people cannot do the same amount of work as a fully staffed organization. In other words, the City cannot save a lot of money with fewer workers because services will not meet the expectations of the community. This is especially true over longer periods.

Sales Tax Collections

The City experienced a record-breaking year for sales tax receipts. The City brought in $3.57 million from retail sales, which exceeded the current record for annual sales tax receipts set in 2022. The total receipts also include compensating use tax proceeds of $729,453, which are paid by individuals or businesses purchasing items outside El Dorado but that are delivered to El Dorado.

We are seeing a decline in the 2024 sales tax receipts. Year to date, the City has received $1.34 million compared to $1.51 million during the same period a year ago. This represents a 12.6% decrease over the prior year-to-date collections. The City anticipates that there will be an increase in collections in the fall due to the refinery's turnaround. In 2023, the turnaround happened in the spring, but is scheduled for fall in 2024.

Grant Funding

In addition to the BASE Grant funding discussed earlier, the city was also awarded a $1.0 million KDOT Cost-Share Grant to assist with the paving and drainage portions of the BASE Grant project. The City received half of the BASE Grant funding, but will receive the remainder of those funds and the KDOT funds in 2024

The City also received $8,020 in federal funding for various law enforcement related activities. The U.S. Department of Justice's Bulletproof Vest Partnership Program contributed $2,770 to the El Dorado Police Department to purchase bulletproof vests.

Finally, the City received $217,105 from the U.S. Department of Housing and Urban Development for an Emergency Solutions Grant Program. This grant is a pass-through program used to fund housing for homeless and women's shelters.

Federal grant awards expended by the City totaled $1,127,836 million, or $88 per resident of El Dorado. We try to find and apply for federal funding opportunities to supplement existing services. This year, we were quite successful in returning federal dollars to taxpayers.

Public Pensions

The City of El Dorado participates in Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Fire (KP&F) program for its post-employment retirement benefits. Employees of the City are required to participate in KPERS or KP&F, and the City is required to contribute to these programs on each respective employee's behalf. State law requires the City to publish in its financial statements the current and future liability associated with the unfunded portion of KPERS and KP&F directly attributed to the City.

As of December 31, 2023, the City's pension liability totaled $10.4 million compared to $10.1 million a year ago. Per state statute, the City distributes its pension liability as follows: KPERS at $4.3 million, Kansas Police & Fire (KP&F) at $5.8 million, and the Library's participation in KPERS at $271,868.

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The City's Annual Comprehensive Financial Report (ACFR) provides taxpayers and other interested stakeholders a detailed explanation of how it manages taxpayers' money and assets for the year-ending December 31, 2023.

In this report, the City explains the accounting standards and internal controls implemented to care for these assets that belong to the public. The City wants to ensure its citizens that public funds are used fairly and honestly. City staff worked hard to compile all the financial information and produce the report accompanying this letter. We believe the information accurately shows a true picture of the City's financial condition.

The City operates with internal controls and safeguards to ensure public funds are spent as intended. These rules ensure that taxpayer funds are protected from loss or misuse. No system of internal controls is perfect. Even so, the City takes pride in its stewardship of public resources.

In the annual financial report, the City also explains the reasons behind certain financial decisions and how these decisions will impact El Dorado's future. This analysis helps people understand the City's long-term financial situation. It is important to read this letter along with the "Management's Discussion and Analysis (MD&A)" section of the financial statements, which provides more details and explanations about the City's financial performance.

Overall, the City wants to be transparent and let citizens know how they manage public assets to benefit the community and its residents.

*****

This past year, the City implemented recently adopted statements of the Governmental Accounting Standards Board (GASB). I often refer to GASB as F. Scott Fitzgerald's "Gatsby," although implementing these statements for the first time was anything but a party. I hope interested stakeholders will get as much out of these new standards as staff put into them.

The first of these statements, Statement No. 87, provides standards for municipalities to report leases in their financial statements. The second statement, Statement No. 96, defines standards for reporting subscription-based information technology arrangements. If reading a city's financial statements was not enthralling enough, these additions will most assuredly keep an insomniac up at night in anticipation of a plot twist that never arrives.

Before GASB 87, municipalities could lease vehicles, equipment, and other things without showing them on the balance sheet. GASB 96 does a similar task as its twin GASB 87, although it applies to subscription-based software. It was like keeping some money hidden under your bed without telling anyone. But these two accounting standards require cities to put these transactions on the balance sheet so stakeholders know exactly how much money is coming in and going out.

INDEPENDENT AUDIT OF FINANCIAL STATEMENTS

State statutes require an annual independent audit of the City's financial records and transactions. Adams Brown Strategic Allies and CPAs audited the City's financial statements. Their full, unqualified opinion has been included with the financial statements for the public's review. You may elect to read the opinion, although it states that the City's financial statements provide a fair representation of the City's financial position for the year ending December 31, 2023. City staff will continue to care for public resources and assets at a standard that exceeds minimally accepted practices.

The 2022 independent audit received an unqualified opinion from AdamsBrown, LLC, which means that, in the opinion of the auditors, the City's financial statements presented fairly, in all material respects, the respective financial position of the City's financial position.

RELEVANT FINANCIAL POLICIES

The City of El Dorado's "General Financial and Budgetary Policies," were amended in 2023 with the adoption of Resolution No. 2972, will take effect on January 1, 2024. These financial policies provide the framework with which the City manages its finances to ensure adequate internal control for the integrity of taxpayer funds.

The City Commission approved several changes to the financial policies this past year. Of note, the City Commission increased purchasing limits for staff primarily in response to inflationary pressures. The changes also increased the amounts the City Manager, Finance Director, and Department Directors can spend before requiring approval from the City Commission.

ECONOMIC CONDITION AND OUTLOOK

Private Sector Investment:

In 2023, the City experienced private development activity that contributed nearly $12.9 million in valuation. Four building permits were issued for new commercial development with an aggregate valuation of $2 million, compared to two new commercial developments in 2022 with a valuation of $1.5 million. Also during the year, the City issued 22 building permits for commercial additions, remodels, and repairs with a valuation of $2.5 million. Comparatively, the City issued twenty-eight building permits for similar activity with a valuation of $12.1 million in 2022.

The City issued 30 residential building permits for new construction with a valuation of $5.9 million. The City issued thirty-two building permits for new residential construction in 2022 with a valuation of $6.1 million. Also, during the year, 109 building permits were issued for residential additions, remodels, and repairs, with a valuation of $2.5 million. In 2022, 91 building permits were issued for the same activity with a valuation of $1.7 million.

	RESIDENTIAL CONSTRUCTION		COMMERCIAL CONSTRUCTION	
	Permits	**Valuation**	**Permits**	**Valuation**
2019	98	$2.5 million	39	$5.4 million
2020	130	$5.2 million	41	$12.6 million
2021	118	$3.7 million	30	$6.5 million
2022	123	$7.8 million	30	$13.6 million
2023	139	$8.4 million	26	$4.5 million

Private Sector Investment:

- **Gordy Heritage, LLC.** The owners of the apartment buildings referred to as Gordy Square and Heritage House applied for an industrial revenue bond to remodel 124 apartment units on the two properties. The project will total approximately 13.3 million dollars. The owner will be making a $50,000 payment in lieu of taxes each year.
- **District 142.** The owner of the building located at 142 N Main has been the recipient of two Community Development Block Grants. The most recent grant is assisting him with the placement of an elevator, replacement of windows and doors. He stated that there will also be plumbing for a commercial kitchen and bathrooms on the 2nd floor of the building. The

anticipated cost of the project is $320,780. The building has also received a CID to assist with the payment of upgrades to electrical and water services as well as a grease separator.

- **Myers East Addition.** The City Commission approved a re-plat of the Myers East Addition. This re-plat provides sixteen new residential home lots in El Dorado. The infrastructure for this development was completed in late fall and the project costs that are the responsibility of the developer have been assessed to the property.
- **Adlesperger-Smith Addition, Phase III.** The City Commission received a petition in July of 2022 from the owner of the Adlesperger-Smith Addition for sanitary sewer and paving improvements that will serve 19 new residential lots. The infrastructure project was approved in the amount of $1,492,575 and construction began in early 2023.

Public Sector Investment:

- **9th Avenue.** A project to improve pavement on 9th Avenue was approved in 2021, however, after several attempts at bidding the project, the cost came in significantly higher than what staff had anticipated. The increased cost of asphalt and labor in 2022 simply did not allow for the completion of the project. The City Commission voted in 2023 to terminate the project until an alternative could be discussed.
- **Water Filter Console Replacement.** The replacement of the water filter console at the water treatment plant had been planned for later in 2022, but a failure in January 2022 caused the project to be moved up. One of the five filters was down, reducing the plant capacity by 20% and causing strain on the others. The City Commission authorized $125,550 for the replacement of two consoles, one that had failed and an additional one as a preventative measure.

SUBSEQUENT EVENTS TO THE FINANCIAL STATEMENTS

The City also makes note of the following events that occurred after the closure of the 2023 fiscal year, but before the issuance of the financial statements for the period:

- The city has placed two requests, one in January and one in June for an extension on the deadline for the Community Development Block Grant (CDBG) awarded to the owners of District 142 located at 142 North Main. The parts needed for this portion of their project have been significantly backordered. The most recent request was an additional four months. We will be unable to apply for other grants through this program until they have completed their project.
- The City Commission has entered into an agreement with the Educational Facilities Authority of Butler County for the purpose of funding the turf and track replacement at BG Stadium. The other partners in this endeavor, Butler Community College and USD 490, are unable to carry the debt required for the project. The City is paying cash from the General Fund balance and then replacing it with a G.O. Bond in the fall. The debt will be repaid utilizing funds from BG Stadium donations and sponsorships over the next ten years.
- A refuse rate increase was not taken to Commission in 2023 as planned, and the refuse department fund balance did not meet the city's required fund balance. An increase was approved of $1 per month for residential customers and a 20% increase for commercial accounts. Water and sewer utilities were also increased by 3% for volume charges and 1% for readiness-to-serve charges. The new rates will become effective on July 1, 2024. There is a five-year plan for increases to each utility to maintain proper fund balances and complete capital projects.
- The BASE grant projects were originally estimated at approximately $7.8 million. Bid openings in 2024 revealed an increase of nearly $5 million between the water line and sewer interceptor

projects. Staff are working to find ways to reduce expenses as well as applying for additional grant funds.

*****

RECOGNITION

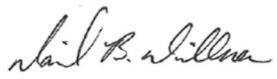
To receive a Certificate of Achievement, a municipal government must publish an easily readable and efficiently organized annual comprehensive financial report. The report must satisfy both generally accepted accounting principles for municipal governments and applicable legal requirements. It should also communicate the City's financial condition in a manner that allows the public to understand the financial condition of the municipal government and affirm the City's spending meets prudent standards and public expectations. I hope readers will find this year's statements as enthralling as they are informative.

The Certificate of Achievement is valid for one year following its issuance. The City believes that its annual comprehensive financial report for year-ending December 31, 2023 will continue to meet the Certificate of Achievement Program's requirements and will submit it to the GFOA for consideration for another certificate.

The information in these financial statements attempts to provide a snapshot of the activities of the municipal government. The data helps elected officials, management, and the public understand the financial condition of the City. The contents of the financial statements tell the financial story of the City. However, the real work of the municipal government comes from the dedicated people working every day to serve their community. I cannot thank these dedicated individuals enough for the hard work they do to make El Dorado a great place to live, work, and play.

I continue to find reasons to remain proud of the municipal workforce every year I serve as city manager. El Dorado has a fine staff working tirelessly to make the community great. The citizens of El Dorado would feel the same as I do if they knew even half of what municipal employees do to serve their neighbors. I appreciate their work and am glad to have the opportunity to call them colleagues and friends.

Respectfully Submitted,



David B. Dillner
City Manager

EL DORADO
KANSAS

EXPERIENCE EL DORADO COMMITTEE

BOARD OF APPEALS/ CODE REVIEW

LIBRARY BOARD

PARKS AND RECREATION BOARD

CITIZENS OF EL DORADO

SALES TAX ADVISORY COMMITTEE

BOARD OF ZONING APPEALS

PLANNING COMMISSION

CITY COMMISSIONERS
Mayor Bill Young,
Kelly Tetrick, Gregg Lewis,
Leon Leachman & Kendra Wilkinson

CITY ATTORNEY
MUNICIPAL COURT JUDGE
CITY PROSECUTOR

ADMINISTRATIVE ASSISTANT TO THE CITY MGR/ CITY CLERK

CITY MANAGER

ASSISTANT CITY MANAGER

HUMAN RESOURCES

PAYROLL & BENEFITS

MARKETING/TOURISM

FINANCE

PARKS & RECREATION

RECREATION PROGRAMMING & MARKETING

PARKS & GROUNDS

FORESTRY

CEMETERIES

POLICE

LAW ENFORCEMENT

RECORDS

COURT

NUISANCE/CODE ENFORCEMENT

FIRE

RESPONSE

INSPECTIONS

HAZMAT

EMERGENCY MANAGEMENT

PUBLIC WORKS

STREET CLEANING & MAINTENANCE

SIGNS & SIGNALS

REFUSE

STORMWATER MAINTENANCE

ANIMAL CONTROL

AIRPORT

INFORMATION TECHNOLOGY

PUBLIC UTILITIES

WATER TREATMENT

WATER DISTRIBUTION

SEWER MAINTENANCE

WETLANDS & WATER RECLAMATION

ENGINEERING

GIS & MAPPING

BUILDING PLAN REVIEW & INSPECTION

PLANNING & ZONING

STORMWATER;FLOOD PLAIN MANAGEMENT

Updated 07/08/2024



FINANCIAL SECTION

ADAMS BROWN
Strategic Allies and CPAs
adamsbrowncpa.com

INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Commissioners
City of El Dorado, Kansas
El Dorado, Kansas

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **City of El Dorado, Kansas**, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **City of El Dorado, Kansas** as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements 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 audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 generally accepted auditing standards and *Government Auditing Standards* 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 statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **City of El Dorado, Kansas'** basic financial statements. The statements and schedules under the supplementary information section in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the information as noted above is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Adamsbrown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
El Dorado, Kansas

July 30, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report contains an overview and analysis of the City of El Dorado's financial statements and activities for the fiscal year ended December 31, 2023. The information contained here, as well as the information contained in the letter of transmittal, are intended to provide the reader of the financial statements with an overall picture of the City's financial condition.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements of the City include the government-wide financial statements and the fund financial statements. The notes to the financial statements follow the basic financial statements and are essential for the reader's understanding. Other supplementary information is also included at the end of this report to provide additional information for the reader.

Users of the report have an opportunity to compare the net position of the City of El Dorado to other entities using the government-wide financial statements. Those users can address relevant issues and broaden the basis of comparison (year-to-year or government-to-government) to enhance the City's accountability.

Government-Wide Financial Statements

Government-wide financial statements present the results of the City's operations using the accrual basis of accounting, the method used by private sector businesses. These statements focus on the long-term financial picture of the City as a whole.

The Statement of Net Position reports all the City's assets, deferred outflows, liabilities, and deferred inflows. Net Position, the difference between assets, deferred outflows, liabilities, and deferred inflows are an important measure of the City's overall financial health. Over time, the increases and decreases in net position can be monitored to determine whether the City's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position (current year's revenues and expenses) are considered regardless of when cash is received or paid. Thus, revenues and expenses are reported in the Statement of Activities for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and accrued vacation leave).

The City of El Dorado's Statement of Net Position and Statement of Activities summarizes all the Primary Government funds into either governmental activities or business-type activities. Governmental activities include the operations of the city that are generally supported by taxes, such as police, fire, public works, parks, cultural activities, general administration, recreation, cemetery, and industrial development. Business-type activities include water, sewer, refuse, and compressed natural gas utilities, which are self-supporting funds.

The Bradford Memorial Library and El Dorado Senior Center component units are also reflected in these statements. Additional information on the component units may be found in the notes to the financial statements and the financial statements included in the supplementary information.

Fund Financial Statements

A fund is a fiscal entity with a set of self-balancing accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of El Dorado, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide more information about the City's most significant funds – not the City as a whole. All of the funds of the City of El Dorado can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. The City implemented Governmental Accounting Standards Board (GASB) statement number 54 for fiscal year ending December 31, 2012. GASB 54 changes the way fund balances are presented in the governmental fund financial statements.

Governmental fund financial statements are prepared on the modified accrual basis. Under the modified accrual basis, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and other similar items which are recorded when due. The focus, therefore, is on the short-term financial picture of the operations reported, rather than the City as a whole. Most of the City's basic operations are reported in the governmental fund financial statements. The information reported in these statements can be compared to the governmental activity's information in the government-wide statements. The reconciliation at the end of the fund financial statements details the relationship between the two types of financial statements.

Proprietary funds fall into two categories: enterprise funds and internal service funds. All proprietary funds are prepared on the accrual basis of accounting. Enterprise funds are used to account for business-type activities. Enterprise fund statements present the same information that is in the government-wide statements for business activities, only in greater detail. The City's water, sewer, refuse, and compressed natural gas services are accounted for as enterprise funds. Internal service funds are used to account for the cost of operations shared by various functions of the City. The City uses one internal service fund to account for its data processing activities. In the government-wide statements, the information for the internal service fund is predominantly presented as part of the business-type activities information.

Fiduciary funds are used by the City to account for resources held by the City for the benefit of a third party. Because the resources of these funds are not available for the City's operation, they are not presented in the government-wide financial statements. The City's fiduciary fund is the Retiree Health Care Benefit Plan (Trust Fund) used to accumulate the resources for postemployment health care benefits to qualified employees.

FINANCIAL ANALYSIS OF THE CITY

Net Position

In accordance with GASB Statement No. 34, following are the combined net position of the City of El Dorado as of December 31:

City of El Dorado, Kansas
Net Position
As of December 31, 2023
(with comparative totals for December 31, 2022)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Current and other assets	$ 34,124,363	$ 29,185,894	$ 7,759,723	$ 8,018,097	$ 41,884,086	$ 37,203,991
Capital assets	44,750,076	44,273,716	35,760,789	53,501,809	80,510,865	97,775,525
Total assets	78,874,439	73,459,610	43,520,512	61,519,906	122,394,951	134,979,516
Deferred outflows of resources:						
Deferred outflows - pension	2,472,954	2,795,224	478,473	549,668	2,951,427	3,344,892
Deferred outflows - OPEB	349,876	411,293	101,670	125,288	451,546	536,581
	2,822,830	3,206,517	580,143	674,956	3,402,973	3,881,473
Long-term liabilities	22,151,494	24,330,687	6,024,506	60,663,883	28,176,000	84,994,570
Other liabilities	6,742,404	4,293,499	1,474,682	1,377,072	8,217,086	5,670,571
Total liabilities	28,893,898	28,624,186	7,499,188	62,040,955	36,393,086	90,665,141
Deferred inflows of resources:						
Deferred inflows - pension	543,844	127,485	161,246	69,267	705,090	196,752
Deferred inflows - OPEB	141,341	96,335	38,927	20,731	180,268	117,066
Deferred inflows - Leases	16,329	35,254	1,023,822	1,076,838	-	-
Deferred receivable - Property taxes	6,143,574	5,620,011	-	-	6,143,574	5,620,011
	6,845,088	5,879,085	1,223,995	1,166,836	7,028,932	5,933,829
Net position:						
Net investment in capital assets	27,284,059	29,509,930	30,887,035	29,390,280	58,171,094	58,900,210
Restricted	15,310,649	8,755,156	-	-	15,310,649	8,755,156
Unrestricted	3,363,575	3,897,770	4,490,437	(30,403,209)	7,854,012	(26,505,439)
Total net position	$ 45,958,283	$ 42,162,856	$ 35,377,472	$ (1,012,929)	$ 81,335,755	$ 41,149,927

The City's overall financial position has seen financial growth, with an increase in net position of $40,185,828. The amount is the combination of an increase in both governmental activities and business-type activities. The governmental activities increased by $3,795,427 due to an increase in assets across the board.

The net position of business-type activities increased by $36,390,401 due to the decrease in the liability for the water storage caused by the change in how interest rates are calculated.

Governmental Activities

The table below shows the condensed revenues, expenses, and change in net position for 2023 and 2022.

	Governmental Activities	
	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	$ 3,396,878	$ 2,759,087
Operating Grants and Contributions	869,979	2,887,062
Capital Grants and Contributions	1,772,348	396,649
General Revenues:		
Property Taxes	6,189,603	5,616,035
Special Assessments	1,152,301	-
Sales Taxes	3,515,633	3,264,700
Franchise Taxes	1,442,700	1,513,882
Tourism Taxes	277,711	233,899
Investment Earnings	553,468	162,369
Gain on sale of capital assets	5,825	83,345
Miscellaneous	-	33,680
Total Revenues	19,176,446	16,950,708
Expenses:		
General Government	3,550,268	6,405,517
Public Safety	5,256,511	3,098,841
Public Works	4,396,472	3,627,276
Health & Sanitation	715,677	644,793
Culture & Recreation	1,866,532	1,879,839
Economic Development	165,876	147,017
Interest on Long-Term Debt	374,226	366,912
Total Expenses	16,325,562	16,170,195
Excess Before Transfers	2,850,884	780,513
Transfers In (Out)	944,543	1,169,590
Change In Net Position	3,795,427	1,950,103
Net Position January 1	42,162,856	40,215,292
Prior Period Adjustments	-	(2,539)
Net Position, Beginning of the Year as Restated	42,162,856	40,212,753
Net Position December 31	$45,958,283	$42,162,856

Several revenue sources that increased in 2023 include Charges for Services, Capital Grants and Contributions, Property Tax, Sales Tax, Tourism Tax, Investment Earnings, and Gain on Sale of Capital Assets. Charges for Services increased in small amounts in many different areas including permits and recreation. Property Tax increased due to a higher assessed valuation. Sales Tax in 2023 once again reached a record high; this was likely due to inflation. Tourism Taxes continue to increase as the number of City events increases, and

turnaround at companies like HF Sinclair lead to increased traffic from outside visitors. The increase in Investment Earnings is attributable to high interest rates.

Decreases in revenue were seen in Operating Grants and Contributions, Franchise Taxes, Gain on sale of capital assets and Miscellaneous revenues. Operating Grants and Contributions decreased, this is due to the receipt of half of the BASE grant funding in 2022, the city will receive the second half at the completion of the project. Decreases in Franchise Taxes were caused by a significant decrease in the electric franchise revenues which could have been caused by residents controlling their energy usage. The gain on sale of capital assets decreased because a fire truck was sold in 2022, equipment was not sold in 2023. Miscellaneous revenues decreased due to payments made for code enforcement charges in 2022 that were not charged in 2023.

The net change in expenses increased by $1,947,564. Public Safety increased because a large portion of the payroll expenses for the Police Department were paid from the ARPA fund in 2022. The other increases can be attributed to increases in payroll expenses.

Business-Type Activities

The table below shows the condensed revenues, expenses and changes in net position for 2023 and 2022.

	Business-Type Activities	
	2023	2022
Revenues:		
Program Revenues:		
Charges for Services	$ 9,302,266	$ 8,787,243
Operating Grants and Contributions	-	-
Capital Grants and Contributions	-	-
General Revenues:		
Investment Earnings (Loss)	384,370	120,936
Gain on sale of capital assets	15,700	6,168
Total Revenues	9,702,336	8,914,347
Expenses:		
Waterworks System	3,771,894	5,433,947
Sewer System	2,052,553	1,998,155
Refuse	1,781,271	1,688,877
Compressed Natural Gas	37,005	53,763
Total Expenses	7,642,723	9,174,742
Excess Before Transfers	2,059,613	(260,395)
Transfers In (Out)	(944,543)	(1,169,590)
Changes in Net Position	1,115,070	(1,429,985)
Net Position January 1	(1,012,929)	395,615
Prior Period Adjustments	35,275,331	21,441
Net Position, Beginning of theYear as Restated	34,262,402	417,056
Net Position December 31	$ 35,377,472	$ (1,012,929)

The Waterworks System, Sewer System, Refuse, and Compressed Natural Gas (CNG) utilities are the Business-Type Activities of the City of El Dorado. The utility bill includes Water Fund, Sewer Fund, and Refuse Fund. Revenues for these funds increased between 2023 and 2022. This is due to an increase in investment earnings and an increase in water usage.

Expenses decreased due to some personnel changes in the water fund. They also decreased because there were fewer projects completed in 2023 in preparation for the large projects happening in 2024.

FUND ANALYSIS

There was a net change in fund balance of $3,795,427 in the City's Total Governmental Funds resulting from 2023 operations. In the General Fund, Property Tax increased by $573,568 over 2022. Sales Tax collections increased by $250,933 in 2023 and set another record for collections. Expenses increased in the General Fund by $155,367 largely due to an increase across all departments for personnel.

The net change in the Debt Service fund is $244,419. Property Tax increased by $115,225. Investment earnings increased by $55,266.

The net change in the Construction Fund was an increase of $4,189,157. The City worked to properly finance projects in this fund throughout 2023. The issuance of Temporary Notes, increased transfers from other funds, and the use of intergovernmental revenues supported this fund. A positive fund balance was due to funds being transferred for the BASE grant projects and Ballfield Improvement projects, both of which have not yet been completed and therefore the funds were still in the construction fund.

The change in net position in the Business-Type Activities increased by $34,364,543. This was due to the change in how the water storage interest rates are calculated.

GENERAL FUND BUDGETARY HIGHLIGHTS

An amendment to the general fund budget did not occur in 2023. The actual amount of revenues over expenditures was $2,668,915. Actual revenues came in over the budgeted revenues by $205,090.

Expenditures were less than budgeted by $4,031,134. The Police Department held several vacant positions at several points during the year. A large portion of the positive variance is due to the contingency reserve that is budgeted in the General Fund to finance unforeseen expenditures or an unanticipated decline in revenues.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City of El Dorado's investment in capital assets for its Governmental and Business-Type activities as of December 31, 2023 was $79,492,217 net of depreciation. The following chart is a breakdown of the City's Capital Assets, Net of Depreciation.

City of El Dorado's Capital Assets

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	$ 4,968,441	$ 740,378	**$ 5,708,819**	$ 4,920,772	$ 740,378	**$ 5,661,150**
Buildings and Improvements	14,514,863	20,898,388	**35,413,251**	14,816,328	21,163,292	**35,979,620**
Infrastructure	19,868,928	-	**19,868,928**	18,522,802	-	**18,522,802**
Machinery and Equipment	2,892,559	2,729,037	**5,621,596**	3,196,354	2,241,951	**5,438,305**
Water Storage Space	-	10,451,553	**10,451,553**	-	28,951,577	**28,951,577**
Construction in Progress	1,014,816	628,554	**1,643,370**	2,261,345	333,125	**2,594,470**
Capital Assets Not in Use	784,700	-	**784,700**	-	-	-
Total Capital Assets	$ 44,044,307	$ 35,447,910	**$ 79,492,217**	$ 43,717,601	$ 53,430,323	**$ 97,147,924**

Major capital asset additions during 2023 included the following:

New Additions	
2024 Freightliner	$ 353,725
2023 Freightliner	318,487
Myers East Waterline	9,400
Myers East Sewer	157,860
Deer Run Sewer	90,431
Garcia Ct. Sewer	146,626
Adlesberger Sewer	96,214
Paving Hunton Rd	1,653,601
Paving Myers East	219,153
Paving 5th Ave	38,288
Paving Deer Run	388,299
Paving Adlesperger	770,881
Land at 824 N Washington	47,669
Turf at McDonald Stadium	335,500
Sidewalk at Chelsea Dr	33,833
Diving Boards	11,500
East Park Batting Cage	9,121
2016 Kubota	17,000
2023 Gator (Police)	12,528
2023 Gator (Fire)	12,528
Portable Radios	98,422
John Deer Motor	6,500
	4,821,066

Major construction in progress occurring during 2023 included the following:

Construction in Progress		
Paving Hunton Road and Simpson Road	$	1,653,601
Paving 5th Avenue and 2nd Avenue	$	38,288
Myers East Addition Paving	$	219,153
Myers East Addition Sewer	$	157,860
Paving Deer Run	$	388,299
Sanitary Sewer Deer Run	$	90,431
Adlesperger Paving	$	770,881
Adlesperger Sewer	$	96,214
Adlesperger Smith- Water	$	5,072
Automated Meter Infrastructure	$	-
BASE Grant Projects	$	628,553
Ballfield Improvement Project	$	1,350,316
Total	$	5,398,668.00

Additional information about the City's capital assets can be found in Note 6 of the Notes to the Financial Statements.

Debt Administration

The City issued $2,555,000 of new Temporary Note General Obligation Debt in 2023 for the implementation of the Automated Meter Infrastructure project. All water meters throughout the City of El Dorado will be replaced with automated meters which should allow for better tracking of water usage.

Additional information about the City's long-term debt can be found in Note 7 of the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City Commission and City staff are very cognizant of the impact the nation's economy has on the citizens of El Dorado and are working very diligently to keep expenditures reasonable. The City will maintain the same level of services and fund the same outside agencies in 2024. Sales Tax revenues will fund several projects, and the city hopes that sales tax receipts continue to trend upwards. Transfers were made from several funds in 2023 for the BASE grant projects to limit the amount of debt that will need to be incurred. The city has engaged in a utility rate study with Baker Tilly to determine what will be needed to continue to fund capital projects. Rate increases will take place mid-year.

OTHER POTENTIALLY SIGNIFICANT MATTERS

The following significant facts were known by management as of the date of the independent auditor's report:

- City Staff continued to work diligently to clean up the Construction Fund. Completed projects were closed and current projects were funded with either Temporary Notes or transfers from operations. The fund has a positive balance and staff are working to continue this trend despite the BASE grant expenditures coming in significantly higher than anticipated. The G.O. Bond and Temporary Note issues in 2024 will cover the difference, and the rate increases previous discussed will help cover those payments.
- In 2022, the City contracted with Baker Tilly's investment arm to guide its idle fund investments. Several of these investments were made in 2022 and will mature in 2023 and early 2024. In order to fund some of the larger projects, staff allowed several of these investments to mature in 2023, new investments will be made at the completion of the audit when fund balances can be confirmed.

- The city entered into an agreement with the Educational Facilities Authority of Butler County for the purpose of funding improvements to BG Stadium. The other partners in the authority are unable to issue the debt for the project, so the city will include it in the G.O. Bond issue in later 2024. These funds will be paid utilizing revenues from the stadium over the next ten years.

REQUESTS FOR INFORMATION

The financial report gives the reader a general overview of the City's finances. Questions about information contained in this report or requests for additional information should be directed to the Assistant City Manager, City of El Dorado, 220 East First, El Dorado, KS, 67042.

CITY OF EL DORADO, KANSAS

Basic Financial Statements

CITY OF EL DORADO, KANSAS
Statement of Net Position
December 31, 2023

	Primary Government			
	Total Governmental Activities	Total Business-Type Activities	Total Primary Government	Component Units
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets				
Cash and Investments	$ 17,591,826	5,183,180	22,775,006	803,740
Receivables, Net of Allowance for Uncollectibles				
Taxes	12,113,474	-	12,113,474	608,660
Accounts	159,113	1,125,582	1,284,695	-
Interest	-	-	-	23
Leases	16,329	1,089,029	1,105,358	-
Due from Other Governments	1,109,020	-	1,109,020	-
Internal Balances	62,611	(62,611)	-	-
Inventories	71,990	424,543	496,533	-
Restricted Cash and Investments	-	-	-	268,046
Investment in Joint Venture	3,000,000	-	3,000,000	-
Capital Assets, Nondepreciable				
Land	4,968,441	740,378	5,708,819	-
Water Storage Space	-	10,451,553	10,451,553	-
Construction in Progress	1,014,816	628,554	1,643,370	-
Asset Not In Use	784,700	-	784,700	-
Capital Assets, Depreciable	85,483,743	50,530,168	136,013,911	2,476,421
Leased Assets, Depreciable	679,386	275,631	955,017	-
SBITAs, Depreciable	56,329	79,637	135,966	-
Less Accumulated Depreciation	(48,237,339)	(26,945,132)	(75,182,471)	(1,691,839)
Total Assets	**78,874,439**	**43,520,512**	**122,394,951**	**2,465,051**
Deferred Outflows of Resources				
Deferred Outflows - Pension	2,472,954	478,473	2,951,427	86,047
Deferred Outflows - OPEB	349,876	101,670	451,546	23,152
Total Deferred Outflows of Resources	**2,822,830**	**580,143**	**3,402,973**	**109,199**
Total Assets and Deferred Outflows of Resources	**81,697,269**	**44,100,655**	**125,797,924**	**2,574,250**
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts Payable and Other Current Liabilities	817,632	343,355	1,160,987	23,799
Accrued Interest Payable	62,003	22,044	84,047	-
Unearned Revenue - Grant Proceeds Other Than Timing	1,305,164	51,020	1,356,184	10,000
Noncurrent Liabilities				
Due Within One Year	4,557,605	1,058,263	5,615,868	30,000
Due in More Than One Year	22,151,494	6,024,506	28,176,000	355,743
Total Liabilities	**28,893,898**	**7,499,188**	**36,393,086**	**419,542**
Deferred Inflows of Resources				
Deferred Inflows - Pension	543,844	161,246	705,090	21,389
Deferred Inflows - OPEB	141,341	38,927	180,268	2,532
Deferred Inflows - Leases	16,329	1,023,822	1,040,151	-
Deferred Receivable - Property Taxes	6,143,574	-	6,143,574	608,660
Total Deferred Inflows of Resources	**6,845,088**	**1,223,995**	**8,069,083**	**632,581**
Total Liabilities and Deferred Inflows of Resources	**35,738,986**	**8,723,183**	**44,462,169**	**1,052,123**
Net Position				
Net Investment in Capital Assets	27,284,059	30,887,035	58,171,094	694,582
Restricted for				
Debt Service	5,918,198	-	5,918,198	-
Public Safety	133,688	-	133,688	-
Public Works	3,770	-	3,770	-
Economic Development	369,626	-	369,626	-
Culture and Recreation	2,824,409	-	2,824,409	-
Other Purposes	6,060,958	-	6,060,958	-
Unrestricted	3,363,575	4,490,437	7,854,012	827,545
Total Net Position	$ **45,958,283**	**35,377,472**	**81,335,755**	**1,522,127**

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

CITY OF EL DORADO, KANSAS
Statement of Activities
For the Year Ended December 31, 2023

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position: Primary Government: Total Governmental Activities	Net (Expenses) Revenue and Changes in Net Position: Primary Government: Total Business-Type Activities	Net (Expenses) Revenue and Changes in Net Position: Primary Government: Total	Component Units
Primary Government								
Governmental Activities								
General Government	$ 3,550,268	1,801,584	236,909	1,772,348	260,573	-	**260,573**	-
Public Safety	5,256,511	836,642	20,169	-	(4,399,700)	-	**(4,399,700)**	-
Public Works	4,396,472	195,171	540,361	-	(3,660,940)	-	**(3,660,940)**	-
Health and Sanitation	715,677	251,406	36,270	-	(428,001)	-	**(428,001)**	-
Culture and Recreation	1,866,532	312,075	36,270	-	(1,518,187)	-	**(1,518,187)**	-
Economic Development	165,876	-	-	-	(165,876)	-	**(165,876)**	-
Interest on Long-Term Debt	374,226	-	-	-	(374,226)	-	**(374,226)**	-
Total Governmental Activities	16,325,562	3,396,878	869,979	1,772,348	(10,286,357)	-	**(10,286,357)**	-
Business-Type Activities								
Waterworks System	3,771,894	4,909,286	-	-	-	1,137,392	**1,137,392**	-
Sewer System	2,052,553	2,791,799	-	-	-	739,246	**739,246**	-
Refuse	1,781,271	1,562,800	-	-	-	(218,471)	**(218,471)**	-
Compressed Natural Gas	37,005	38,381	-	-	-	1,376	**1,376**	-
Total Business-Type Activities	7,642,723	9,302,266	-	-	-	1,659,543	**1,659,543**	-
Total Primary Government	$ 23,968,285	12,699,144	869,979	1,772,348	(10,286,357)	1,659,543	**(8,626,814)**	-
Component Units								
Bradford Memorial Library	$ 737,934	33,503	41,198	-	-	-	**-**	(663,233)
El Dorado Senior Center	142,291	101,571	-	-	-	-	**-**	(40,720)
Total Component Units	$ 880,225	135,074	41,198	-	-	-	**-**	(703,953)
		General Revenues and Transfers						
		Property Taxes			$ 6,189,603	-	**6,189,603**	659,726
		Special Assessments			1,152,301	-	**1,152,301**	-
		Sales Taxes			3,515,633	-	**3,515,633**	-
		Franchise Taxes			1,442,700	-	**1,442,700**	-
		Tourism Taxes			277,711	-	**277,711**	-
		Unrestricted Investment Earnings			553,468	384,370	**937,838**	57,131
		Gain on Sale of Capital Assets			5,825	15,700	**21,525**	-
		Transfers, Net			944,543	(944,543)	**-**	-
		Total General Revenues and Transfers			14,081,784	(544,473)	**13,537,311**	716,857
		Change in Net Position			3,795,427	1,115,070	**4,910,497**	12,904
		Net Position - Beginning of Year, as Previously Stated			42,162,856	(1,012,929)	**41,149,927**	1,509,223
		Prior Period Adjustment			-	35,275,331	**35,275,331**	-
		Net Position - Beginning of Year, as Restated			42,162,856	34,262,402	**76,425,258**	1,509,223
		Net Position - End of Year			$ **45,958,283**	**35,377,472**	**81,335,755**	**1,522,127**

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

CITY OF EL DORADO, KANSAS
Balance Sheet
Governmental Funds
December 31, 2023

	General	Debt Service	Construction	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	$ 5,079,743	622,561	5,808,671	6,080,851	**17,591,826**
Receivables (Net of Allowance for Uncollectibles)					
Property Tax	4,727,324	1,173,797	-	242,453	**6,143,574**
Special Assessment Tax	-	5,032,846	-	324,795	**5,357,641**
Sales Tax	580,339	-	-	31,920	**612,259**
Leases	-	-	-	16,329	**16,329**
Accounts	138,222	-	-	20,891	**159,113**
Due from Other Governments	46,923	-	872,458	189,639	**1,109,020**
Due from Other Funds	59,123	-	-	-	**59,123**
Inventories	37,493	-	-	34,496	**71,989**
Total Assets	$ 10,669,167	6,829,204	6,681,129	6,941,374	**31,120,874**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts Payable	$ 179,050	-	292,729	156,409	**628,188**
Salaries and Wages Payable	165,946	-	-	23,498	**189,444**
Unearned Revenue - Grant Proceeds Other Than Timing	-	-	910,135	395,028	**1,305,163**
Total Liabilities	344,996	-	1,202,864	574,935	**2,122,795**
Deferred Inflows of Resources					
Unavailable Revenue - Property Taxes	4,727,324	1,173,797	-	242,453	**6,143,574**
Unavailable Revenue - Special Assessments	-	5,032,846	-	324,795	**5,357,641**
Leases	-	-	-	16,329	**16,329**
Total Deferred Inflows of Resources	4,727,324	6,206,643	-	583,577	**11,517,544**
Fund Balances					
Nonspendable					
Inventories	37,493	-	-	34,496	**71,989**
Restricted					
Police Operations	-	-	-	3,770	**3,770**
Tourism	-	-	-	544,729	**544,729**
Domestic Violence Prevention	-	-	-	37,964	**37,964**
Debt Service	-	622,561	-	-	**622,561**
Park Improvements	-	-	-	133,688	**133,688**
Stormwater Systems	-	-	-	369,626	**369,626**
Ordinance Street Sales Tax	-	-	-	488,217	**488,217**
Excess Sales Tax	-	-	-	2,178,400	**2,178,400**
Economic Development	-	-	-	157,792	**157,792**
Committed					
Public Safety Equipment	-	-	-	15,184	**15,184**
Assigned					
Airport Improvements	-	-	-	237,746	**237,746**
Economic Development Sales Tax	-	-	-	167,011	**167,011**
Industrial Development	-	-	-	395,879	**395,879**
Street Improvements	-	-	-	556,527	**556,527**
Police Equipment	-	-	-	461,833	**461,833**
Self-Insurance Reserve	885,957	-	-	-	**885,957**
Unassigned	4,673,397	-	5,478,265	-	**10,151,662**
Total Fund Balance	5,596,847	622,561	5,478,265	5,782,862	**17,480,535**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 10,669,167	6,829,204	6,681,129	6,941,374	**31,120,874**

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

CITY OF EL DORADO, KANSAS

Reconciliation of the Total Governmental Fund Balances to
Net Position in the Governmental Activities
December 31, 2023

Total Governmental Fund Balances		$ 17,480,535
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		44,750,076
Other long-term assets are not available to pay for current-period expenditures and, therefore, reported as unavailable revenue in the funds.		5,357,641
Other assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		3,000,000
Deferred outflows represent a consumption of net position that applies to a future period and so will not be recognized as an expenditure of resources until then.		
Deferred outflows - pension	2,472,954	
Deferred outflows - OPEB	349,876	2,822,830
Internal service funds are used by management to charge the costs of information technology to individual funds. This adjustment reflects the consolidation of internal service fund activities related to governmental activities.		3,488
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	(15,722,838)	
Premiums on bond sold	(770,820)	
Purchase arrangements payable	(262,796)	
Leases payable	(663,916)	
SBITAs payable	(45,647)	
Accrued interest payable	(62,003)	
Compensated absences	(343,601)	
Net pension liability	(8,346,559)	
Net OPEB liability	(552,922)	(26,771,102)
Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as revenue until then.		
Deferred inflows - pension	(543,844)	
Deferred inflows - OPEB	(141,341)	(685,185)
Net Position of Governmental Activities		$ 45,958,283

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

CITY OF EL DORADO, KANSAS

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended December 31, 2023

	General	Debt Service	Construction	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes					
Property	$ 4,588,347	1,264,827	-	336,428	**6,189,602**
Sales	3,515,647	-	-	-	**3,515,647**
Franchise	1,442,700	-	-	-	**1,442,700**
Tourism	-	-	-	277,711	**277,711**
Intergovernmental	62,330	-	1,453,633	1,131,063	**2,647,026**
Licenses and Permits	144,935	-	-	13,355	**158,290**
Charges for Service	1,108,574	-	-	185,947	**1,294,521**
Fines and Forfeitures	291,692	-	-	-	**291,692**
Special Assessments	-	492,731	333,832	325,738	**1,152,301**
Investment Earnings	122,804	77,249	93,180	260,221	**553,454**
Miscellaneous	389,649	120,763	1,051,088	130,429	**1,691,929**
Total Revenues	11,666,678	1,955,570	2,931,733	2,660,892	**19,214,873**
Expenditures					
Current					
General Government	1,918,618	-	674,707	1,106,388	**3,699,713**
Public Safety	4,464,960	-	-	2,650	**4,467,610**
Highways and Streets	-	-	-	999,258	**999,258**
Health and Sanitation	429,496	-	-	254,340	**683,836**
Culture and Recreation	1,540,505	-	-	-	**1,540,505**
Economic Development	-	-	-	131,079	**131,079**
Debt Service					
Principal	122,336	1,281,031	-	41,230	**1,444,597**
Interest and Other Charges	6,528	430,120	-	3,711	**440,359**
Capital Outlay	635,494	-	4,435,957	199,941	**5,271,392**
Total Expenditures	9,117,937	1,711,151	5,110,664	2,738,597	**18,678,349**
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,548,741	244,419	(2,178,931)	(77,705)	**536,524**
Other Financing Sources (Uses)					
Sale of Real Estate	5,825	-	-	-	**5,825**
Temporary Notes Issued	-	-	2,555,000	-	**2,555,000**
Transfers In	568,988	-	5,569,082	3,296,803	**9,434,873**
Transfers Out	(4,575,117)	-	(343,694)	(2,457,072)	**(7,375,883)**
Net Other Financing Sources (Uses)	(4,000,304)	-	7,780,388	839,731	**4,619,815**
Net Change in Fund Balances	(1,451,563)	244,419	5,601,457	762,026	**5,156,339**
Fund Balances - Beginning of Year	7,048,410	378,142	(123,192)	5,020,836	**12,324,196**
Fund Balances - End of Year	$ 5,596,847	622,561	5,478,265	5,782,862	**17,480,535**

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

CITY OF EL DORADO, KANSAS

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Governmental Activities in the Statement of Activities

For the Year Ended December 31, 2023

Total Net Change in Fund Balances - Governmental Funds		$ 5,156,339
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	3,341,366	
Depreciation expense	(3,014,660)	326,706
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(44,256)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of differences in the treatment of long-term debt and related items.		
Principal (advances) payments		
Bond proceeds	(2,555,000)	
Purchase arrangements	122,336	
Leases	(3,619)	
SBITAs	5,918	
General obligation bonds	1,322,261	(1,108,104)
Internal service funds are used by management to charge the cost of information technology to individual funds. The net revenue (expense) of certain activities of the internal service fund is reported with governmental activities.		(24,486)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences	(16,116)	
Pension contributions	(557,045)	
OPEB contributions	(13,281)	
Amortization of bond premium	69,895	
Accrued interest	5,775	(510,772)
Change in Net Position of Governmental Activities		$ 3,795,427

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

CITY OF EL DORADO, KANSAS

Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

General Fund

For the Year Ended December 31, 2023

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Taxes	$ **9,606,049**	9,343,996	9,343,996	262,053
Intergovernmental	**59,942**	92,634	92,634	(32,692)
Licenses, Fees, and Permits	**144,935**	133,860	133,860	11,075
Charges for Services	**904,325**	858,026	858,026	46,299
Fines and Forfeitures	**291,692**	350,952	350,952	(59,260)
Interest	**54,758**	-	-	54,758
Miscellaneous	**96,127**	173,270	173,270	(77,143)
Total Revenues	**11,157,828**	10,952,738	10,952,738	205,090
Expenditures				
General Government				
Administration	**681,481**	722,241	722,241	(40,760)
Engineering	**797,287**	883,271	883,271	(85,984)
Environmental Services	**138,995**	141,736	141,736	(2,741)
Legal and Judicial	**252,820**	255,175	255,175	(2,355)
Senior Center	**65,000**	-	-	65,000
Total General Government	**1,935,583**	2,002,423	2,002,423	(66,840)
Public Safety				
Police Division	**2,674,813**	2,947,129	2,947,129	(272,316)
Fire Division	**1,912,710**	1,951,692	1,951,692	(38,982)
Total Public Safety	**4,587,523**	4,898,821	4,898,821	(311,298)
Health and Sanitation				
Animal Control	**179,237**	178,864	178,864	373
Cemetery	**250,259**	230,270	230,270	19,989
Total Health and Sanitation	**429,496**	409,134	409,134	20,362
Culture and Recreation				
Park Maintenance	**317,468**	398,215	398,215	(80,747)
Recreation	**1,062,612**	1,186,226	1,186,226	(123,614)
Swimming Pool	**156,231**	232,166	232,166	(75,935)
Total Culture and Recreation	**1,536,311**	1,816,607	1,816,607	(280,296)
Cash Forward	**-**	3,393,062	3,393,062	(3,393,062)
Total Expenditures	**8,488,913**	12,520,047	12,520,047	(4,031,134)
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ **2,668,915**	(1,567,309)	(1,567,309)	4,236,224

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

CITY OF EL DORADO, KANSAS

Statement of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

General Fund (Continued)

For the Year Ended December 31, 2023

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance Over (Under)
Other Financing Sources (Uses)				
Transfer In	$ **543,988**	-	-	543,988
Transfer Out	**(4,575,117)**	(1,858,211)	(1,858,211)	(2,716,906)
Total Other Financing Sources (Uses)	**(4,031,129)**	(1,858,211)	(1,858,211)	(2,172,918)
Net Change in Fund Balance	**(1,362,214)**	(3,425,520)	(3,425,520)	2,063,306
Budgetary Basis Fund Balance, Beginning	**4,368,820**			
Budgetary Basis Fund Balance, Ending	**3,006,606**			
GAAP Adjustments				
Accounts Receivable	**764,312**			
Fund Balance, Ending - General Fund Only	**3,770,918**			
Fund Balances for Separately Budgeted Funds Included with the General Fund on GAAP Basis Financials				
Building Demolition	**58,200**			
Fund Balances for Non-Budgeted Funds Included with the General Fund on GAAP Basis Financials				
External Stores	**156,951**			
General Building Reserve	**403,623**			
Equipment Reserve	**183,428**			
Prairie Trail Restaurant/Golf	**137,770**			
Self-Insurance Reserve	**885,957**			
	$ **5,596,847**			

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

CITY OF EL DORADO, KANSAS
Statement of Net Position
Proprietary Funds
December 31, 2023

	Business-Type Activities - Enterprise Funds					Business-Type Activities
	Major Funds			Nonmajor Fund		
	Waterworks System	Sewer System	Refuse	Compressed Natural Gas	Total Enterprise Funds	Internal Service Fund (Data Processing Fund)
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Current Assets						
Cash and Investments	$ 3,499,482	1,125,874	301,488	21,871	**4,948,715**	234,465
Accounts Receivable						
(Net of Allowance for Uncollectibles)	477,003	403,948	244,576	-	**1,125,527**	55
Lease Receivable	159,007	930,022	-	-	**1,089,029**	-
Inventories	395,382	29,161	-	-	**424,543**	-
Total Current Assets	4,530,874	2,489,005	546,064	21,871	**7,587,814**	234,520
Noncurrent Assets						
Capital Assets						
Nondepreciable Capital Assets						
Land	33,733	706,645	-	-	**740,378**	-
Water Storage Space	10,451,553	-	-	-	**10,451,553**	-
Construction in Progress	383,626	244,928	-	-	**628,554**	-
Capital Assets	16,683,149	31,059,750	2,482,726	243,044	**50,468,669**	61,499
Leased Assets	160,582	36,432	78,617	-	**275,631**	-
SBITAs	66,471	-	-	-	**66,471**	13,166
Accumulated Depreciation	(9,044,889)	(16,184,207)	(1,580,063)	(83,449)	**(26,892,608)**	(52,524)
Total Noncurrent Assets	18,734,225	15,863,548	981,280	159,595	**35,738,648**	22,141
Total Assets	23,265,099	18,352,553	1,527,344	181,466	**43,326,462**	256,661
Deferred Outflows of Resources						
Deferred Outflows - Pension	242,548	117,937	117,988	-	**478,473**	-
Deferred Outflows - OPEB	52,712	23,928	25,030	-	**101,670**	-
Total Deferred Outflows of Resources	295,260	141,865	143,018	-	**580,143**	-
Total Assets and Deferred Outflows of Resources	$ 23,560,359	18,494,418	1,670,362	181,466	**43,906,605**	256,661

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

CITY OF EL DORADO, KANSAS
Statement of Net Position
Proprietary Funds (Continued)
December 31, 2023

	Business-Type Activities - Enterprise Funds					Business-Type Activities
	Major Funds			Nonmajor Fund	Total	Internal Service Fund (Data
	Waterworks System	Sewer System	Refuse	Compressed Natural Gas	Enterprise Funds	Processing Fund)
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES						
Current Liabilities						
Accounts Payable	$ 145,843	42,180	99,469	2,142	**289,634**	53,721
Current Portion of Compensated Absences Payable	-	3,920	-	-	**3,920**	-
Current Portion of General Obligation Bonds Payable	197,740	678,071	-	-	**875,811**	-
Current Portion of Revolving Loan Note Payable	-	113,081	-	-	**113,081**	-
Current Portion of Lease Payable	30,343	6,617	14,278	-	**51,238**	-
Current Portion of SBITAs Payable	13,179	-	-	-	**13,179**	1,034
Accrued Interest Payable	3,139	18,905	-	-	**22,044**	-
Unearned Revenue - Grant Proceeds	50,000	1,020	-	-	**51,020**	-
Due to Other Funds	-	-	59,123	-	**59,123**	-
Total Current Liabilities	440,244	863,794	172,870	2,142	**1,479,050**	54,755
Noncurrent Liabilities						
Long-Term Portion of Compensated Absences Payable	50,360	18,539	36,677	-	**105,576**	58,986
Long-Term Portion of General Obligation Bonds Payable	585,118	1,711,231	-	-	**2,296,349**	-
Long-Term Portion of Revolving Loan Note Payable	-	1,291,649	-	-	**1,291,649**	-
Long-Term Portion of Lease Payable	95,542	29,279	63,181	-	**188,002**	-
Long-Term Portion of SBITAs Payable	41,225	-	-	-	**41,225**	2,186
Net Pension Liability	921,793	419,210	447,278	-	**1,788,281**	-
Net OPEB Liability	130,349	61,713	60,190	-	**252,252**	-
Total Noncurrent Liabilities	1,824,387	3,531,621	607,326	-	**5,963,334**	61,172
Total Liabilities	2,264,631	4,395,415	780,196	2,142	**7,442,384**	115,927
Deferred Inflows of Resources						
Deferred Inflows - Pension	76,430	53,250	31,566	-	**161,246**	-
Deferred Inflows - Leases	150,977	872,845	-	-	**1,023,822**	-
Deferred Inflows - OPEB	19,470	9,777	9,680	-	**38,927**	-
Total Deferred Inflows of Resources	246,877	935,872	41,246	-	**1,223,995**	-
Total Liabilities and Deferred Inflows of Resources	2,511,508	5,331,287	821,442	2,142	**8,666,379**	115,927
NET POSITION						
Net Investment in Capital Assets	17,771,078	12,033,620	903,821	159,595	**30,868,114**	18,921
Unrestricted	3,277,773	1,129,511	(54,901)	19,729	**4,372,112**	121,813
Total Net Position	$ 21,048,851	13,163,131	848,920	179,324	**35,240,226**	140,734
	Some amounts reported for business-type activities in the statement of net position are different because internal service fund assets and liabilities are included with business-type activities				**137,246**	
	Net Position of Business-Type Activities				$ **35,377,472**	

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

CITY OF EL DORADO, KANSAS
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds					Business-Type Activities
	Major Funds			Nonmajor Fund	Total	Internal Service Fund (Data
	Waterworks System	Sewer System	Refuse	Compressed Natural Gas	Enterprise Funds	Processing Fund)
Operating Revenues						
Charges for Services	$ 4,880,623	2,709,969	1,519,280	6,824	**9,116,696**	1,306,745
Special Assessments	-	1,991	-	-	**1,991**	-
Miscellaneous	13,830	27,213	43,520	31,557	**116,120**	-
Rents and Royalties	14,833	52,626	-	-	**67,459**	-
Total Operating Revenues	4,909,286	2,791,799	1,562,800	38,381	**9,302,266**	1,306,745
Operating Expenses						
Cost of Sales and Services	2,259,130	1,030,438	368	-	**3,289,936**	386,119
Administration	1,092,500	252,301	1,684,852	25,367	**3,055,020**	985,707
Depreciation and Amortization	369,465	665,319	86,757	11,638	**1,133,179**	11,707
Total Operating Expense	3,721,095	1,948,058	1,771,977	37,005	**7,478,135**	1,383,533
Operating Income (Loss)	1,188,191	843,741	(209,177)	1,376	**1,824,131**	(76,788)
Nonoperating Revenues (Expense)						
Investment Income	252,728	112,853	18,785	-	**384,366**	4,998
Gain on Disposal of Assets	-	-	15,700	-	**15,700**	-
Interest Expense	(23,538)	(93,421)	(322)	-	**(117,281)**	-
Net Nonoperating Revenues (Expense)	229,190	19,432	34,163	-	**282,785**	4,998
Income (Loss) Before Contributions and Transfers	1,417,381	863,173	(175,014)	1,376	**2,106,916**	(71,790)
Contributions and Transfers						
Capital Contributions	383,625	730,822	-	-	**1,114,447**	-
Transfers from Other Funds	158,150	1,224	-	-	**159,374**	-
Transfers to Other Funds	(1,301,082)	(812,501)	(104,781)	-	**(2,218,364)**	-
Change in Net Position	658,074	782,718	(279,795)	1,376	**1,162,373**	(71,790)
Net Position - Beginning of Year, as Previously Stated	(14,884,554)	12,380,413	1,128,715	177,948	**(1,197,478)**	212,524
Prior Period Adjustment	35,275,331	-	-	-	**35,275,331**	-
Net Position - Beginning of Year, as Restated	20,390,777	12,380,413	1,128,715	177,948	**34,077,853**	212,524
Net Position - End of Year	$ 21,048,851	13,163,131	848,920	179,324	**35,240,226**	140,734

Change in net position per fund financials	$ **1,162,373**
Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain activities of the internal service fund are reported with business-type activities	**(47,303)**
Change In Net Position of Business-Type Activities	$ **1,115,070**

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

CITY OF EL DORADO, KANSAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds					Business-Type Activities
	Major Funds			Nonmajor Fund	Total	Internal Service Fund (Data
	Waterworks System	Sewer System	Refuse	Compressed Natural Gas	Enterprise Funds	Processing Fund)
Cash Flows From Operating Activities						
Cash Received from Customers and Users	$ 4,852,377	2,686,224	1,512,625	38,381	**9,089,607**	1,306,690
Cash Received from Federal Aid	139	36	307	-	**482**	-
Payments to Suppliers	(2,279,742)	(847,947)	(967,626)	(26,539)	**(4,121,854)**	(342,502)
Payments to Employees	(1,145,080)	(419,858)	(641,527)	-	**(2,206,465)**	(1,011,588)
Net Cash Provided (Used) for Operating Activities	1,427,694	1,418,455	(96,221)	11,842	**2,761,770**	(47,400)
Cash Flows From Capital and Related Financing Activities						
Principal Paid on General Obligation Bonds	(195,930)	(661,810)	-	-	**(857,740)**	-
Principal Paid on Revolving Loan Note Payable	-	(110,493)	-	-	**(110,493)**	-
Interest Paid on Debt	(23,726)	(96,375)	-	-	**(120,101)**	-
Principal Paid on Lease Payable	(17,197)	(536)	(1,158)	-	**(18,891)**	-
Interest Paid on Lease Payable	(1,748)	(149)	(322)	-	**(2,219)**	-
Principal Paid on SBITAs Payable	(12,067)	-	-	-	**(12,067)**	(9,946)
Proceeds from the Sale and Transfer of Assets	-	-	15,700	-	**15,700**	-
Acquisition and Construction of Capital Assets	-	(164,328)	(353,725)	-	**(518,053)**	-
Net Cash Provided (Used) for Capital and Related Financing Activities	(250,668)	(1,033,691)	(339,505)	-	**(1,623,864)**	(9,946)
Cash Flows to Noncapital Financing Activities						
Transfers to Other Funds	(1,142,932)	(811,277)	(104,781)	-	**(2,058,990)**	-
Cash Flows From Investing Activities						
Investment Income	252,728	112,853	18,785	-	**384,366**	4,998
Net Increase (Decrease) in Cash and Investments	286,822	(313,660)	(521,722)	11,842	**(536,718)**	(52,348)
Cash and Investments, Beginning of Year	3,212,660	1,439,534	823,210	10,029	**5,485,433**	286,813
Cash and Investments, End of Year	$ 3,499,482	1,125,874	301,488	21,871	**4,948,715**	234,465

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

CITY OF EL DORADO, KANSAS
Statement of Cash Flows
Proprietary Funds (Continued)
For the Year Ended December 31, 2023

	Business-Type Activities - Enterprise Funds					Business-Type Activities
	Major Funds			Nonmajor Fund	Total	Internal Service Fund (Data
	Waterworks System	Sewer System	Refuse	Compressed Natural Gas	Enterprise Funds	Processing Fund)
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating Income (Loss)	$ 1,188,191	843,741	(209,177)	1,376	**1,824,131**	(76,788)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Depreciation and Amortization	369,463	665,317	86,757	11,638	**1,133,175**	11,707
Decrease (Increase) in Assets and Deferred Outflows						
Accounts Receivable	(54,368)	(86,572)	(50,175)	-	**(191,115)**	(55)
Intergovernmental Receivable	139	36	307	-	**482**	-
Leases Receivable	22,786	8,656	-	-	**31,442**	-
Inventories	(135,709)	(11,250)	-	-	**(146,959)**	-
Deferred Outflows - Pension	34,575	14,336	22,284	-	**71,195**	-
Deferred Outflows - OPEB	11,323	6,113	6,182	-	**23,618**	-
Increase (Decrease) in Liabilities and Deferred Inflows						
Accounts Payable	4,179	(8,576)	28,170	(1,172)	**22,601**	9,023
Compensated Absences Payable	(3,996)	8,572	7,992	-	**12,568**	8,713
Unearned Revenue - Other	-	30	-	-	**30**	-
Deferred Inflows - Pension	44,669	18,521	28,789	-	**91,979**	-
Deferred Inflows - Leases	(25,327)	(27,689)	-	-	**(53,016)**	-
Deferred Inflows - OPEB	8,715	4,779	4,702	-	**18,196**	-
Net Pension Liability	(19,481)	(8,078)	(12,556)	-	**(40,115)**	-
Net OPEB Liability	(17,465)	(9,481)	(9,496)	-	**(36,442)**	-
Net Cash Provided (Used) for Operating Activities	$ 1,427,694	1,418,455	(96,221)	11,842	**2,761,770**	(47,400)
Schedule of Noncash Capital and Related Financing Activities						
Contribution of Capital Assets	$ 383,625	730,822	-	-	**1,114,447**	-
Lease Obligations Incurred for Lease Assets	42,727	57,713	1,158	-	**101,598**	-
SBITA Obligations Incurred for SBITA Assets	12,067	-	-	-	**12,067**	9,946

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

CITY OF EL DORADO, KANSAS

Statement of Net Position

Fiduciary Fund

December 31, 2023

		Retiree Health Care Benefit Plan Trust Fund
Assets		
Investments		
Mutual Funds	$	**687,330**
Net Position		
Restricted for		
Post Employment Benefits	$	**687,330**

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

CITY OF EL DORADO, KANSAS
Statement of Changes in Net Position
Fiduciary Fund
For the Year Ended December 31, 2023

		Retiree Health Care Benefit Plan Trust Fund
Additions		
Contributions		
Employers	$	69,440
Investment Earnings		
Net Decrease in Fair Value of Investments		44,650
Interest, Dividends, and Other		23,654
Total Additions		137,744
Deductions		-
Net Change in Fiduciary Net Position		137,744
Net Position, Beginning of Year		549,586
Net Position, End of Year	$	**687,330**

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

CITY OF EL DORADO, KANSAS
Combining Statement of Net Position
Component Units
December 31, 2023

	Bradford Memorial Library	El Dorado Senior Center, Inc.	Total Component Units
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash and Investments	$ 755,891	47,849	**803,740**
Receivables, Net of Allowance for Uncollectibles			
Taxes	608,660	-	**608,660**
Interest	-	23	**23**
Restricted Cash and Investments	268,046	-	**268,046**
Capital Assets, Depreciable	2,476,421	-	**2,476,421**
Less Accumulated Depreciation	(1,691,839)	-	**(1,691,839)**
Total Assets	2,417,179	47,872	**2,465,051**
Deferred Outflows of Resources			
Deferred Outflows - Pension	86,047	-	**86,047**
Deferred Outflows - OPEB	23,152	-	**23,152**
Total Deferred Outflows of Resources	109,199	-	**109,199**
Total Assets and Deferred Outflows of Resources	2,526,378	47,872	**2,574,250**
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Liabilities			
Accounts Payable and Other Current Liabilities	17,652	6,147	**23,799**
Noncurrent Liabilities			
Due Within One Year	30,000	-	**30,000**
Due in More Than One Year	355,743	-	**355,743**
Total Liabilities	403,395	6,147	**409,542**
Deferred Inflows of Resources			
Deferred Inflows - Pension	21,389	-	**21,389**
Deferred Inflows - OPEB	2,532	-	**2,532**
Deferred Receivable - Property Taxes	608,660	-	**608,660**
Deferred Revenue - Grant Proceeds Other Than Timing	-	10,000	**10,000**
Total Deferred Inflows of Resources	632,581	10,000	**642,581**
Total Liabilities and Deferred Inflows of Resources	1,035,976	16,147	**1,052,123**
Net Position			
Net Investment in Capital Assets	694,582	-	**694,582**
Unrestricted	795,820	31,725	**827,545**
Total Net Position	$ 1,490,402	31,725	**1,522,127**

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

CITY OF EL DORADO, KANSAS
Combining Statement of Activities
Component Units
For the Year Ended December 31, 2023

		Bradford Memorial Library	El Dorado Senior Center, Inc.	Total Component Units
Expenses				
Personal Services	$	373,687	79,118	**452,805**
Contractual Services		87,068	42,114	**129,182**
Commodities		107,352	21,059	**128,411**
Depreciation		167,427	-	**167,427**
Interest Expense		2,400	-	**2,400**
Total Expenses		737,934	142,291	**880,225**
Program Revenues				
Charges for Services		33,503	101,571	**135,074**
Operating Grants and Contributions		41,198	-	**41,198**
Total Program Revenues		74,701	101,571	**176,272**
Net (Expense) Revenue		(663,233)	(40,720)	**(703,953)**
General Revenues				
Property Taxes Appropriation		608,546	51,180	**659,726**
Unrestricted Investment Gain		56,979	152	**57,131**
Total General Revenues		665,525	51,332	**716,857**
Change in Net Position		2,292	10,612	**12,904**
Net Position - Beginning of Year		1,488,110	21,113	**1,509,223**
Net Position - End of Year	$	1,490,402	31,725	**1,522,127**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

City of El Dorado, Kansas (the City) is a municipal corporation governed under a Mayor-Commission form of government consisting of an elected mayor and four-member board. The City provides a full range of municipal services to its citizens in the areas of police and fire protection, sanitation, health, recreation, library, public improvements, building and zoning, general administrative services, water, wastewater and solid waste collection, and cemetery operations. As required by generally accepted accounting principles (GAAP), these financial statements present the City (primary government) and its component units, entities for which the City is considered to be financially accountable. The component units discussed in the following paragraphs are included in the City's reporting entity because of the significance of their operational or financial relationship to the City.

Discretely Presented Component Units

Discretely presented component units are entities that are legally separate from the City, but are financially accountable to the City, or whose relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The component units are reported in a separate column to emphasize that they are legally separate from the primary government and are governed by separate boards.

The Bradford Memorial Library (the Library) operates the public library in the City. The City Commission appoints the Library's governing body. The Library may not purchase or lease a site or erect a building for use of the Library without the approval of the City Commission. The Library component unit is presented as a governmental fund type and does not issue separate financial statements. The Library taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. The Library also receives funding through state assistance programs, charges for services, and donations from the public. Also included in the Library's financial data are the operations of the Bradford Memorial Library Endowment (the Endowment), a component unit of the Bradford Memorial Library. The Endowment is a legally separate, tax-exempt organization and is comprised of gifts and bequests that are subject to a requirement that the principal be maintained intact and invested to create a source of income for the Library to supplement the resources that are available to the Library in support of its programs.

El Dorado Senior Center, Inc.'s (the Center) purpose is to provide transportation and programs to senior citizens of the El Dorado community. The Center provides an access for social gatherings, meeting rooms, travel and transportation, and other activities. The Center is fiscally dependent on the City and the City has otherwise assumed the obligation to finance the deficits of the Center, if needed. The City has oversight responsibility of day-to-day operations and administration of the Center. The Center component unit is presented as a governmental fund type and does not issue separate financial statements.

Fiduciary Component Unit

The City has a Retiree Health Care Benefit Plan Trust Fund (the Trust Fund) that is a fiduciary component unit of the City and is reported as a fiduciary fund. The assets of the Trust Fund are held in a legally separate entity for other post-employment benefit arrangements. The City is responsible for all aspects of the Trust Fund including accumulation of resources for post-employment health benefits to qualified employees. The Trust Fund is governed by the City Commission and managed by the finance department of the City.

Joint Venture

During fiscal year 2011, the City announced a collaborative project with Butler County Community College (the College) and El Dorado Unified School District No. 490 (the District) to create the Educational Facilities Authority of Butler County (the Authority). The Authority's board is comprised of seven members, with two appointed from each participant, and the seventh appointed by the other six members. Upon dissolution of the Authority, property owned by the Authority will be transferred to the City, College, and District, or sold with the proceeds thereof paid to the City, College, and District.

The Authority is the official governing body of the BG Products Veterans Sports Complex (the Sports Complex), which was constructed and located in City limits. The bowl-design stadium accommodates 3,000 home fans and 1,000 visitors, with a future capacity to seat 4,500 and 2,000, respectively. In addition to the commitment to help fund construction of the Sports Complex, the City had an ongoing financial obligation for certain operating costs of the stadium.

During 2012, the City donated $3,000,000 to fund its portion of construction. In addition to funds paid for construction, the agreement required the City to pay its portion of utilities, insurance, and maintenance costs associated with the stadium, along with the College and the District. The City's equity interest in the authority as of December 31, 2023 is $3,000,000.

Separate audited financial statements are not prepared by the Authority.

Use of Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and deferred outflows of resources and liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Government-Wide and Fund Financial Statements
The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements
Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements.

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are generally considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. A 60-day availability period is used for revenue recognition for all governmental fund revenues except property taxes. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

Property taxes, sales taxes, franchise taxes, interest associated with the current fiscal period, and certain state and federal grants and entitlements are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City. While property taxes receivable are shown on the balance sheet as current assets of the City, they are not recognized as revenue at year end because statutory provisions prohibit their use until the year for which they were raised and budgeted. Instead, they are offset by unavailable revenue accounts.

The City reports the following major governmental funds:

General Fund - The general fund accounts for all financial resources except those required to be accounted for in another fund.

Debt Service Fund - The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Construction Fund - The construction fund accounts for the resources accumulated and payments made for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.

The City reports the following major proprietary funds:

Waterworks System Fund - The waterworks system fund accounts for the operation of the municipal water utility including water supply, treatment and distribution.

Sewer System Fund - The sewer system fund accounts for the operation of the municipal sewer utility including the collection and treatment of wastewater.

Refuse Fund - The refuse fund accounts for the operation of the refuse utility including the collection and disposal of solid waste and the City's recycling program.

The City also reports the following fund types:

Internal Service Fund – The internal service fund is used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. This fund accounts for the City's information technology activities.

Fiduciary Fund – The Retiree Health Care Benefit Plan (Trust Fund) is used to accumulate the resources for postemployment health care benefits to qualified employees.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's water, sewer and refuse functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Waterworks System Fund, the Sewer System Fund, and the Refuse Fund are charged to customers for sales and services. Operating expenses for the Waterworks System Fund, Sewer System Fund and Refuse Fund include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Investments
The City maintains a cash and investment pool that is available for use by all funds. The pool has the general characteristics of demand deposit accounts, in that each fund may deposit additional cash at any time and also may withdraw cash at any time without prior notice or penalty. The pooled cash is invested to the extent available in authorized investments. These pooled investments consist of operating accounts and nonnegotiable certificates of deposit that are recorded at cost because they are not affected by market rate changes. Earnings from investments are allocated to the funds on the basis of the average monthly balance and in accordance with the adopted budget. Deposits are reported at their carrying amount which approximates fair value.

The City's Retiree Health Care Benefit Plan Trust Fund (fiduciary fund) has investments in mutual funds which are recorded at fair value.

The Library's investments consist of mutual funds, exchange traded funds, and close-end funds which are recorded at fair value.

Statement of Cash Flows
For purposes of the statement of cash flows, the City considers deposits and highly liquid investments with an original maturity of three months or less to be cash equivalents.

Receivables and Payables
Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade accounts receivable are shown net of an allowance for uncollectible. Management records an allowance for all account balances not collected within four months.

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the governmental funds unavailable revenue is reported as follows:

General fund property taxes receivable	$ 4,727,324
Debt service fund property taxes receivable	1,173,797
Debt service fund special assessments receivable	5,032,846
Nonmajor funds property taxes receivable	242,453
Nonmajor funds special assessment receivable	324,795
Total	**$ 11,501,215**

Property Taxes and Receivable
The City's property taxes are levied each year on the assessed value of all real estate listed as of the prior January 1, the lien date. Assessed values are established by Butler County. The assessed value upon which the 2023 levy was based was $117,454,476.

Property taxes are legally restricted for use in financing operations of the ensuing year. Accordingly, the City defers revenue recognition until the year for which they are to be used. Property taxes are levied on November 1. Property owners have the option of paying one-half or the full amount of the 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. Property taxes become delinquent on December 20 of each fiscal year if the taxpayer has not remitted at least one-half of the amount due. The 2023 tax levy per $1,000 of assessed valuation was as follows:

General fund	40.551
Debt service fund	10.069
Component unit	
Library	5.221
Nonmajor funds	
Industrial	1.147
Airport	0.934
	57.922

Special Assessment Receivable
As required by State statutes, projects financed in part by special assessments are financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City and are retired from the City's debt service fund. Further, Kansas statutes permit levying additional general ad valorem property taxes in the City's debt service fund to finance delinquent special assessments receivable. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate construction project. Special assessments received after the issuance of bonds are recorded as revenue in the debt service fund. Special assessment taxes are levied over a ten or twenty-year period and the annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears. On December 31, the special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the debt service fund and accrued as revenues in the statement of activities. Since they are not considered available spendable resources for the governmental funds, the special assessments receivable is reported as unavailable revenue in the fund financial statements.

Beginning in November 2008, the City levied special assessments to property owners within the City for stormwater maintenance and improvements. On December 31, the stormwater special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the stormwater utility special revenue fund and accrued as revenues in the statement of activities. Since they are not considered available spendable resources for the governmental funds, the stormwater special assessments receivable is reported as unavailable revenue in the fund financial statements.

Inventories
Inventories are valued at cost as determined by the first-in, first-out method. The purchase method is used to account for these inventories. Under the purchase method, inventories are recorded as expenditures when purchased; however, material amounts of inventories are reported as assets of the respective fund. Inventories in the general fund consist of expendable supplies held for consumption.

Capital Assets
Capital assets, which include property, plant, equipment, infrastructure (e.g., roads, bridges, curbs and gutters, sidewalks and similar items) and construction in progress are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of $5,000. Capital assets are valued at historical cost or estimated historical cost (if actual historical cost is not available). The historical cost, or estimates of historical cost, for the City's infrastructure assets include all assets acquired or constructed subsequent to January 1, 1980. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. For proprietary funds, interest costs incurred to bring certain assets to the condition and location necessary for their intended use are capitalized as part of the historical cost of acquiring the assets. Additionally, in situations involving the acquisition of certain assets financed with the proceeds of tax-exempt borrowing, any interest earned on related interest-bearing investments from such proceeds is offset against the related interest costs in determining either capitalization rates or limitations on the amount of interest costs to be capitalized.

Capital assets of the primary government and its component unit are depreciated using the straight-line method over the following estimated useful lives:

Buildings and structures	40 to 50 years
Improvements other than buildings	20 to 60 years
Infrastructure	18 years
Machinery and equipment	5 to 20 years
Office equipment	10 years
Water treatment plants	40 years
Water and sewer mains	75 years

Amortization of assets acquired under capital leases is included in depreciation.

The City acquired water storage space in 1972 for $10,451,553 which is reported in the waterworks system fund and business-type activities column in the government-wide financial statements as a capital asset. The water storage space acquired is considered to have an indefinite life. As a result, no amortization will be taken on the space rights.

Leased Assets
Leased assets are initially recorded at the initial measurement of the lease liability, plus lease payments made at or before the commencement of the lease term, less any incentives received from the lessor at or before the commencement of the lease, plus initial direct costs that are ancillary to place the asset in

service. Leased assets are amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset.

Subscription Assets
Subscription assets are initially recorded at the initial measurement of the subscription liability, plus subscription payments made at or before the commencement of the subscription-based information arrangement (SBITA) term, less any SBITA vendor incentives received from the SBITA vendor at or before the commencement of the SBITA term, plus capitalizable initial implementation costs. Subscription assets are amortized on a straight-line basis over the shorter of the SBITA term or the useful life of the underlying asset.

Deferred Outflows and Inflows of Resources
In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. One item is deferred outflows for pension and is reported in the government-wide statement of net position. See Note 9 for more information on the deferred outflows for pension. The second is deferred outflows for other postemployment benefits (OPEB). See Note 10 for more information on the deferred outflows for OPEB.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report unavailable revenues from two sources: property taxes and special assessments and deferred inflows of resources related to the City's leasing activities as a lessor. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Governmental-wide activities report deferred receivable from property taxes and leasing activities. As well as deferred inflows for pension and OPEB. See Note 9 for more information on the deferred inflows for the pension and Note 10 for more information on the deferred inflows for OPEB.

Compensated Absences
The City's policies regarding personal leave permit employees to accumulate a maximum of 260 hours for regular, full time employees, 300 hours for full time police, and 405 hours for full time fire. The City's policies regarding sick leave permit employees to accumulate a maximum of 90 days for regular, full time employees and police and 126 days for full time fire. Policies prohibit payment for personal leave in lieu of time off and require cancellation of accumulated sick leave on the date of employment termination. The liability for accrued personal leave is accrued when incurred in the government-wide and propriety fund financial statements. The liability is classified as current or long-term based on previous history of usage by employees. A liability for these amounts is reported in governmental funds only if it has matured, for example, as a result of employee termination or retirement.

Long-Term Obligations
In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or propriety fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions
For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of KPERS and additions to/deductions from KPERS's fiduciary net position have been determined on the same basis as they are reported by KPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position and Fund Balance
In the government-wide and proprietary fund financial statements, net position is classified into three components:

- Net investment in capital assets - consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, leases, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

- Restricted net position - consisting of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The City first utilizes restricted resources to finance qualifying activities.

- Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

In the governmental fund financial statements, fund balance is comprised of five different classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The fund balance is classified as follows:

- Nonspendable - Assets legally or contractually required to be maintained or are not in spendable form. Such constraint is binding until the legal requirement is repealed or the amounts become spendable.

- Restricted - Assets with externally imposed constraints, such as those mandated by creditors, grantors, and contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, laws, or regulations.

- Committed - Assets with a purpose formally imposed by a formal action, an ordinance, of the City Commission, binding unless modified or rescinded by the City Commission.

- Assigned - Comprised of amounts intended to be used by the City for specific purposes that are neither restricted nor committed. The City Commission has by resolution authorized the Finance Director of the City to assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of the assignment. Encumbrances are included in assigned fund balances. Additional Information on encumbrance balances is provided in Note 11 – Encumbrances.

- Unassigned - All amounts not included in the other fund balance classifications. The general fund shall be the only fund required to report positive unassigned fund balance. All other governmental funds may report negative unassigned fund balance.

In circumstances when an expenditure is made for a purpose which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

Concentrations of Credit Risk
Credit is extended to citizens for special assessments levied by the City for capital improvements. These special assessments are secured by liens on the related properties. Unsecured credit is extended to customers for water, sewer, and refuse fees and charges for services.

Intergovernmental receivables include unsecured amounts due from federal, state, and county agencies for various grant programs.

Adoption of New Governmental Accounting Standards Board Statements
GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs), which is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The adoption of this statement had no effect on previously reported amounts.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements,* provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases,* as amended. See Note 7 for additional information on the implementation of this new standard.

GASB issued Statement No. 99, *Omnibus 2022,* provides clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, information on disclosures related to nonmonetary transactions, and updates to terminology related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This statement has been partially adopted as only paragraphs 26-32 were effective for the current year. All the applicable changes have been made to the financial statements.

Pending Governmental Accounting Standards Board Statements
At December 31, 2023, the Governmental Accounting Standards Board (GASB) has issued several statements not yet implemented by the City. The effect of these statements has not yet been determined. The statements that might impact the City are as follows:

GASB issued Statement No. 99, *Omnibus 2022,* provides clarification of provisions in Statement No. 53 related to financial guarantees and the classification and reporting of derivative instruments. The requirements for this statement will take effect for financial statements starting with the fiscal year that ends June 30, 2024.

GASB Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62,* enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement will take effect for financial statements starting with a fiscal year that ends June 30, 2024.

GASB Statement No. 101, *Compensated Absences*, aims to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by

amending certain previously required disclosures. The requirements for this statement will take effect for financial statements starting with a fiscal year that ends December 31, 2024.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), and the debt service fund. Family Life Center, Expendable Trust, Customer Deposit, Law Enforcement Trust, Police Department Seized Assets and Community Improvement District special revenue funds are exempted from preparing a legally adopted budget. 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 10 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 this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held, and the governing body may amend the budget at that time. There were budget amendments in the Senior Center, Stormwater Utility, Economic Development Sales Tax, Tourism Tax, Ordinance Street Sales Tax, Excess Sales Tax, Building Demolition, Waterworks System, Sewer System, Refuse and Compressed Natural Gas 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. Management has the authority to revise departmental budgets within a fund; however, the City Commission must approve changes to the appropriations at the fund level. Budget comparison statements 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 modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. 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. All unencumbered appropriations (legal budget expenditure authority) lapse at year end. Encumbrances outstanding in the governmental funds financial statements at year end are reported as reservations of fund balances and do not constitute liabilities because the commitments will be honored during subsequent years.

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.

Excess of Expenditures Over Budget Appropriations

Expenditures exceeded budget appropriations in the Ordinance Street Sales Tax fund by $93,455, and Excess Sales Tax fund by $28,777 for the year ended December 31, 2023, which is in violation of K.S.A. 79-2935.

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits

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 be collateralized, and that collateral pledged must have a fair value equal to 100% of the deposits and investments, less insured amounts, and must be assigned for the benefit of the City.

The City maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is included in cash and investments on the balance sheet. At December 31, 2023, the City's carrying amount of deposits, including certificates of deposit, was not exposed to custodial credit risk.

The carrying amounts of deposits for the Library and the Center, discretely presented component units, were not exposed to custodial credit risk at December 31, 2023.

Investments

As of December 31, 2023, the City had the following investments:

			Investment Maturities (in Years)			
Investment Type		Fair Value	Less than 1	1 - 5	6 - 10	More Than 10
Fixed Income Mutual Funds	$	460,110	460,110	-	-	-
Domestic Equity Mutual Funds		152,089	152,089	-	-	-
International Equity Mutual Funds		52,349	52,349	-	-	-
Real Estate Mutual Funds		22,782	22,782	-	-	-
	$	687,330	687,330	-	-	-

Discretely Presented Component Unit - Library

			Investment Maturities (in Years)			
Investment Type		Fair Value	Less than 1	1 - 5	6 – 10	More Than 10
Mutual Funds, EFTs, and Closed-End Funds	$	256,651	256,651	-	-	-
Money Market Mutual Funds		11,395	11,395	-	-	-
	$	268,046	268,046	-	-	-

Interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes establish a two-year limitation on investment maturities. The City is not exposed to significant interest rate risk.

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

Custodial credit risk – 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. At December 31, 2023, the City's investments were not exposed to custodial credit risk.

Fair value measurement. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles (GAAP). 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; and Level 3 inputs are significant unobservable inputs.

At December 31, 2023, the City's fiduciary fund investments were categorized within the fair value hierarchy as follows:

City			Fair Value Measurement at Reporting Date Using		
Investment Type		Fair Value	Level 1	Level 2	Level 3
Mutual Funds	$	687,330	687,330	-	-

Library			Fair Value Measurement at Reporting Date Using		
Investment Type		Fair Value	Level 1	Level 2	Level 3
Mutual Funds, EFTs, and Closed End Funds	$	268,046	268,046	-	-

NOTE 4 – LEASES RECEIVABLE

The City leases land and buildings on a fixed amount to various third parties who use the space to conduct their operations, the terms of which expire in various years through 2070. Lessor activity for the year ended December 31, 2023 was as follows:

On December 17, 1999, the City entered into a 107 month lease as the lessor for the use of infrastructure. The initial lease receivable was recorded in the amount of $204,400. As of December 31, 2023, the value of the lease receivable is $159,007. The lessee is required to make monthly fixed payments of $2,011. The lease has an interest rate of .788%. The value of the deferred inflow of resources as of December 31, 2023 was $150,977, and the City recognized lease revenue of $25,327 during the fiscal year. The lessee has 1 extension option for 60 months.

On June 28, 2010, the City entered into a 595 month lease as lessor for the use of land. The initial lease receivable was recorded in the amount of $784,077. As of December 31, 2023, the value of the lease receivable is $785,997. The lessee is required to make monthly fixed payments of $933 at an interest rate of 1.6320%. The value of the deferred inflow of resources as of December 31, 2023 was $736,280, and the City recognized lease revenue of $15,806 during the fiscal year. The lessee has 7 extension options, each for 60 months.

On June 7, 2010, the City entered into a 173 month lease as lessor for the use of land. The initial lease receivable was recorded in the amount of $162,817. As of December 31, 2023, the value of the lease receivable is $144,025. The lessee is required to make monthly fixed payments of $926 at an interest rate of 1.1137%. The value of the deferred inflow of resources as of December 31, 2023 was $136,565, and the City recognized lease revenue of $11,884 during the fiscal year. The lessee has 2 extension options, each for 60 months. The lessee had a termination period of 6 months as of the lease commencement.

On January 8, 2019, the City entered into a 36 month lease as lessor for the use of the Butler REC Civic Center building. The initial lease receivable was recorded in the amount of $70,591. As of December 31, 2023, the value of the lease receivable is $0. The lessee is required to make monthly fixed payments of $2,950 at an interest rate of .2833%. The value of the deferred inflow of resources as of December 31, 2023 was $0, and the City recognized lease revenue of $35,254 during the fiscal year. The lessee has 2 extension options, each for 12 months. The lessee had a termination period of 3 months as of the lease commencement.

On March 1, 2023, the City entered into a 3 year lease as lessor for the use of land. The lease had an initial lease receivable recorded in the amount of $23,924. As of December 31, 2023, the value of the lease receivable is $16,329. The lessee is required to make annual fixed payments of $8,772 at an interest rate of 4.92%. The value of the deferred inflow of resources as of December 31, 2023 was $16,329, and the City recognized lease revenue of $7,595 during the fiscal year.

Future minimum lease payments are as follows:

		Principal	Interest	Total
Governmental Activities				
2024	$	7,969	803	8,772
2025		8,360	411	8,771
	$	**16,329**	**1,214**	**17,543**

		Principal	Interest	Total
Business-Type Activities				
2024	$	32,078	15,557	47,635
2025		37,203	15,258	52,461
2026		38,756	14,920	53,676
2027		39,500	14,571	54,071
2028		40,266	14,211	54,477
2029-2033		107,703	66,895	174,598
2034-2038		48,232	62,208	110,440
2039-2043		43,275	59,208	102,483
2044-2048		63,930	54,876	118,806
2049-2053		89,044	48,685	137,729
2054-2058		119,426	40,240	159,666
2059-2063		156,024	29,073	185,097
2064-2068		199,944	14,633	214,577
2069-2070		73,648	1,012	74,660
	$	**1,089,029**	**451,347**	**1,540,376**

NOTE 5 – CAPITAL PROJECTS

The City is currently working on paving projects and performing various improvements. These projects are being funded primarily with federal grant monies and by the issuance of bonds.

Following is a summary of costs to December 31, 2023 for capital projects compared to the amount authorized:

Project	Costs-to-Date	Amount Authorized
Paving Hunton Road and Simpson Road	$ 1,653,601	1,311,854
Paving 5th Avenue and 2nd Avenue	38,288	507,391
Myers East Addition Paving	219,153	256,728
Myers East Addition Sewer	157,860	187,812
Paving Deer Run	388,299	423,149
Sanitary Sewer Deer Run	90,431	108,963
Paving Adlesperger Smith Phase III	770,881	843,904
Sewer Adlesperger Smith Phase III	96,214	109,307
Waterline Adlesperger Smith Phase III	5,072	159,180
Automated Meter Infrastructure	-	2,400,000

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the primary government for the year ended December 31, 2023 was as follows:

Primary Government

	Balance January 1, 2023	Increase	Decrease	Transfers	Balance December 31, 2023
Governmental Activities					
Capital Assets Not Being Depreciated:					
Land	$ 4,920,772	47,669	-	-	4,968,441
Asset Not In Use	-	-	-	784,700	784,700
Construction in Progress	2,261,345	2,953,014	(3,414,843)	(784,700)	1,014,816
Total Capital Assets Not Being Depreciated	7,182,117	3,000,683	(3,414,843)	-	6,767,957
Capital Assets Being Depreciated:					
Buildings	12,458,576	6,917	-	-	12,465,493
Improvements Other Than Buildings	12,719,019	380,833	-	-	13,099,852
Machinery and Equipment	9,197,007	297,554	(10,150)	-	9,484,411
Infrastructure	47,363,765	3,070,222	-	-	50,433,987
Right-to-Use Leased Assets - Equipment	8,157	107,859	-	-	116,016
Right-to-Use Leased Assets - Land	563,370	-	-	-	563,370
SBITAs	-	56,329	-	-	56,329
Total Capital Assets Being Depreciated	82,309,894	3,919,714	(10,150)	-	86,219,458
Less Accumulated Depreciated for:					
Buildings	5,260,095	272,545	-	6,618	5,539,258
Improvements Other Than Buildings	5,101,172	416,670	-	(6,618)	5,511,224
Machinery and Equipment	6,000,653	601,349	(10,150)	-	6,591,852
Infrastructure	28,840,963	1,724,096	-	-	30,565,059
Right-to-Use Leased Assets - Equipment	2,728	3,428	-	-	6,156
Right-to-Use Leased Assets - Land	12,684	6,342	-	-	19,026
SBITAs	-	4,764	-	-	4,764
Total Accumulated Depreciated	45,218,295	3,029,194	(10,150)	-	48,237,339
Total Capital Assets Being Depreciated, Net	37,091,599	890,520	-	-	37,982,119
Governmental Activities Capital Assets, Net	$ 44,273,716	3,891,203	(3,414,843)	-	44,750,076

	Balance January 1, 2023	Increase	Decrease	Transfers	Balance December 31, 2023
Business-Type Activities					
Capital Assets Not Being Depreciated:					
Land	$ 740,378	-	-	-	740,378
Water Storage Space	10,451,553	-	-	-	10,451,553
Construction in Progress	333,125	795,960	(500,531)	-	628,554
Total Capital Assets Not Being Depreciated	11,525,056	795,960	(500,531)	-	11,820,485
Capital Assets Being Depreciated:					
Buildings	17,470,388	-	-	-	17,470,388
Improvements Other Than Buildings	24,562,913	500,531	-	-	25,063,444
Machinery and Equipment	7,159,796	836,540	-	-	7,996,336
Right-to-Use Leased Assets - Equipment	83,882	191,749	-	-	275,631
SBITAs	-	79,637	-	-	79,637
Total Capital Assets Being Depreciated	49,276,979	1,608,457	-	-	50,885,436
Less Accumulated Depreciated for:					
Buildings	9,128,543	375,891	-	-	9,504,434
Improvements Other Than Buildings	11,741,466	389,544	-	-	12,131,010
Machinery and Equipment	4,917,845	349,454	-	-	5,267,299
Right-to-Use Leased Assets - Equipment	12,396	19,970	-	-	32,366
SBITAs	-	10,023	-	-	10,023
Total Accumulated Depreciated	25,800,250	1,144,882	-	-	26,945,132
Total Capital Assets Being Depreciated, Net	23,476,729	463,575	-	-	23,940,304
Business-Type Activities Capital Assets, Net	$ 35,001,785	1,259,535	(500,531)	-	35,760,789

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	$ 310,691
Public Safety	367,014
Public Works (Including Depreciation of Infrastructure Assets)	2,022,992
Health and Sanitation	19,822
Culture and Recreation	273,879
Economic Development	34,796
Total Depreciation Expense – Governmental Activities	$ 3,029,194
Business-Type Activities:	
Waterworks Utility	$ 369,463
Sewer Utility	665,317
Refuse	86,757
Compressed Natural Gas	11,638
Capital Assets Held by the City's Internal Service Fund are Charged to the Various Functions Based on Their Usage	11,707
Total Depreciation Expense – Business-Type Activities	$ 1,144,882

Capital asset activity for the Library component unit for the year ended December 31, 2023 was as follows:

Discretely Presented Component Unit

	Balance January 1, 2023	Increase	Decrease	Transfers	Balance December 31, 2023
Library					
Capital Assets Being Depreciated:					
Buildings	$ 2,183,679	-	-	-	2,183,679
Machinery and Equipment	46,808	-	-	-	46,808
Books	225,297	20,637	-	-	245,934
Total Capital Assets Being Depreciated	2,455,784	20,637	-	-	2,476,421
Less Accumulated Depreciated for:					
Buildings	1,368,629	142,078	-	-	1,510,707
Machinery and Equipment	12,735	3,901	-	-	16,636
Books	143,048	21,448	-	-	164,496
Total Accumulated Depreciated	1,524,412	167,427	-	-	1,691,839
Library Capital Assets, Net	$ 931,372	(146,790)	-	-	784,582

NOTE 7 – LONG-TERM DEBT

General Obligation Bonds

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 both governmental and business-type activities.

General obligation bonds payable on December 31, 2023 are comprised of the following issues:

	Interest Rates	Original Issue	Final Maturity Date	Principal Payments in 2023	Outstanding December 31, 2023
General Obligation Bonds					
Governmental Activities					
Series 2010	1.60 - 3.35%	$ 1,648,262	11/1/2025	$ 76,790	165,099
Series 2013	1.65 - 2.75%	4,644,322	11/1/2028	158,400	853,600
Series 2015	2.00 - 4.00%	3,357,000	11/1/2025	452,071	354,139
Series 2016	1.25 - 2.00%	1,690,000	11/1/2027	145,000	460,000
Series 2019	3.00%	2,835,000	11/1/2039	120,000	2,425,000
Series 2021	2.00% - 4.00%	6,340,000	11/1/2041	370,000	5,590,000
Series 2022	2.86%	3,320,000	9/1/2024	-	3,320,000
Series 2023	4.25%	2,555,000	12/1/2025	-	2,555,000
				1,322,261	15,722,838
Business-Type Activities					
Series 2010	1.60 - 3.35%	546,738	11/1/2025	23,210	49,901
Series 2013	1.65 - 2.75%	2,000,678	11/1/2028	111,600	596,400
Series 2015	2.00 - 4.00%	580,000	11/1/2025	62,930	125,859
Series 2016	1.25 - 2.00%	6,530,000	11/1/2027	660,000	2,400,000
				857,740	3,172,160
Component Unit Activities					
Series 2016	1.25 - 2.00%	295,000	11/1/2027	30,000	90,000
Total General Obligation Bonds				$ 2,210,001	18,984,998

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

		Principal	Interest	Total
Governmental Activities				
2024	$	4,399,188	496,499	4,895,687
2025		3,655,050	376,791	4,031,841
2026		881,600	234,627	1,116,227
2027		746,600	206,423	953,023
2028		775,400	180,261	955,661
2029-2033		2,820,000	536,850	3,356,850
2034-2038		1,780,000	206,900	1,986,900
2039-2041		665,000	24,950	689,950
	$	**15,722,838**	**2,263,301**	**17,986,139**

		Principal	Interest	Total
Business-Type Activities				
2024	$	875,811	67,380	943,191
2025		894,951	49,082	944,033
2026		828,400	30,236	858,636
2027		448,400	13,135	461,535
2028		124,598	3,427	128,025
	$	**3,172,160**	**163,260**	**3,335,420**

		Principal	Interest	Total
Component Unit Activities				
2024	$	30,000	1,800	31,800
2025		30,000	1,200	31,200
2026		30,000	600	30,600
	$	**90,000**	**3,600**	**93,600**

Revolving Loans Payable – Direct Borrowing
During 2011, the City entered into a loan agreement with the Kansas Department of Health and Environment's Kansas Water Pollution Control Revolving Fund. The agreement enabled the City to borrow $2,106,252 to finance the construction of a new one-megawatt wind turbine generator at the City's wastewater treatment facility. The loan is being repaid over twenty years at an interest rate of 2.43%. The outstanding balance of $676,338 is shown as a liability in the sewer fund. The future annual debt service requirements as of December 31, 2023 are as follows:

		Principal	Interest and Service Fees	Total
2024	$	64,108	16,048	80,156
2025		65,676	14,481	80,157
2026		67,282	12,875	80,157
2027		68,927	11,230	80,157
2028		70,612	9,545	80,157
2029-2033		339,733	20,971	360,704
	$	**676,338**	**85,150**	**761,488**

During 2015, the City entered into a loan agreement with the Kansas Department of Health and Environment. The agreement enabled the City to borrow $1,058,908 to finance significant wastewater collection system improvements. The loan will be repaid over twenty years at an interest rate of 2.20%. The outstanding balance of $728,392 is shown as a liability in the sewer fund. The future annual debt service requirements for the revolving loan payable as of December 31, 2023 are as follows:

	Principal	Interest	Total
2024	$ 48,973	20,831	69,804
2025	50,056	19,388	69,444
2026	51,163	17,913	69,076
2027	52,295	16,405	68,700
2028	53,452	14,864	68,316
2029-2033	285,527	38,120	323,647
2034-2036	186,926	7,262	194,188
	$ 728,392	**134,783**	**863,175**

Purchase Agreements – Direct Borrowing
The City has entered into lease agreements as lessee for financing the acquisition of equipment. This year, $59,550 was included in depreciation expense. These lease agreements qualify as purchase agreements and therefore have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through purchase agreements are as follows:

Aerial Firetruck	$ 1,152,052
Less Accumulated Depreciation	(427,518)
Net Book Value	**$ 724,534**

The following is a schedule of future minimum lease payments for purchase agreements as of December 31, 2023:

	Principal	Interest	Total
2024	$ 124,771	4,093	128,864
2025	127,281	1,601	128,882
2026	10,744	57	10,801
	$ **262,796**	**5,751**	**268,547**

Right-to-Use Asset Leases – Direct Borrowing
The City, as lessee, leases buildings, and other equipment, the terms of which expire in various years through 2109. Lease activity for the year ended December 31, 2023 was as follows:

On November 1, 2009, the City entered into a 1,066 month lease as lessee for the use of American Legion. An initial lease liability was recorded in the amount of $563,370. As of December 31, 2023, the value of the lease liability is $553,945. The City is required to make monthly fixed payments of $2,000 and has an interest rate of 1.632%. The value of the right-to-use asset as of December 31, 2023 of $563,370 with accumulated amortization of $19,025 is included with leased land in Note 6.

On April 29, 2021, the City entered into a 60 month lease as lessee for the use of Xerox computer equipment. An initial lease liability was recorded in the amount of $8,152. As of December 31, 2023, the value of the lease liability is $3,700. The City is required to make monthly fixed payments of $138

and has an interest rate of .617%. The value of the right-to-use asset as of December 31, 2023 of $8,157 with accumulated amortization of $4,353 is included with leased equipment in Note 6.

On April 5, 2022, the City entered into a 60 month lease as lessee for the use of Bobcat compact excavator. An initial lease liability was recorded in the amount of $45,533. As of December 31, 2023, the value of the lease liability is $27,314. The City is required to make annual fixed payments of $9,500 and has an interest rate of 2.1567%. The value of the right-to-use asset as of December 31, 2023 of $45,536 with accumulated amortization of $15,838 is included with leased equipment in Note 6.

On April 5, 2022, the City entered into a 60 month lease as lessee for the use of Bobcat compact track loader. An initial lease liability was recorded in the amount of $38,344. As of December 31, 2023, the value of the lease liability is $23,001. The City is required to make annual fixed payments of $8,000 and has an interest rate of 2.1567%. The value of the right-to-use asset as of December 31, 2023 of $38,346 with accumulated amortization of $13,338 is included with leased equipment in Note 6.

On October 20, 2023, the City entered into a 60 month lease as lessee for the use of Enterprise Fleet vehicles. An initial lease liability was recorded in the amount of $299,609. As of December 31, 2023, the value of the lease liability is $295,196. The City is required to make monthly fixed payments of $5,643 and has an interest rate of 4.920%. The value of the right-to-use asset as of December 31, 2023 of $299,609 with accumulated amortization of $4,994 is included with leased land in Note 6.

Annual requirements to amortize long-term obligations and related interest are as follows:

	Principal	Interest	Total
Governmental Activities			
2024	$ 24,209	13,827	38,036
2025	25,253	12,782	38,035
2026	25,104	11,689	36,793
2027	25,828	10,551	36,379
2028	24,977	9,357	34,334
2029-2033	16,717	43,283	60,000
2034-2038	18,137	41,863	60,000
2039-2043	19,678	40,322	60,000
2044-2048	21,350	38,650	60,000
2049-2053	23,164	36,836	60,000
2054-2058	25,132	34,868	60,000
2059-2063	27,267	32,733	60,000
2064-2068	29,584	30,416	60,000
2069-2073	32,097	27,903	60,000
2074-2078	34,824	25,176	60,000
2079-2083	37,783	22,217	60,000
2084-2088	40,993	19,007	60,000
2089-2093	44,476	15,524	60,000
2094-2098	48,255	11,745	60,000
2099-2103	52,354	7,646	60,000
2104-2108	56,802	3,198	60,000
2109	9,932	74	10,006
	$ **663,916**	**489,667**	**1,153,583**

		Principal	Interest	Total
Business-Type Activities				
2024	$	51,238	9,602	60,840
2025		53,344	7,495	60,839
2026		55,551	5,294	60,845
2027		40,351	2,990	43,341
2028		38,756	960	39,716
	$	**239,240**	**26,341**	**265,581**

Subscription Obligations – Direct Borrowing

The City has various subscription based information technology arrangements (SBITAs), the terms of which expire in various years through 2030. Subscription obligations are measured at the present value of subscription payments expected to be made during the subscription term. Variable payments based upon the use of the underlying asset are not included in the subscription liability because they are not fixed in substance. SBITA activity for the year ended December 31, 2023 was as follows:

On November 20, 2020, the City entered into a 60 month subscription for the use of a Shelter Pro System. An initial subscription liability was recorded in the amount of $4,708. As of December 31, 2023, the value of the subscription liability is $3,171. The City is required to make annual fixed payments of $1,650 and has an interest rate of 2.7070%. The value of the subscription asset as of December 31, 2023 of $5,193 with accumulated amortization of $1,910 is included with SBITAs in Note 6.

On October 20, 2022, the City entered into a 13 month subscription for the use of a Ninja Professional. An initial subscription liability was recorded in the amount of $7,705. As of December 31, 2023, the value of the subscription liability is $0. The City is required to make annual fixed payments of $7,891 and has an interest rate of 2.8943%. The value of the subscription asset as of December 31, 2023 of $7,705 with accumulated amortization of $4,203 is included with SBITAs in Note 6.

On November 9, 2022, the City entered into a 13 month subscription for the use of Virtual Infrastructure Backup Service. An initial subscription liability was recorded in the amount of $844. As of December 31, 2023, the value of the subscription liability is $0. The City is required to make annual fixed payments of $864 and has an interest rate of 2.7070%. The value of the subscription asset as of December 31, 2023 of $964 with accumulated amortization of $520 is included with SBITAs in Note 6.

On July 14 2023, the City entered into a 96 month subscription for the use of Wems Wolfcom Evidence. An initial subscription liability was recorded in the amount of $49,226. As of December 31, 2023, the value of the subscription liability is $42,476. The City is required to make annual fixed payments of $6,750 and has an interest rate of 2.7360%. The value of the subscription asset as of December 31, 2023 of $49,226 with accumulated amortization of $2,854 is included with SBITAs in Note 6. The City has 3 extension options, each for 12 months.

On September 1, 2023, the City entered into a 52 month subscription for the use of Asset Essentials Professional Plus. An initial subscription liability was recorded in the amount of $55,563. As of December 31, 2023, the value of the subscription liability is $54,404. The City is required to make annual payments of $13,684 and has an interest rate of 2.7857%. The value of the subscription asset as of December 31, 2023 of $66,471 with accumulated amortization of $5,113 is included with SBITAs in Note 6.

On November 11, 2023, the City entered into a 48 month subscription for the use of VMware Vsphere Essentials Plus. An initial subscription liability was recorded in the amount of $4,376. As of December 31, 2023, the value of the subscription liability is $3,220. The City is required to make annual fixed payments of $1,156 and has an interest rate of 3.8040%. The value of the subscription asset as of December 31, 2023 of $4,496 with accumulated amortization of $187 is included with SBITAs in Note 6.

Annual requirements to amortize long-term obligations and related interest are as follows:

	Principal	Interest	Total
Governmental Activities			
2024	$ 7,152	1,248	8,400
2025	7,347	1,053	8,400
2026	5,898	852	6,750
2027	6,059	691	6,750
2028	6,225	525	6,750
2029-2030	12,966	535	13,501
	$ **45,647**	**4,904**	**50,551**

	Principal	Interest	Total
Business-Type Activities			
2024	$ 14,213	628	14,841
2025	14,019	1,232	15,251
2026	14,844	830	15,674
2027	14,548	405	14,953
	$ **57,624**	**3,095**	**60,719**

Conduit Debt Obligations
To further economic development, 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 from the private-sector entities on the underlying mortgage or promissory notes. In addition, no commitments beyond the collateral, the payments from the private-sector entities and maintenance of the tax-exempt status of conduit debt obligations were extended by the City for any of these bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2023, Industrial Revenue Bonds outstanding had an aggregated principal amount payable of approximately $4,748,907.

Community Improvement Districts (CID) Program
In 2009, the Kansas Legislature enacted the Community Improvement District Act (the CID Act), pursuant to which municipalities may create districts in which certain special taxes are imposed and the revenue generated by these special taxes is used to fund certain public and private improvements, including certain ongoing operating costs, within the geographic bounds of the district. The City has established four separate community improvement districts (CID) to finance the specific district's community development. The City is not obligated in any manner for repayment of this debt.

Contingent Liability for Water Storage Space
In 1972, the City entered into a contract with the United States Army Corps of Engineers (the Corps) whereby the City provided land and waterworks system assets and the Corps provided personnel and equipment to construct and expand a reservoir. The project was completed in 1983. The contract required the City to reimburse the Corps for construction costs of the activated water storage up to $22,873,796, plus interest compounded annually at 3.502% commencing July 1, 1992, with a final maturity date of July 1, 2081. Payments accelerate if water usage exceeds certain minimum quantities. There have been two instances where the City's water usage exceeded the minimum quantities and accelerated payment schedules were set up for each in 1992 and 2003. The loan balance has been paid in full on these instances. The National Defense Authorization Act of 2022 passed Congress and the bill was signed by the President as Public Law No. 117-263 on December 27, 2022. Within the Act, there was a special provision to modify the accrued interest on the outstanding principal amount beginning June

30, 1991 from compounding to simple interest on the future water storage space loan with the Corps. The effect of the new legislation reduced the outstanding balance on the future storage space by $15.1 million. If the remaining storage space is activated, the remaining principal balance of $18,500,024 for the construction costs associated with future water storage space and the interest accruing annually at 3.502% will become payable through the final maturity date of July 1, 2081. The liability balance increases annually for accrued interest by $647,871. At December 31, 2023, the potential liability including accrued interest is $39,231,891. At this time, the City has not deemed it probable that the future storage space will be activated. Therefore, the City has not recorded the asset for the future water storage or a liability for the construction costs.

Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2023 was as follows:

	Balance January 1, 2023	Additions	Reductions	Outstanding December 31, 2023	Due Within One Year
Governmental Activities					
General Obligation Bonds	$ 14,490,099	2,555,000	(1,322,261)	15,722,838	4,399,188
Issuance Premiums	840,715	-	(69,895)	770,820	-
Purchase Agreements - Direct Borrowing	385,132	-	(122,336)	262,796	124,771
Compensated Absences	327,485	289,577	(273,461)	343,601	2,285
Right-to-Use Asset Leases	562,207	107,859	(6,150)	663,916	24,209
SBITAs	-	51,565	(5,918)	45,647	7,152
Net Other Post-Employment Benefits Liability	646,065	-	(93,143)	552,922	-
Net Pension Liability	8,528,142	-	(181,583)	8,346,559	-
Total Long-Term Liabilities - Governmental Activities	**25,779,845**	**3,004,001**	**(2,074,747)**	**26,709,099**	**4,557,605**
Business-Type Activities					
General Obligation Bonds	$ 4,029,900	-	(857,740)	3,172,160	875,811
Revolving Loan Payable - Direct Borrowing	1,515,223	-	(110,493)	1,404,730	113,081
Water Storage Space Payable - Direct Borrowing	53,775,355	-	(53,775,355)	-	-
Compensated Absences	147,201	119,409	(98,128)	168,482	3,920
Right-to-Use Asset Leases	66,382	191,749	(18,891)	239,240	51,238
SBITAs	-	69,614	(11,990)	57,624	14,213
Net Other Post-Employment Benefits Liability	288,692	-	(36,440)	252,252	-
Net Pension Liability	1,828,396	-	(40,115)	1,788,281	-
Total Long-Term Liabilities - Business-Type Activities	**61,651,149**	**380,772**	**(54,949,152)**	**7,082,769**	**1,058,263**
Component Unit Activities					
General Obligation Bonds	$ 120,000	-	(30,000)	90,000	30,000
Compensated Absences	19,668	18,334	(17,556)	20,446	-
Net Other Post-Employment Benefits Liability	2,951	478	-	3,429	-
Net Pension Liability	253,655	18,213	-	271,868	-
Total Long-Term Liabilities - Business-Type Activities	**$ 396,274**	**37,025**	**(47,556)**	**385,743**	**30,000**

For the governmental activities, compensated absences and the net pension liability are generally liquidated by the general fund.

NOTE 8 – INTERFUND TRANSFERS

Interfund transfers reflect the flow of resources from one fund to another fund, generally from the fund in which the resources are received or reside to the fund in which the resources will be expended. Interfund transfers for the year ended December 31, 2023 were as follows:

		Transfers Out	Transfers In
Major Governmental Funds			
General	$	4,575,117	568,988
Construction		343,694	5,569,082
Nonmajor Governmental Funds		2,457,072	3,296,803
Major Proprietary Funds			
Waterworks System		1,301,082	158,150
Sewer System		812,501	1,224
Refuse		104,781	-
Total Transfers	**$**	**9,594,247**	**9,594,247**

Transfers were used to move revenues from the fund that statutes or the budget requires to collect to the fund that statutes or budget requires to expend them, move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authority, and eliminate negative cash balances in the payable funds due to project payment timing.

NOTE 9 – DEFINED BENEFIT PENSION PLAN

Plan Description

City of El Dorado, Kansas and the Library participate in a cost-sharing multiple-employer defined benefit pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public Employees, which includes
  - State/School employees
  - Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the City and the Library are included in the Local and Police and Firemen employees' groups.

KPERS issues a stand-alone annual comprehensive financial report, which is available on the KPERS website at www.kpers.org.

Benefits

Benefits are established by statute and may only be changed by the Kansas Legislature. Member employees (except police and firemen) with ten or more years of credited service may retire as early as age 55 (police and firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever an employee's combined age and years of credited service equal 85 "points". Police and firemen's normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service.

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, member employees may withdraw their contributions from their individual accounts, including interest. Member employees who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Member employees choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump sum payment of up to 50% of the actuarial present value of the member employee's lifetime benefit. The monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members, and employers. A new KPERS 3 cash balance retirement plan for new hires starting after January 1, 2015, was created. Normal retirement age for KPERS 3 is 65 with 5 years of service or 60 with 30 years of service. Early retirement is available at age 55 with 10 years of service with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions
Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll for the fiscal year ended June 30, 2023.

The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory employer capped contribution rate for local government employees are both 8.43%. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory employer capped contribution rate for police and firemen employees are both 22.86%. The member contribution rates as a percentage of eligible compensation for the fiscal year ended June 30, 2023 was 6.00% for local government employees and 7.15% for police and firemen.

Contributions to the pension plan from the City were $385,673 for KPERS and $554,241 for KP&F, and from the Library were $24,086 for KPERS for the year ended December 31, 2023.

Employer Allocations
Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the ollowing groups of the plan:

- State/School
- Local

- Police and Fireman
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identity additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the City and Library's share of the collective pension amounts as of December 31, 2023 were based on the ratio of each employer's contributions to the total employer and nonemployer contributions of the group for the fiscal year ended June 30, 2023.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments.

Net Pension Liability
Net pension liability activity for the year ended December 31, 2023 was as follows:

	Local Government	Police and Firemen	Library
Net Pension Liability	$4,311,614	$5,823,226	$271,868
Measurement Date	June 30, 2023	June 30, 2023	June 30, 2023
Valuation Date	December 31, 2022	December 31, 2022	December 31, 2022
City's Proportion	0.206%	0.365%	0.013%
Change in Proportion	-0.018%	-0.045%	0.000%

Pension Plan Fiduciary Net Position. Detailed information about the Pension Plan's fiduciary net position is available in the separately issued KPERS financial report.

Actuarial Assumptions
The actuarial valuation used the following actuarial assumptions applied to all periods included in the measurement:

Actuarial Cost Method	Entry age normal
Price inflation	2.75%
Salary increase	3.50 to 12.00%, including price inflation
Investment rate of return net of investment expense, including price inflation	7.00%

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study conducted for the three year period January 1, 2016 through December 31, 2018. The experience study is dated January 7, 2020.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of

arithmetic real rates of return for each major asset class of the most recent experience study, dated January 7, 2020, as provided by KPERS' investment consultant, are summarized in the following table:

Asset Class	Long-Term Target Allocation		Long-Term Expected Real Rate of Return	
U.S. Equities	23.50	%	5.20	%
Non-U.S. Equities	23.50		6.40	
Private Equity	8.00		9.50	
Private Real Estate	11.00		4.45	
Yield Driven	8.00		4.70	
Real Return	11.00		3.25	
Fixed Income	11.00		1.55	
Short-term Investments	4.00		0.25	
Total	**100.00**	**%**		

Discount Rate

The discount rate used to measure the total pension liability for the year ended December 31, 2023 was 7.00%.

The projection of cash flows used to determine the discount rate was based on member and employer contributions. The local groups are contributing at the full actuarial contribution rate. Based on legislation first passed in 1993 and subsequent legislation, the employer contribution rates certified by the Board may not increase by more than the statutory cap. The statutory cap was 1.2%.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Local Employees	$ 6,182,395	$ 4,311,614	$ 2,753,059
Police and Firemen	7,852,661	5,823,226	4,128,820
Library	389,829	271,868	173,593

Pension Expense

For the year ended December 31, 2023, the City recognized pension expense of $1,620,953 and $39,822 for the Library, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2023, the City and the Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	City	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between actual and expected experience	$ 897,524	607
Net differences between projected and actual earnings on investments	514,152	-

Change of assumptions	$	928,458	-
Changes in proportionate share		128,761	704,483
Contributions subsequent to measurement date		482,532	-
Total	$	**2,951,427**	**705,090**

Library

		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$	22,600	39
Net differences between projected and actual earnings on investments		15,878	-
Change of assumptions		28,814	-
Changes in proportionate share		6,432	21,350
Contributions subsequent to measurement date		12,323	-
Total	$	**86,047**	**21,389**

The $482,532 and $12,323 for the City and the Library, respectively, reported as deferred outflows of resources related to pensions resulting from City's and Library's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,		City	Library
2024	$	636,022	19,062
2025		347,911	7,980
2026		750,274	21,007
2027		29,278	4,155
2028		320	131
Total	$	**1,763,805**	**52,335**

NOTE 10 – OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS

Health Insurance

Plan Administration

The City's other postemployment benefits (OPEB) are accounted for through the Retiree Health Care Benefit Plan Trust (the Plan). The Plan is a single-employer defined benefit health care plan administered by the City to provide medical, prescription drug, dental, and vision benefits to retired employees and their dependents under certain conditions. The Plan is governed by the City Commission and managed by the finance department of the City.

Funding Policy

The City provides health insurance benefits to retirees and their dependents in accordance with Kansas law (K.S.A. 12-5040). Kansas statutes, which may be amended by the state legislature, establish that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs at an amount not to exceed 125 percent of the premium cost for other similarly situated employees.

Plan Membership

At December 31, 2023, Plan membership consisted of the following:

Inactive plan members currently receiving benefit payments	4
Inactive plan members entitled to but not yet receiving benefit payments	-
Active plan members	125
Total	**129**

Benefits Provided
Individuals who are employees of the City and are full-time employees who are enrolled in the City's group health plan on the date before retirement are eligible to continue healthcare benefits upon retirement from service with the City on or after at least 10 years of service. Part-time employees are assumed not to be eligible for retiree health, dental or vision benefits. Retirees covered by the plan make contributions toward the plan premiums in certain situations.

Contributions
The City has adopted a funding policy that provides reasonable assurance the cost of benefits provided to the Plan's members will be funded in an equitable and sustainable manner. The required contribution is based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits as determined annually. The City Commission has the authority to provide and amend the contribution terms of the Plan.

Net OPEB Liability
At December 31, 2023, the City's net OPEB liability was $559,488. The net OPEB liability was measured as of December 31, 2023 and was determined by an actuarial valuation performed as of January 1, 2023.

Actuarial Assumptions and Other Inputs
The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Measurement Date	December 31, 2023
Valuation Date	January 1, 2023
Discount Rate	6.00%
Inflation Rate	2.50%
Salary Increases	5.00%
Mortality Table	RP-2014 Total Employee and Healthy Annuitant tables adjusted to 2006 and projected with MP-2021 future mortality improvement scale
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value
Investment Rate of Return	6.00%
Amortization Method	Level Dollar, Open
Amortization Period	30 Years

Health Care Cost Trend Rates

Year	Claims Rate %	Expenses Rate %
2023	6.00	4.00
2024	5.75	4.00
2025	5.50	4.00
2026	5.25	4.00
2027+	5.00	4.00

The actuarial assumptions used in the January 1, 2021 valuation were based on actual claims experience for the period July 1, 2016 through December 31, 2022 and blended with anticipated claims based on the Plan provisions.

Discount Rate
The discount rate used to measure the total OPEB liability was 6%. The projection of cash flows used to determine the discount rate assumed the City contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

		Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) – (b)
Balance at December 31, 2022	$	1,255,454	549,586	705,868
Changes for the year:				
Service Cost		28,871	-	28,871
Interest		71,162	-	71,162
Difference between Expected and Actual Experience		(87,910)	-	(87,910)
Changes of Assumptions/Methodology		-	-	-
Employer Contributions		-	69,427	(69,427)
Net Investment Income		-	68,304	(68,304)
Other		-	13	(13)
Benefit Payments		(20,759)	-	(20,759)
Net Changes		(120,904)	137,744	(2,017,617)
Balance at December 31, 2023	**$**	**17,567,720**	**7,831,948**	**559,488**

Sensitivity of the City's Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.00%) or one percentage point higher (7.00%) than the current discount rate:

		1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB Liability	$	683,471	559,488	450,400

Sensitivity of the City's Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

		1% Decrease	Health Cost Trend Rates	1% Increase
Net OPEB Liability	$	448,538	559,488	686,286

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB
For the year ended December 31, 2023, the City recognized OPEB expense of $112,676. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$	179,424	77,688
Change of assumptions		37,615	7,897
Net difference between projected and actual earnings on OPEB plan investments		54,153	-
Total	$	**271,192**	**85,585**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,		
2024	$	44,239
2025		49,625
2026		48,583
2027		19,902
2028		26,552
Thereafter		(3,294)
Total	**$**	**185,607**

Disability Benefits and Life Insurance

Plan Description
The City contributes to the KPERS Long-Term Disability plan, a single-employer defined benefit other post-employment benefit (OPEB) plan which is administered by a board of trustees appointed by KPERS. The Plan provides long-term disability benefits and life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-4925. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75. There is no stand-alone financial report for the plan.

Benefits Provided
Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability and life insurance benefits to eligible disabled members. Benefits provided are self-funded, and the full cost of the benefits is covered by the OPEB Plan. The monthly benefit is 60% of the member's monthly rate of compensation, with a minimum of $100 and a maximum of $5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary

disability or retirement benefits, worker's compensation benefits, other disability benefits from any other source by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while disability continues until the member's 65th birthday or retirement date, whichever first occurs. If the disability occurs at or after age 60, benefits are payable while disability continues, for a period of five years or until the date of the member's retirement, whichever first occurs. Upon the death of a member who is receiving monthly disability benefits, the plan will pay a lump sum benefit to eligible beneficiaries. The benefit amount will be 150% of the greater of (a) the member's annual rate of compensation at the time of disability, or (b) the member's previous 12 months of compensation at the time of the last date on payroll. If the member had been disabled for five or more years, the annual compensation or salary rate at the time of death will be indexed before the life insurance benefit is computed. The indexing is based on the consumer price index, less one percentage point. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, he or she may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary.

Employer contributions are established and may be amended by state statute. Members are not required to contribute. Employer contributions paid for benefits as they came due during the fiscal year ended December 31, 2023 totaled $45,750 and $2,857 for the City and Library, respectively.

Employees Covered by Benefit Terms. As of the valuation date of December 31, 2022, the following employees were covered by the benefit terms:

	City	Library
Inactive plan members or beneficiaries currently receiving benefit payments	1	-
Active plan members	82	8
	83	**8**

Total OPEB Liability

The total OPEB liability for the City and Library of $245,686 and $3,429, respectively, was measured as of June 30, 2021 and was determined by an actuarial valuation performed as of December 31, 2022.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all period included in the measurement, unless otherwise noted:

Discount Rate	3.65%
Implicit Inflation Rate	2.75%
Mortality Rates	Local Males: 90% of RP-2014 M Total Dataset +2 Local Females: 90% of RP-2014 F Total Dataset +1 Generational mortality improvements were projected for future years using MP-2021 Post-disability mortality rates are included in long-term disability claim termination rates.
Salary Increases	3.50% to 10.00% based on years of service
Payroll Growth	3.00%
Actuarial Cost Method	Entry Age Normal

The discount rate was based on the bond buyer general obligation 20-bond municipal bond index as of the measurement date.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study conducted for the period January 1, 2016 through December 31, 2018.

There were no significant changes between the valuation date and the fiscal year end.

Changes in the Total OPEB Liability

		City	Library
Balance at December 31, 2022	$	228,889	2,951
Changes for the year:			
Service Cost		11,005	360
Interest on Total OPEB Liability		8,027	117
Effect of Economic/Demographic Gains or Losses		26,043	15
Effect of Assumptions Changes or Inputs		(1,731)	(14)
Benefit Payments		(26,547)	(-)
Net Changes		16,797	478
Balance at December 31, 2023	**$**	**245,686**	**3,429**

Sensitivity of the Total KPERS OPEB Liability to Changes in the Discount Rate. The following presented the total KPERS OPEB liability of the City and Library, as well as what the City's and Library's total KPERS OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current discount rate:

		1% Decrease (2.65%)	Discount Rate (3.65%)	1% Increase (4.65%)
City's Total OPEB Liability	$	261,957	245,686	230,607
Library's Total OPEB Liability		3,544	3,429	3,295

Sensitivity of the Total KPERS OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presents the total KPERS OPEB liability of the City and Library, as well as what the City's and Library's total KPERS OPEB liability would be if it were calculated using trend rates that are one percentage point lower or one percentage point higher than the current trend rates:

		1% Decrease	Health Cost Trend Rates	1% Increase
City's Total OPEB Liability	$	245,686	245,686	245,686
Library's Total OPEB Liability		3,429	3,429	3,429

OPEB Expense, Deferred Outflows and Deferred Inflows of Resources Related to OPEB
For the year ended December 31, 2023, the City and the Library recognized OPEB expense of $23,863 and $2,788, respectively. At December 31, 2023, the City and the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

City

		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$	149,931	51,579
Changes in assumptions		7,123	43,104
Benefit payments subsequent to measurement date		23,300	-
Total	$	**180,354**	**94,683**

Library

		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	$	21,259	1,452
Changes in assumptions		431	1,080
Benefit payments subsequent to measurement date		1,462	-
Total	$	**23,152**	**2,532**

The $23,300 and $1,462 for the City and the Library, respectively, reported as deferred outflows of resources related to OPEB resulting from City's and Library's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,		City	Library
2024	$	4,831	2,356
2025		4,831	2,356
2026		4,959	2,369
2027		5,580	2,396
2028		7,110	2,396
Thereafter		35,060	7,285
Total	**$**	**62,371**	**19,158**

Aggregate Other Postemployment Healthcare Benefit Information

		Health Insurance	KPERS	**Total**
City				
Net OPEB Liability	$	559,488	245,686	**805,174**
Total Deferred Outflows of Resources		271,192	180,354	**451,546**
Total Deferred Inflows of Resources		85,585	94,683	**180,268**

The aggregate amount of OPEB expenses for the two OPEB plans for the year ended December 31, 2023 was $146,539 for the City.

NOTE 11 – ENCUMBRANCES

Encumbrances included in fund balances as of December 31, 2023 are reported in the accompanying table:

Fund		**Encumbrances**
Major Funds		
Construction Fund	$	2,993,457
Refuse Fund		624,208
Nonmajor Governmental Funds		229,398
Total Reporting Entity	$	**3,847,063**

NOTE 12 – COMMITMENTS AND CONTINGENCIES

The City is a defendant in various legal actions pending or in process for miscellaneous claims. The ultimate liability that might result from the final resolution of these matters is not presently determinable. It is the opinion of the City's management that the outcome of this litigation will not result in a material loss to the City in excess of applicable insurance coverage.

NOTE 13 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; damage to and destruction of assets; business interruptions; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than related to employee health benefits. Settled claims have not exceeded this commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

Health Reimbursement Arrangement
The City entered into a Health Reimbursement Arrangement (HRA) during 2021. The full-time employee benefit is an HRA as defined by Section 105 of the Internal Revenue Code. The HRA plan is funded solely by the employer. The HRA plan allows for reimbursement of certain out-of-pocket medical and prescription

drug costs incurred by the employee, their spouse or their dependents. The maximum allowance per year through BCBS is $6,350 for employee only, $12,700 for employee and spouse, employee and children and employee and family. Of this amount the employee is responsible for $2,500 for employee only and $5,000 for employee and spouse, employee and children and employee and family. The City is responsible for the difference. The amount the City paid in HRA reimbursements was $227,287 for the year ended December 31, 2023.

NOTE 14 – TAX ABATEMENTS

The Neighborhood Revitalization Rebate Program provides property tax abatements to promote revitalization and development of the **City of El Dorado, Kansas** by stimulating new construction and the rehabilitation, conservation or redevelopment of the area in order to protect the public health, safety or welfare of the residents. Abatements are obtained through application by the property owner, including proof that the improvements or construction have been made, and equal 95 percent in the first year of the additional property tax resulting from the increase in assessed value as a result of the improvements or construction. The abatement is for 95% of the tax payment of the renovated value over 10-years. The amount of the abatement is deducted from the recipient's County property tax bill. For the fiscal year ended December 31, 2023, abated sales taxes that impacted the City totaled $138,271.

NOTE 15 – PRIOR PERIOD ADJUSTMENT

For 2023, the City reviewed the outstanding liability on the future use of the water storage payable. The City deemed the use of the water storage not probable at this time. The payable is contingent on the water storage being activated. The City has removed the future use amount from the water storage asset and removed the liability out of the waterworks system fund as there is no outstanding liabilities pertaining to activated water storage. These changes were incorporated in the City's 2023 financial statements and had an effect on the following beginning net position and fund balances.

	As Previously Stated	Prior Period Adjustment	Restated
Government-wide Financial Statements			
Business-Type Activities	$ (1,012,929)	35,275,331	34,262,402
Individual Fund Financial Statements			
Proprietary Funds			
Waterworks System Fund	$ (14,884,554)	35,275,331	20,390,777

NOTE 16 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 30, 2024, which is the date the financial statements were available to be issued.

CITY OF EL DORADO, KANSAS

Required Supplementary Information

CITY OF EL DORADO, KANSAS

Schedule of the City's Proportionate Share of the Collective Net Pension Liability

Kansas Public Employees Retirement System

Last Nine Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City's Proportion of the Collective Net Pension Liability										
KPERS	0.205520%	0.223512%	0.227740%	0.221358%	0.226778%	0.236020%	0.249159%	0.253304%	0.243809%	0.238711%
KP&F	0.364577%	0.409991%	0.415729%	0.394022%	0.398968%	0.402679%	0.418974%	0.414763%	0.409768%	0.402789%
City's Proportionate Share of the Collective Net Pension Liability	$ 10,134,840	10,356,538	6,699,844	8,696,413	7,206,966	7,164,204	7,538,051	7,770,855	6,176,718	5,579,746
City's Covered Payroll	6,889,952	6,943,878	6,734,185	6,326,395	6,557,637	6,295,994	6,310,319	6,321,921	5,952,445	5,741,758
City's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered Payroll	147.10%	149.15%	99.49%	137.46%	109.90%	113.79%	119.46%	122.92%	103.77%	97.18%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.70%	69.75%	76.40%	66.30%	69.88%	68.88%	67.12%	65.10%	64.95%	66.60%

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS
BRADFORD MEMORIAL LIBRARY
Schedule of the Library's Proportionate Share of the Collective Net Pension Liability
Kansas Public Employees Retirement System
Last Nine Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Library's Proportion of the Collective Net Pension Liability	0.012959%	0.012759%	0.015329%	0.014999%	0.014269%	0.014568%	0.014072%	0.013568%	0.013548%	0.014177%
Library's Proportionate Share of the Collective Net Pension Liability	$ 271,868	253,655	183,944	260,031	199,391	203,047	203,827	209,901	177,891	174,492
Library's Covered Payroll	281,194	256,388	295,640	282,970	276,992	254,607	255,897	232,764	226,266	223,714
Library's Proportionate Share of the Collective Net Pension Liability as a Percentage of its Covered Payroll	96.68%	98.93%	62.22%	91.89%	71.98%	79.75%	79.65%	90.18%	78.62%	78.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.70%	69.75%	76.40%	66.30%	69.88%	68.88%	67.12%	65.10%	64.95%	66.60%

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of the City's Contributions

Kansas Public Employees Retirement System

Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
KPERS Contractually Required Contribution	$ 386,484	399,140	394,916	371,408	385,748	350,451	366,093	400,701	401,217	352,578
KP&F Contractually Required Contribution	556,875	557,481	541,921	477,976	497,533	418,470	396,241	418,425	407,629	363,076
Contribution in Relation to the Contractually Required Contribution	(943,359)	(956,621)	(936,837)	(849,384)	(883,281)	(768,921)	(762,334)	(819,126)	(808,846)	(715,654)
Contribution Deficiency (Excess)	$ -	-	-	-	-	-	-	-	-	-
City's Covered Payroll	$ 7,017,455	6,860,892	6,829,115	6,387,476	6,587,356	6,259,987	6,336,505	6,414,029	6,369,673	6,038,625
Contributions as a Percentage of Covered Payroll	13.44%	13.94%	13.72%	13.30%	13.41%	12.28%	12.03%	12.77%	12.70%	11.85%

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS
BRADFORD MEMORIAL LIBRARY
Schedule of the Library's Contributions
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	$ 24,370	22,784	23,058	24,582	25,398	21,740	22,177	22,353	23,375	22,235
Contribution in Relation to the Contractually Required Contribution	(24,370)	(22,784)	(23,058)	(24,582)	(25,398)	(21,740)	(22,177)	(22,353)	(23,375)	(22,235)
Contribution Deficiency (Excess)	$ -	-	-	-	-	-	-	-	-	-
Library's Covered Payroll	$ 285,721	281,650	259,958	285,501	285,687	259,120	262,144	243,498	247,351	249,435
Contributions as a Percentage of Covered Payroll	8.53%	8.09%	8.87%	8.61%	8.89%	8.39%	8.46%	9.18%	9.45%	8.91%

See Independent Auditor's Report.

Changes in assumptions.

As a result of the experience study completed in November 2016, there were several changes made to the actuarial assumptions and methods since the prior valuation are as follows:

- The price inflation assumption was lowered from 3.00% to 2.75%.
- The investment return assumption was lowered from 8.00% to 7.75%.
- The general wage growth assumption was lowered from 4.00% to 3.50%.
- The payroll growth assumption was lowered from 4.00% to 3.00%.

Changes from the November 2016 experience study that impacted individual groups are listed below:

KPERS

- The post-retirement health mortality assumption was changed to the RP-2014 Mortality Table, with adjustments to better fit the observed experience for the various KPERS groups. The most recent mortality improvement scale, MP-2016, is used to anticipate future mortality improvements in the valuation process through the next experience study.
- The active member mortality assumption was modified to also be based on the RP-2014 Employee Mortality Table with adjustments.
- The retirement rates for the select period (when first eligible for unreduced benefits under Rule of 85) were increased, but all other retirement rates were decreased.
- Disability rates were decreased for all three groups.
- The termination of employment assumption was increased for all three groups.
- The interest crediting rate assumption for KPERS 3 members was lowered from 6.50% to 6.25%.

KP&F

- The post-retirement healthy mortality assumption was changed to the RP-2014 Mortality Table with 1-year age set forward and the MP-2016, is used to anticipate future mortality improvements.
- The mortality assumption for disabled members was changed to the RP-2014 Disabled Lives Table (generational using MP-2016) with a 1-year age set forward.
- The active member mortality assumption was modified to the RP-2014 Employee Mortality Table with a 1- year age set forward with a 90% scaling factor.
- The retirement rates for Tier 1 were lowered and the ultimate assumed retirement age was changed from 63 to 65 for Tier 2.
- The termination of employment rates for Tier 2 were increased to better match the observed experience.

As a result of the experience study completed in January 2020, there were several changes made to the actuarial assumptions and methods since the prior valuation.

- The investment return assumption was lowered from 7.25% to 7.00%.
- The general wage growth assumption was lowered from 3.50% to 3.25%.
- The payroll growth assumption was lowered from 3.00% to 2.75%.

Changes from the January 2020 experience study that impacted individual groups are listed below:

KPERS

- Retirement rates were adjusted to partially reflect observed experience.
- Termination rates were increased for most KPERS groups.

- Disability rates were reduced.
- Factors for the State group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%.

KP&F

- Retirement rates were adjusted to partially reflect observed experience.
- Factors for the KP&F group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%

CITY OF EL DORADO, KANSAS

Schedule of Changes in the City's Net OPEB Liability and Related Ratios

Other Postemployment Benefits - Health Insurance

Last Six Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service Cost	$ 28,871	27,558	26,245	18,226	17,610	8,434	8,109
Interest	71,162	72,131	67,968	62,873	60,992	40,116	40,203
Changes of Benefits Terms	-	-	(2,293)	-	(11,382)	-	-
Differences Between Expected and Actual Experience	(87,910)	-	45,662	-	282,843	-	-
Changes of Assumptions/Methodology	-	-	(12,541)	-	66,882	-	-
Benefit Payments	(20,759)	(37,719)	(14,578)	(55,466)	(40,303)	(55,932)	(44,251)
Net Change in Total OPEB Liability	(8,636)	61,970	110,463	25,633	376,642	(7,382)	4,061
Total OPEB Liability, Beginning	1,255,454	1,193,484	1,083,021	1,057,388	680,746	688,128	684,067
Total OPEB Liability, Ending (a)	$ 1,246,818	1,255,454	1,193,484	1,083,021	1,057,388	680,746	688,128
Plan Fiduciary Net Position							
Contributions - Employer	$ 69,440	140,869	-	71,442	71,442	123,880	68,451
Net Investment Income (Loss)	68,304	(108,165)	25,762	63,398	42,203	(11,952)	15,928
Benefit Payments	-	-	(50,000)	-	-	-	-
Net Change in Plan Fiduciary Net Position	137,744	32,704	(24,238)	134,840	113,645	111,928	84,379
Plan Fiduciary Net Position, Beginning	549,586	516,882	541,120	406,280	292,635	180,707	96,328
Plan Fiduciary Net Position, Ending (b)	$ 687,330	549,586	516,882	541,120	406,280	292,635	180,707
City's Net OPEB Liability, Ending (a) - (b)	$ 559,488	705,868	676,602	541,901	651,108	388,111	507,421
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	55.13%	43.78%	43.31%	49.96%	38.42%	42.99%	26.26%
Covered-Employee Payroll	$ 6,939,781	6,352,304	6,049,813	6,220,435	6,010,082	6,212,889	5,973,932
City's Net OPEB Liability as a Percentage of Covered Payroll	8.06%	11.11%	11.18%	8.71%	10.83%	6.25%	8.49%

* GASB 75 requires presentation of 10 years. Data was not available prior to fiscal year 2017.

CITY OF EL DORADO, KANSAS

Schedule of the City's Contributions
Other Postemployment Benefits - Health Insurance
Last Six Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017
Actuarially Determined Contribution	$ 75,496	69,427	69,427	71,442	71,442	61,940	61,940
Contribution in Relation to the Actuarially Determined Contribution	(69,427)	(140,869)	-	(71,442)	(71,442)	(123,880)	(68,451)
Contribution Deficiency (Excess)	$ 6,069	(71,442)	69,427	-	-	(61,940)	(6,511)
City's Covered-Employee Payroll	$ 6,939,781	6,352,304	6,049,813	6,220,435	6,010,082	6,212,889	5,973,932
Contributions as a Percentage of Covered-Employee Payroll	1.00%	2.22%	0.00%	1.15%	1.19%	1.99%	1.15%

* GASB 75 requires presentation of 10 years. Data was not available prior to fiscal year 2017.

Notes to Schedule

Actuarially determined contributions are calculated as of January 1 of the current fiscal year in which contributions are reported.

Valuation Date	January 1, 2023
Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Amortization Method	Level Dollar, Open
Amortization Period	30 Years
Salary Increases	5.00%
Investment Rate of Return	6.00%
Mortality Table	RP 2014 Total Employee and Healthy Annuitant tables adjusted to 2006 and projected with MP 2021 future mortality improvement scale.

Schedule of Investment Returns
Other Postemployment Benefits - Health Insurance
Last Six Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017
Annual Money-Weighted Rate of Return, Net of Investment Expenses	6.00%	6.00%	6.00%	6.00%	10.39%	-4.08%	8.81%

* GASB 75 requires presentation of 10 years. Data was not available prior to fiscal year 2017.

CITY OF EL DORADO, KANSAS

Schedule of Changes in the City's Total OPEB Liability and Related Ratios

Other Postemployment Benefits - Disability Benefits and Life Insurance

Last Six Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service Cost	$ 11,005	17,715	18,553	15,255	15,403	15,319	16,484
Interest	8,027	2,686	3,217	4,554	5,379	4,786	3,478
Effect of Economic/Demographic Gains or Losses	26,042	157,833	(35,753)	(15,440)	(27,955)	(9,720)	-
Effect of Assumptions Changes or Inputs	(1,731)	(49,772)	229	10,119	1,932	(1,659)	(3,752)
Benefit Payments	(26,547)	(12,241)	(1,165)	(3,495)	(3,495)	(3,495)	(3,315)
Net Change in Total OPEB Liability	16,796	116,221	(14,919)	10,993	(8,736)	5,231	12,895
Total OPEB Liability, Beginning	228,889	112,668	127,587	116,594	125,330	120,099	107,204
Total OPEB Liability, Ending	$ 245,685	228,889	112,668	127,587	116,594	125,330	120,099
Covered Payroll	$ 4,316,451	4,252,095	4,055,411	4,194,581	4,038,834	4,183,182	4,028,513
City's Total OPEB Liability as a Percentage of Covered Payroll	5.69%	5.38%	2.78%	3.04%	2.89%	3.00%	2.98%

* GASB 75 requires presentation of 10 years. Data was not available prior to fiscal year 2017.

There are no assets accumulated in the trust to pay related benefits.

Notes to Schedule

Changes of Assumptions. The demographic assumptions have been updated based upon the most recent KPERS experience study. The discount rate was updated in accordance with the requirements of GASB 75. The mortality projection scale was updated to the most recent table published by the Society of Actuaries.

The Discount Rate increased from 3.58% on June 30, 2017 to 3.87% on June 30, 2018.
The Discount Rate increased from 3.87% on June 30, 2018 to 3.50% on June 30, 2019.
The Discount Rate increased from 3.50% on June 30, 2019 to 2.21% on June 30, 2020.
The Discount Rate increased from 2.21% on June 30, 2020 to 2.16% on June 30, 2021.
The Discount Rate increased from 2.16% on June 30, 2021 to 3.54% on June 30, 2022.
The Discount Rate increased from 3.54% on June 30, 2022 to 3.65% on June 30, 2023.

CITY OF EL DORADO, KANSAS
BRADFORD MEMORIAL LIBRARY
Schedule of Changes in the Library's Total OPEB Liability and Related Ratios
Other Postemployment Benefits - Disability Benefits and Life Insurance
Last Six Fiscal Years*

		2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service Cost	$	360	847	843	667	533	529	644
Interest		117	(131)	251	430	493	508	454
Effect of Economic/Demographic Gains or Losses		15	26,153	(1,643)	(467)	597	(49)	-
Effect of Assumptions Changes or Inputs		(14)	(1,143)	15	574	157	(129)	(367)
Benefit Payments		-	(31,554)	(2,341)	(2,341)	(2,341)	(2,341)	(2,341)
Net Change in Total OPEB Liability		478	(5,828)	(2,875)	(1,137)	(561)	(1,482)	(1,610)
Total OPEB Liability, Beginning		2,951	8,779	11,654	12,791	13,352	14,834	16,444
Total OPEB Liability, Ending	$	3,429	2,951	8,779	11,654	12,791	13,352	14,834
Covered-Employee Payroll	$	248,688	231,095	288,134	285,319	260,302	223,121	243,500
Library's Total OPEB Liability as a Percentage of Covered-Employee Payroll		1.38%	1.28%	3.05%	4.08%	4.91%	5.98%	6.09%

* GASB 75 requires presentation of 10 years. Data was not available prior to fiscal year 2017.
There are no assets accumulated in the trust to pay related benefits.

Notes to Schedule

Changes of Assumptions. The demographic assumptions have been updated based upon the most recent KPERS experience study. The discount rate was updated in accordance with the requirements of GASB 75. The mortality projection scale was updated to the most recent table published by the Society of Actuaries.

The Discount Rate increased from 3.58% on June 30, 2017 to 3.87% on June 30, 2018.
The Discount Rate increased from 3.87% on June 30, 2018 to 3.50% on June 30, 2019.
The Discount Rate increased from 3.50% on June 30, 2019 to 2.21% on June 30, 2020.
The Discount Rate increased from 2.21% on June 30, 2020 to 2.16% on June 30, 2021.
The Discount Rate increased from 2.16% on June 30, 2021 to 3.54% on June 30, 2022.
The Discount Rate increased from 3.54% on June 30, 2022 to 3.65% on June 30, 2023.

CITY OF EL DORADO, KANSAS

Other Supplementary Information

Combining Financial Statements and Individual Fund Schedules

NONMAJOR GOVERNMENTAL FUNDS

The primary purpose of the Special Revenue Funds is to account for and report the proceeds of specific sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The following Nonmajor Special Revenue Funds are reported:

Airport Fund – to account for the operations of the municipal airport.

Major Street Improvement Fund – to account for the state shared tax for the construction, reconstruction, or maintenance of streets.

Industrial Development Fund – to account for the promotion of industrial development funded by a special ad valorem tax.

Special Parks and Recreation Fund – to account for the state shared tax and park land development fees for parks and recreation.

Tourism Tax Fund – to account for the promotion of conventions and tourism. Financing is provided through a tax on motel rooms.

Economic Development Sales Tax Fund – to account for the accumulation and expenditure of sales tax revenues committed by City Commission ordinance for economic development purposes.

Stormwater Utility Fund – to account for resources made available for repair and improvement to the City's stormwater system. Financing is provided through property owner special assessments.

Family Life Center Fund – to account for the Federal grant moneys received for improvement and repair of the local shelter for battered women.

Expendable Trust Fund – to account for public donations and grant programs to sponsor specified youth activities and other community activities conducted by the City.

Customer Deposit Fund – to account for resources through private-sector insurance proceeds and other City resources utilized in the cleanup operations of fire damages.

Law Enforcement Trust Fund – to account for the proceeds from the sale of property seized through law enforcement proceedings.

Police Department Seized Assets Fund – to account for any money obtained due to assets being seized; the state awards the money to the City for seizing said assets. The money cannot be used to reduce the operating fund, instead, it is used for police department purchases at the discretion of department heads.

Ordinance Street Sales Tax Fund – to account for sales tax revenue created by ordinance for street repairs, street rehabilitation, and maintenance.

Excess Sales Tax Fund – to account for sales tax revenue created by ordinance for any capital expenditure requested by any citizen or organization of the City with approval by the City Commission of the capital expenditures.

Special Alcohol Program Fund – to account for liquor tax revenue created by ordinance to provide support for domestic violence shelters for adults or children.

Community Improvement District Fund – established to support and finance economic development activities.

TIF Fund – established to support real estate redevelopment to industrial, commercial, and residential projects.

CITY OF EL DORADO, KANSAS
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2023

	Airport	Major Street Improvement	Industrial Development	Special Parks and Recreation	Tourism Tax	Economic Development Sales Tax	Stormwater Utility	Family Life Center	Expendable Trust
ASSETS									
Cash and Investments	$ 246,336	490,911	416,169	133,688	477,016	167,288	380,439	-	866,567
Inventories	34,496	-	-	-	-	-	-	-	-
Receivables (Net of Allowance for Uncollectibles)									
Property Tax	108,776	-	133,677	-	-	-	-	-	-
Special Assessment Tax	-	-	-	-	-	-	324,795	-	-
Sales Tax	-	-	-	-	-	-	-	-	-
Leases	16,329	-	-	-	-	-	-	-	-
Accounts	11,675	919	-	-	5,500	-	-	-	-
Due from Other Governments	-	120,516	3,360	-	65,763	-	-	-	-
Total Assets	$ 417,612	612,346	553,206	133,688	548,279	167,288	705,234	-	866,567
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities									
Accounts Payable	$ 18,628	39,378	23,650	-	1,978	277	6,965	-	11,103
Accrued Wages	1,637	16,441	-	-	1,572	-	3,848	-	-
Unearned Revenue - Grant Proceeds Other Than Timing	-	-	-	-	-	-	-	-	395,028
Total Liabilities	20,265	55,819	23,650	-	3,550	277	10,813	-	406,131
Deferred Inflows of Resources									
Unavailable Revenue - Property Taxes	108,776	-	133,677	-	-	-	-	-	-
Unavailable Revenue - Special Assessment	-	-	-	-	-	-	324,795	-	-
Leases	16,329	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	125,105	-	133,677	-	-	-	324,795	-	-
Fund Balance									
Nonspendable									
Inventories	34,496	-	-	-	-	-	-	-	-
Restricted									
Police Operations	-	-	-	-	-	-	-	-	-
Tourism	-	-	-	-	544,729	-	-	-	-
Domestic Violence Prevention	-	-	-	-	-	-	-	-	-
Park Improvements	-	-	-	133,688	-	-	-	-	-
Stormwater Systems	-	-	-	-	-	-	369,626	-	-
Ordinance Street Sales Tax	-	-	-	-	-	-	-	-	-
Excess Sales Tax	-	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	-	-
Committed									
Public Safety Equipment	-	-	-	-	-	-	-	-	-
Assigned									
Airport Improvements	237,746	-	-	-	-	-	-	-	-
Economic Development Sales Tax	-	-	-	-	-	167,011	-	-	-
Industrial Development	-	-	395,879	-	-	-	-	-	-
Street Improvements	-	556,527	-	-	-	-	-	-	-
Police Equipment	-	-	-	-	-	-	-	-	460,436
Total Fund Balance	272,242	556,527	395,879	133,688	544,729	167,011	369,626	-	460,436
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 417,612	612,346	553,206	133,688	548,279	167,288	705,234	-	866,567

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
December 31, 2023

	Customer Deposit	Law Enforcement Trust	Police Department Seized Assets	Ordinance Street Sales Tax	Excess Sales Tax	Special Alcohol Program	Community Improvement District	TIF	Totals
ASSETS									
Cash and Investments	$ 15,184	973	1,397	488,217	2,178,400	37,964	180,302	-	**6,080,851**
Inventories	-	-	-	-	-	-	-	-	**34,496**
Receivables (Net of Allowance for Uncollectibles)									
Property Tax	-	-	-	-	-	-	-	-	**242,453**
Special Assessment Tax	-	-	-	-	-	-	-	-	**324,795**
Sales Tax	-	-	-	-	-	-	31,920	-	**31,920**
Leases	-	-	-	-	-	-	-	-	**16,329**
Accounts	-	2,797	-	-	-	-	-	-	**20,891**
Due from Other Governments	-	-	-	-	-	-	-	-	**189,639**
Total Assets	$ 15,184	3,770	1,397	488,217	2,178,400	37,964	212,222	-	**6,941,374**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities									
Accounts Payable	$ -	-	-	-	-	-	54,430	-	**156,409**
Accrued Wages	-	-	-	-	-	-	-	-	**23,498**
Unearned Revenue - Grant Proceeds Other Than Timing	-	-	-	-	-	-	-	-	**395,028**
Total Liabilities	-	-	-	-	-	-	54,430	-	**574,935**
Deferred Inflows of Resources									
Unavailable Revenue - Property Taxes	-	-	-	-	-	-	-	-	**242,453**
Unavailable Revenue - Special Assessment	-	-	-	-	-	-	-	-	**324,795**
Leases	-	-	-	-	-	-	-		**16,329**
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	-	**583,577**
Fund Balance									
Nonspendable									
Inventories	-	-	-	-	-	-	-	-	**34,496**
Restricted									
Police Operations	-	3,770	-	-	-	-	-	-	**3,770**
Tourism	-	-	-	-	-	-	-	-	**544,729**
Domestic Violence Prevention	-	-	-	-	-	37,964	-	-	**37,964**
Park Improvements	-	-	-	-	-	-	-	-	**133,688**
Stormwater Systems	-	-	-	-	-	-	-	-	**369,626**
Ordinance Street Sales Tax	-	-	-	488,217	-	-	-	-	**488,217**
Excess Sales Tax	-	-	-	-	2,178,400	-	-	-	**2,178,400**
Economic Development	-	-	-	-	-	-	157,792	-	**157,792**
Committed									
Public Safety Equipment	15,184	-	-	-	-	-	-	-	**15,184**
Assigned									
Airport Improvements	-	-	-	-	-	-	-	-	**237,746**
Economic Development Sales Tax	-	-	-	-	-	-	-	-	**167,011**
Industrial Development	-	-	-	-	-	-	-	-	**395,879**
Street Improvements	-	-	-	-	-	-	-	-	**556,527**
Police Equipment	-	-	1,397	-	-	-	-	-	**461,833**
Total Fund Balance	15,184	3,770	1,397	488,217	2,178,400	37,964	157,792	-	**5,782,862**
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 15,184	3,770	1,397	488,217	2,178,400	37,964	212,222	-	**6,941,374**

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance

Nonmajor Governmental Funds

Year Ended December 31, 2023

	Airport	Major Street Improvement	Industrial Development	Special Parks and Recreation	Tourism Tax	Economic Development Sales Tax	Stormwater Utility	Family Life Center	Expendable Trust
Revenues									
Taxes									
Property	$ 105,859	-	130,739	-	-	-	-	-	-
Tourism	-	-	-	-	277,711	-	-	-	-
Intergovernmental	32,000	540,361	-	36,270	-	-	-	217,105	105,493
Licenses and Permits	-	7,235	-	6,120	-	-	-	-	-
Charges for Services	185,672	275	-	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	325,738	-	-
Investment Earnings	21,486	13,326	33,992	5,348	40,740	15,771	38,184	-	7,497
Miscellaneous	7,595	1,989	-	-	26,880	-	-	-	72,345
Total Revenues	352,612	563,186	164,731	47,738	345,331	15,771	363,922	217,105	185,335
Expenditures									
Current									
General Government	241,132	-	-	-	230,084	14,502	193,342	-	10,676
Public Safety	-	-	-	-	-	-	-	-	2,650
Highways and Streets	-	999,258	-	-	-	-	-	-	-
Health and Sanitation	-	-	-	-	-	-	-	217,105	-
Economic Development	-	-	112,300	-	1,128	-	-	-	17,651
Debt Service									
Principal	41,230	-	-	-	-	-	-	-	-
Interest and Other Charges	3,711	-	-	-	-	-	-	-	-
Capital Outlay	-	55,371	-	-	33,831	-	-	-	110,739
Total Expenditures	286,073	1,054,629	112,300	-	265,043	14,502	193,342	217,105	141,716
Excess (Deficiency) of Revenues Over (Under) Expenditures	66,539	(491,443)	52,431	47,738	80,288	1,269	170,580	-	43,619
Other Financing Sources (Uses)									
Transfers In	-	650,000	-	-	-	100,000	-	-	(126,338)
Transfers Out	(6,600)	(22,653)	(100,000)	-	-	(220,000)	(270,000)	-	-
Total Other Financing Sources (Uses)	(6,600)	627,347	(100,000)	-	-	(120,000)	(270,000)	-	(126,338)
Net Change in Fund Balance	59,939	135,904	(47,569)	47,738	80,288	(118,731)	(99,420)	-	(82,719)
Fund Balance, Beginning of the Year	212,303	420,623	443,448	85,950	464,441	285,742	469,046	-	543,155
Fund Balance, End of Year	$ 272,242	556,527	395,879	133,688	544,729	167,011	369,626	-	460,436

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (Continued)

Nonmajor Governmental Funds

Year Ended December 31, 2023

	Customer Deposit	Law Enforcement Trust	Police Department Seized Assets	Ordinance Street Sales Tax	Excess Sales Tax	Special Alcohol Program	Community Improvement District	TIF	**Totals**
Revenues									
Taxes									
Property	$ -	-	-	-	-	-	-	99,830	**336,428**
Tourism	-	-	-	-	-	-	-	-	**277,711**
Intergovernmental	-	4,169	-	-	-	36,270	159,395	-	**1,131,063**
Licenses and Permits	-	-	-	-	-	-	-	-	**13,355**
Charges for Services	-	-	-	-	-	-	-	-	**185,947**
Special Assessments	-	-	-	-	-	-	-	-	**325,738**
Investment Earnings	-	-	-	58,847	22,490	1,692	848	-	**260,221**
Miscellaneous	21,620	-	-	-	-	-	-	-	**130,429**
Total Revenues	21,620	4,169	-	58,847	22,490	37,962	160,243	99,830	**2,660,892**
Expenditures									
Current									
General Government	55,544	4,168	20,633	114,412	-	-	122,065	99,830	**1,106,388**
Public Safety	-	-	-	-	-	-	-	-	**2,650**
Highways and Streets	-	-	-	-	-	-	-	-	**999,258**
Health and Sanitation	-	-	-	-	-	37,235	-	-	**254,340**
Economic Development	-	-	-	-	-	-	-	-	**131,079**
Debt Service									
Principal	-	-	-	-	-	-	-	-	**41,230**
Interest and Other Charges	-	-	-	-	-	-	-	-	**3,711**
Capital Outlay	-	-	-	-	-	-	-	-	**199,941**
Total Expenditures	55,544	4,168	20,633	114,412	-	37,235	122,065	99,830	**2,738,597**
Excess (Deficiency) of Revenues Over (Under) Expenditures	(33,924)	1	(20,633)	(55,565)	22,490	727	38,178	-	**(77,705)**
Other Financing Sources (Uses)									
Transfers In	-	-	-	600,000	2,073,141	-	-	-	**3,296,803**
Transfers Out	-	-	-	(1,179,042)	(658,777)	-	-	-	**(2,457,072)**
Total Other Financing Sources (Uses)	-	-	-	(579,042)	1,414,364	-	-	-	**839,731**
Net Change in Fund Balance	(33,924)	1	(20,633)	(634,607)	1,436,854	727	38,178	-	**762,026**
Fund Balance, Beginning of the Year	49,108	3,769	22,030	1,122,824	741,546	37,237	119,614	-	**5,020,836**
Fund Balance, End of Year	$ 15,184	3,770	1,397	488,217	2,178,400	37,964	157,792	-	**5,782,862**

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Funds Included in General Fund - Budgetary Basis

Building Demolition Fund

For the Year Ended December 31, 2023

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Charges for Services	$ **812**	-	1,500	(688)
Miscellaneous	**253**	-	-	253
Sale of Real Estate	**5,500**	-	5,500	-
Total Revenues	**6,565**	-	7,000	(435)
Expenditures				
Contractual Services	**10,976**	20,000	70,000	(59,024)
Capital Outlay	**47,669**	8,000	20,000	27,669
Total Expenditures	**58,645**	28,000	90,000	(31,355)
Excess (Deficiency) of Revenues Over (Under) Expenditures	**(52,080)**	(28,000)	(83,000)	30,920
Other Financing Sources (Uses)				
Transfers In	**25,000**	25,000	25,000	-
Net Change in Fund Balance	**(27,080)**	(3,000)	(58,000)	30,920
Fund Balance, Beginning	**85,280**			
Fund Balance, Ending	$ **58,200**			

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

Airport Fund

For the Year Ended December 31, 2023

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Taxes	$ **105,859**	104,887	104,887	972
Charges for Services	**184,797**	193,400	193,400	(8,603)
Intergovernmental	**32,000**	-	-	32,000
Investment Earnings	**20,309**	-	-	20,309
Miscellaneous	**8,772**	7,770	7,770	1,002
Total Revenues	**351,737**	306,057	306,057	45,680
Expenditures				
Current				
Personal Services	**64,665**	73,780	73,780	(9,115)
Contractual Services	**60,173**	40,200	40,200	19,973
Commodities	**106,743**	89,750	89,750	16,993
Debt Service				
Principal	**41,229**	41,230	41,230	(1)
Interest Expense	**3,711**	3,711	3,711	-
Cash Forward	**-**	217,250	217,250	(217,250)
Total Expenditures	**276,521**	465,921	465,921	(189,400)
Excess (Deficiency) of Revenues Over (Under) Expenditures	**75,216**	(159,864)	(159,864)	235,080
Other Financing Sources (Uses)				
Transfers Out	**(6,600)**	(40,000)	(40,000)	33,400
Net Change in Fund Balance	**68,616**	(199,864)	(199,864)	268,480
Budgetary Basis Fund Balance, Beginning	**157,455**			
Budgetary Basis Fund Balance, Ending	**226,071**			
GAAP Adjustments				
Accounts Receivable	**11,675**			
Inventory	**34,496**			
Fund Balance, Ending	$ **272,242**			

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

Major Street Improvement Fund

For the Year Ended December 31, 2023

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance Over (Under)
Revenues				
Intergovernmental	$ **548,242**	493,580	493,580	54,662
Licenses and Permits	**6,316**	9,000	9,000	(2,684)
Charges for Services	**275**	-	-	275
Investment Earnings	**13,326**	-	-	13,326
Miscellaneous	**1,989**	-	-	1,989
Total Revenues	**570,148**	502,580	502,580	67,568
Expenditures				
Personal Services	**600,115**	957,791	957,791	(357,676)
Contractual Services	**161,311**	161,000	161,000	311
Commodities	**237,054**	267,000	267,000	(29,946)
Capital Outlay	**56,148**	-	-	56,148
Total Expenditures	**1,054,628**	1,385,791	1,385,791	(331,163)
Excess (Deficiency) of Revenues Over (Under) Expenditures	**(484,480)**	(883,211)	(883,211)	398,731
Other Financing Sources (Uses)				
Transfers In	**650,000**	883,211	883,211	(233,211)
Transfers Out	**(22,653)**	-	-	(22,653)
Total Other Financing Sources (Uses)	**627,347**	883,211	883,211	(255,864)
Net Change in Fund Balance	**142,867**	-	-	142,867
Budgetary Basis Fund Balance, Beginning	**292,225**			
Budgetary Basis Fund Balance, Ending	**435,092**			
GAAP Adjustments				
Plus Receivables at December 31, 2022	**121,435**			
Fund Balance, Ending	$ **556,527**			

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

Industrial Development Fund

For the Year Ended December 31, 2023

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Taxes	$ **130,739**	129,912	129,912	827
Investment Earnings	**33,992**	-	-	33,992
Miscellaneous	**3,360**	3,000	3,000	360
Total Revenues	**168,091**	132,912	132,912	35,179
Expenditures				
Contractual Services	**112,300**	135,000	135,000	(22,700)
Cash Forward	**-**	509,729	509,729	(509,729)
Total Expenditures	**112,300**	644,729	644,729	(532,429)
Excess (Deficiency) of Revenues Over (Under) Expenditures	**55,791**	(511,817)	(511,817)	567,608
Other Financing Uses				
Transfers Out	**(100,000)**	-	-	(100,000)
Net Change in Fund Balance	**(44,209)**	(511,817)	(511,817)	467,608
Budgetary Basis Fund Balance, Beginning	**436,728**			
Budgetary Basis Fund Balance, Ending	**392,519**			
GAAP Adjustments				
Accounts Receivable	**3,360**			
Fund Balance, Ending	$ **395,879**			

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

Special Parks and Recreation Fund

For the Year Ended December 31, 2023

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Taxes	$ **36,270**	35,220	35,220	1,050
Fees	**6,120**	1,750	1,750	4,370
Investment Earnings	**5,348**	-	-	5,348
Total Revenues	**47,738**	36,970	36,970	10,768
Expenditures				
Contractual Services	**-**	2,500	2,500	(2,500)
Commodities	**-**	8,500	8,500	(8,500)
Total Expenditures	**-**	11,000	11,000	(11,000)
Excess (Deficiency) of Revenues Over (Under) Expenditures	**47,738**	25,970	25,970	21,768
Fund Balance, Beginning	**85,950**			
Fund Balance, Ending	$ **133,688**			

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

Tourism Tax Fund

For the Year Ended December 31, 2023

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Taxes	$ **272,596**	200,000	230,000	42,596
Rentals and Royalties	**26,879**	35,000	23,000	3,879
Investment Earnings	**40,741**	-	-	40,741
Total Revenues	**340,216**	235,000	253,000	87,216
Expenditures				
Personal Services	**49,478**	68,092	68,092	(18,614)
Contractual Services	**172,639**	159,000	250,000	(77,361)
Commodities	**8,772**	1,750	40,000	(31,228)
Capital Outlay	**34,155**	-	-	34,155
Total Expenditures	**265,044**	228,842	358,092	(93,048)
Excess (Deficiency) of Revenues Over (Under) Expenditures	**75,172**	6,158	(105,092)	180,264
Budgetary Basis Fund Balance, Beginning	**398,294**			
Budgetary Basis Fund Balance, Ending	**473,466**			
GAAP Adjustments				
Accounts Receivable	**71,263**			
Fund Balance, Ending	$ **544,729**			

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

Economic Development Sales Tax Fund

For the Year Ended December 31, 2023

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance Over (Under)
Revenues				
Taxes	$ **-**	100,000	100,000	(100,000)
Investment Earnings	**15,771**	-	-	15,771
Total Revenues	**15,771**	100,000	100,000	(84,229)
Expenditures				
Contractual Services	**14,502**	100,000	250,000	(235,498)
Excess (Deficiency) of Revenues Over (Under) Expenditures	**1,269**	-	(150,000)	151,269
Other Financing Sources (Uses)				
Transfers In	**100,000**	-	-	100,000
Transfers Out	**(220,000)**	-	-	(220,000)
Total Other Financing Sources (Uses)	**(120,000)**	**-**	**-**	(120,000)
Net Change in Fund Balance	**(118,731)**	-	(150,000)	31,269
Fund Balance, Beginning	**285,742**			
Fund Balance, Ending	$ **167,011**			

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

Stormwater Utility Fund

For the Year Ended December 31, 2023

	Actual	Budgeted Amounts		Variance Over (Under)
		Original	Final	
Revenues				
Intergovernmental	$ **-**	300	300	(300)
Special Assessment Taxes	**325,738**	310,125	310,125	15,613
Investment Earnings	**38,184**	-	-	38,184
Total Revenues	**363,922**	310,425	310,425	53,497
Expenditures				
Personal Services	**159,271**	152,742	152,742	6,529
Contractual Services	**27,319**	35,650	310,650	(283,331)
Commodities	**6,737**	15,250	15,250	(8,513)
Total Expenditures	**193,327**	203,642	478,642	(285,315)
Excess (Deficiency) of Revenues Over (Under) Expenditures	**170,595**	106,783	(168,217)	338,812
Other Financing Sources (Uses)				
Transfers Out	**(270,000)**	-	-	(270,000)
Net Change in Fund Balance	**(99,405)**	106,783	(168,217)	68,812
Fund Balance, Beginning	**469,031**			
Fund Balance, Ending	$ **369,626**			

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

Ordinance Street Sales Tax Fund

For the Year Ended December 31, 2023

	Actual	Budgeted Amounts Original	Budgeted Amounts Final	Variance Over (Under)
Revenues				
Investment Earnings	$ **58,848**	-	-	58,848
Expenditures				
Contractual Services	**-**	500,000	1,085,000	(1,085,000)
Commodities	**114,413**	100,000	115,000	(587)
Total Expenditures	**114,413**	600,000	1,200,000	(1,085,587)
Excess (Deficiency) of Revenues Over (Under) Expenditures	**(55,565)**	(600,000)	(1,200,000)	1,144,435
Other Financing Sources (Uses)				
Transfers In	**600,000**	600,000	600,000	-
Transfers Out	**(1,179,042)**	-	-	(1,179,042)
Total Other Financing Sources (Uses)	**(579,042)**	600,000	600,000	(1,179,042)
Net Change in Fund Balance	**(634,607)**	-	(600,000)	(34,607)
Fund Balance, Beginning	**1,122,824**			
Fund Balance, Ending	$ **488,217**			

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

Excess Sales Tax Fund

For the Year Ended December 31, 2023

	Actual	Budgeted Amounts		Variance Over (Under)
		Original	Final	
Revenues				
Investment Earnings	$ **22,491**	-	-	22,491
Expenditures	**-**	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	**22,491**	-	-	22,491
Other Financing Sources (Uses)				
Transfers In	**2,073,140**	500,000	500,000	1,573,140
Transfers Out	**(658,777)**	(500,000)	(630,000)	(28,777)
Total Other Financing Sources (Uses)	**1,414,363**	-	(130,000)	1,544,363
Net Change in Fund Balance	**1,436,854**	-	(130,000)	1,566,854
Fund Balance, Beginning	**741,546**			
Fund Balance, Ending	$ **2,178,400**			

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

Special Alcohol Program Fund

For the Year Ended December 31, 2023

		Budgeted Amounts		Variance Over
	Actual	Original	Final	(Under)
Revenues				
Intergovernmental	$ **36,270**	35,220	35,220	1,050
Investment Earnings	**1,692**	-	-	1,692
Total Revenues	**37,962**	35,220	35,220	2,742
Expenditures				
Contractual Services	**37,235**	38,000	38,000	(765)
Net Change in Fund Balance	**727**	(2,780)	(2,780)	3,507
Fund Balance, Beginning	**37,237**			
Fund Balance, Ending	$ **37,964**			

See Independent Auditor's Report.

CITY OF EL DORADO, KANSAS

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Actual and Budget

Budgetary Basis

Debt Service Fund

For the Year Ended December 31, 2023

	Actual	Budgeted Amounts		Variance Over (Under)
		Original	Final	
Revenues				
Taxes	$ **1,264,827**	1,254,966	1,254,966	9,861
Special Assessments	**492,731**	431,044	431,044	61,687
Investment Earnings	**77,249**	500	500	76,749
Miscellaneous	**120,763**	140,890	140,890	(20,127)
Total Revenues	**1,955,570**	1,827,400	1,827,400	128,170
Expenditures				
Current				
Contractual Services	**-**	1,000	1,000	(1,000)
Debt Service				
Principal	**1,281,031**	1,357,526	1,357,526	(76,495)
Interest	**430,120**	357,036	357,036	73,084
Cash Basis Reserve	**-**	538,500	538,500	(538,500)
Total Expenditures	**1,711,151**	2,254,062	2,254,062	(542,911)
Excess (Deficiency) of Revenues Over (Under) Expenditures	**244,419**	(426,662)	(426,662)	671,081
Fund Balance, Beginning	**378,142**			
Fund Balance, Ending	$ **622,561**			

See Independent Auditor's Report.



STATISTICAL SECTION

CITY OF EL DORADO, KANSAS
Statistical Section (Unaudited)
December 31, 2023

This part of **City of El Dorado, Kansas**' financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its most significant local revenue source, water and wastewater revenues, as well as its property tax.

Debt Capacity
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economical Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time with other governments.

Operating Information
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Financial Report for the relevant year.

City of El Dorado
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental Activities										
Net investment in capital assets	$ 34,296,398	$ 29,539,248	$ 31,001,068	$ 32,504,209	$ 30,064,673	$ 31,480,981	$ 32,680,162	$ 29,395,449	$ 29,509,930	$ 27,284,059
Restricted	3,629,818	5,570,106	5,776,169	5,618,006	6,056,718	7,408,468	8,020,862	8,412,987	8,755,156	15,310,649
Unrestricted	3,341,366	1,886,158	(1,651,934)	(2,954,862)	(376,780)	(1,158,124)	(1,549,023)	2,406,856	3,897,770	3,363,575
Total Governmental Activities Net Position	$ 41,267,582	$ 36,995,512	$ 35,125,303	$ 35,167,353	$ 35,744,611	$ 37,731,325	$ 39,152,001	$ 40,215,292	$ 42,162,856	$ 45,958,283
Business-Type Activities										
Net investment in capital assets	$ 21,429,958	$ 20,861,680	$ 21,137,164	$ 21,632,458	$ 22,255,189	$ 28,230,293	$ 28,545,051	$ 29,231,103	$ 29,390,280	$ 30,887,035
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	(13,745,532)	(16,192,653)	(18,086,405)	(18,400,401)	(19,879,265)	(28,471,510)	(28,223,036)	(28,835,487)	(30,403,209)	4,490,437
Total Business-Type Activites Net Position	$ 7,684,426	$ 4,669,027	$ 3,050,759	$ 3,232,057	$ 2,375,924	$ (241,217)	$ 322,015	$ 395,616	$ (1,012,929)	$ 35,377,472
Primary Government										
Net investment in capital assets	$ 55,726,356	$ 50,400,928	$ 52,138,232	$ 54,136,667	$ 52,319,862	$ 59,711,274	$ 61,225,213	$ 58,626,552	$ 58,950,526	$ 58,416,720
Restricted	3,629,818	5,570,106	5,776,169	5,618,006	6,056,718	7,408,468	8,020,862	8,412,987	8,755,156	15,310,649
Unrestricted	(10,404,166)	(14,306,495)	(19,738,339)	(21,355,263)	(20,256,045)	(29,629,634)	(29,772,059)	(26,428,631)	(26,555,755)	7,608,386
Total Primary Government Net Position	$ 48,952,008	$ 41,664,539	$ 38,176,062	$ 38,399,410	$ 38,120,535	$ 37,490,108	$ 39,474,016	$ 40,610,908	$ 41,149,927	$ 81,335,755

City of El Dorado
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General government	$ 2,755,952	$ 3,345,911	$ 2,399,221	$ 2,308,622	$ 3,517,087	$ 3,358,088	$ 3,929,330	$ 4,057,020	$ 6,405,517	$ 3,550,268
Public safety	3,906,171	4,055,854	4,246,184	4,123,977	4,039,731	4,112,299	4,476,448	4,440,754	3,098,841	5,256,511
Public works	3,476,247	3,748,977	5,407,872	3,708,612	3,763,699	3,873,979	3,066,632	3,041,659	3,627,276	4,396,472
Health and sanitation	478,020	457,600	416,036	410,278	297,237	287,627	487,337	624,311	644,793	715,677
Culture and recreation	1,476,436	1,362,045	1,513,728	1,602,837	1,508,086	1,320,667	1,574,069	1,792,486	1,879,839	1,866,532
Economic development	199,198	261,256	271,252	451,731	573,137	368,897	247,871	142,980	147,017	165,876
Interest on long-term debt	486,109	549,125	499,604	388,106	381,227	400,284	360,940	421,662	366,912	374,226
Total Governmental Activities Expenses	$ 12,778,133	$ 13,780,768	$ 14,753,897	$ 12,994,163	$ 14,080,204	$ 13,721,841	$ 14,142,627	$ 14,520,872	$ 16,170,195	$ 16,325,562
Business-type activities:										
Waterworks system	$ 4,845,259	$ 4,838,768	$ 5,378,480	$ 4,800,942	$ 4,793,381	$ 5,303,479	$ 4,622,699	$ 5,125,658	$ 5,433,947	$ 3,771,894
Sewer system	2,109,698	2,441,626	2,635,077	2,256,590	2,420,586	4,614,230	2,069,293	1,998,553	1,998,155	2,052,553
Refuse	1,522,051	1,386,909	1,325,981	1,350,666	1,430,807	1,626,618	1,472,413	1,599,436	1,688,877	1,781,271
Compressed Natural Gas	-	16,839	12,694	25,622	28,863	33,091	32,330	41,675	53,763	37,005
Total business-type activities expenses	8,477,008	8,684,142	9,352,232	8,433,820	8,673,637	11,577,418	8,196,735	8,765,322	9,174,742	7,642,723
Total Primary Government Expenses	$ 21,255,141	$ 22,464,910	$ 24,106,129	$ 21,427,983	$ 22,753,841	$ 25,299,259	$ 22,339,362	$ 23,286,194	$ 25,344,937	$ 23,968,285
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 633,957	$ 1,639,486	$ 646,945	$ 877,175	$ 559,316	$ 2,084,115	$ 2,047,573	$ 2,013,901	$ 864,464	$ 1,801,584
Public safety	613,069	587,195	616,403	639,331	675,801	672,666	834,971	837,734	803,872	836,642
Public works	227,672	243,059	201,443	171,250	188,309	195,613	494,457	536,950	568,875	195,171
Health and sanitation	118,383	100,789	225,290	225,679	221,935	217,036	253,305	223,527	281,347	251,406
Culture and recreation	616,928	714,811	552,456	511,527	1,106,643	205,051	346,943	237,862	240,529	312,075
Economic development	-	-	-	-	-	-	30,940	-	-	-
Operating grants and contributions	603,208	-	725,531	586,979	643,313	771,634	1,494,715	888,564	2,887,062	869,979
Capital grants and contributions [2]	2,422,225	-	1,801,273	1,522,589	1,217,665	1,729,430	790,995	780,019	396,649	1,772,348
Total Governmental Activities Program Revenues	$ 5,235,442	$ 3,285,340	$ 4,769,341	$ 4,534,530	$ 4,612,982	$ 5,875,545	$ 6,293,899	$ 5,518,557	$ 6,042,798	$ 6,039,205

City of El Dorado
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-type activities:										
Charges for services:										
Waterworks system	$ 4,253,360	$ 3,947,993	$ 4,399,825	$ 4,162,309	$ 4,422,139	$ 4,505,642	$ 4,656,027	$ 4,777,405	$ 4,437,670	$ 4,909,286
Sewer system	2,096,994	2,175,079	2,058,033	2,460,313	2,776,032	2,954,487	2,704,454	2,889,696	2,733,322	2,791,799
Refuse	1,404,573	1,538,748	1,508,945	1,615,743	1,694,720	1,855,511	1,626,797	1,635,106	1,590,900	1,562,800
Compressed Natural Gas	57	16,373	17,757	28,501	26,884	29,230	21,868	24,766	25,351	38,381
Operating grants and contributions	-	-	-	-	-	-	11,360	-	-	-
Capital grants & contributions	61,330	-	58,151	518,832	512,129	292,605	68	-	-	-
Total business-type activities program revenues	7,816,314	7,678,193	8,042,711	8,785,698	9,431,904	9,637,475	9,020,574	9,326,973	8,787,243	9,302,266
Total Primary Government Program Revenues	$ 13,051,756	$ 10,963,533	$ 12,812,052	$ 13,320,228	$ 14,044,886	$ 15,513,020	$ 15,314,473	$ 14,845,530	$ 14,830,041	$ 15,341,471
Net (Expense)/ Revenue										
Governmental activities	$ (7,542,691)	$ (10,495,428)	$ (9,984,556)	$ (8,459,633)	$ (9,467,222)	$ (7,846,296)	$ (7,848,728)	$ (9,002,315)	$ (10,127,397)	$ (10,286,357)
Business-type activities	(660,694)	(1,005,949)	(1,309,521)	351,878	758,267	(1,939,943)	823,839	561,651	(387,499)	1,659,543
Total Primary Government Net Expense	$ (8,203,385)	$ (11,501,377)	$ (11,294,077)	$ (8,107,755)	$ (8,708,955)	$ (9,786,239)	$ (7,024,889)	$ (8,440,664)	$ (10,514,896)	$ (8,626,814)
General Revenues:										
Governmental activities:										
Taxes										
Property taxes	$ 3,830,127	$ 3,806,019	$ 3,879,130	$ 4,066,071	$ 4,548,270	$ 4,792,036	$ 4,762,918	$ 5,233,600	$ 5,616,035	$ 6,189,603
Special Assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,152,301
Sales taxes	2,508,095	2,610,716	2,512,159	2,408,098	2,692,452	2,669,192	2,696,442	3,058,186	3,264,700	3,515,633
Franchise taxes	1,225,660	1,171,972	1,288,810	1,287,895	1,343,763	1,323,200	1,239,115	1,284,727	1,513,882	1,442,700
Tourism taxes	172,343	206,669	168,713	163,069	195,007	176,473	102,438	194,906	233,899	277,711
Investment earnings	2,774	63,304	43,871	11,425	17,459	54,279	35,730	2,942	162,369	553,468
Miscellaneous	-	-	-	80,135	12,117	18,950	4,474	(33,282)	117,025	5,825
Transfers in (out)	(251,039)	999,723	766,229	522,269	1,572,601	798,880	602,872	491,172	1,169,590	944,543
Total Governmental Activities	$ 7,487,960	$ 8,858,403	$ 8,658,912	$ 8,538,962	$ 10,381,669	$ 9,833,010	$ 9,443,989	$ 10,232,251	$ 12,077,500	$ 14,081,784
Business-type activities:										
Investment earnings [1]	$ 568,181	$ 132,906	$ 258,680	$ 314,410	$ 188,142	$ 114,842	$ 16,968	$ 1,807	$ 120,936	$ 384,370
Miscellaneous	-	-	198,802	-	-	6,840	-	1,315	6,168	15,700
Transfer in (out)	251,039	(999,723)	(766,229)	(522,269)	(1,572,601)	(798,880)	(602,872)	(491,172)	(1,169,590)	(944,543)
Total business-type activities	819,220	(866,817)	(308,747)	(207,859)	(1,384,459)	(677,198)	(585,904)	(488,050)	(1,042,486)	(544,473)
Total Primary Government	$ 8,307,180	$ 7,991,586	$ 8,350,165	$ 8,331,103	$ 8,997,210	$ 9,155,812	$ 8,858,085	$ 9,744,201	$ 11,035,014	$ 13,537,311
Change In Net Position										
Governmental activities	$ (54,731)	$ 1,088,676	$ (1,325,644)	$ 79,329	$ 914,447	$ 1,986,714	$ 1,595,261	$ 1,229,936	$ 1,950,103	$ 3,795,427
Business-type activities	158,526	(1,664,808)	(1,618,268)	144,019	(626,192)	(2,617,141)	237,935	73,601	(1,429,985)	1,115,070
Total Primary Government	$ 103,795	$ (576,132)	$ (2,943,912)	$ 223,348	$ 288,255	$ (630,427)	$ 1,833,196	$ 1,303,537	$ 520,118	$ 4,910,497

[1] In 2013, the decrease in fair value of investments for the water fund created a negative revenue.

[2] In 2021, the negative miscellaneous amount is due to a negative gain on the sale of capital assets.

City of El Dorado
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	85,643	33,820	19,374	37,376	35,956	30,621	12,662	18,140	18,140	37,493
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	571,895	625,355	375,021	454,116	337,074	183,677	309,860	475,161	633,027	885,957
Unassigned	3,300,921	3,223,156	2,634,603	2,513,312	3,014,975	3,516,181	4,315,144	3,378,405	6,397,243	4,673,397
Total General Fund	$ 3,958,459	$ 3,882,331	$ 3,028,998	$ 3,004,804	$ 3,388,005	$3,730,479	$4,637,666	$3,871,706	$ 7,048,410	$ 5,596,847
All Other Governmental Funds										
Reserved	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Construction fund	-	-	-	-	-	-	-	-	-	-
Debt service fund	-	-	-	-	-	-	-	-	-	-
Nonspendable	-	20,881	26,781	19,918	19,645	12,814	18,069	29,922	44,048	34,496
Restricted	526,863	2,278,825	2,573,122	2,010,964	2,449,902	3,130,158	2,865,933	2,252,668	3,422,569	4,536,747
Committed	179,440	191,413	3,409	3,409	3,409	13,384	26,438	4,384	49,108	15,184
Assigned	302,679	272,958	678,429	605,518	431,023	859,914	1,054,538	1,554,491	1,883,253	1,818,996
Unassigned	(3,876,124)	(159,804)	(404,761)	(1,421,732)	(1,198,761)	(2,926,955)	(4,111,348)	-	(123,192)	5,478,265
Total All Other Governmental Funds	$ (2,867,142)	$ 2,604,273	$ 2,876,980	$ 1,218,077	$ 1,705,218	$1,089,315	$ (146,370)	$3,841,465	$ 5,275,786	$ 11,883,688

City of El Dorado
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	$ 7,736,225	$ 7,795,376	$ 7,848,812	$ 7,925,133	$ 8,779,492	$ 8,960,901	$ 8,800,913	$ 9,771,419	$ 10,527,229	$ 11,425,660
Intergovernmental	713,441	1,060,212	1,446,873	1,366,280	1,065,425	1,298,989	2,224,377	1,666,566	3,263,711	2,647,026
Licenses and permits	126,432	299,218	196,046	191,846	188,367	130,039	155,154	124,998	160,306	158,290
Charges for services	1,570,319	1,497,588	1,221,397	1,382,813	1,376,351	1,115,034	1,308,068	1,221,509	1,083,074	1,294,521
Fines and forfeitures	331,806	355,959	419,796	373,381	395,775	411,273	336,737	356,546	269,484	291,692
Special assessment taxes	1,837,078	607,448	600,415	600,571	609,214	1,098,016	693,130	809,402	759,600	1,152,301
Use of money and property	2,774	63,304	43,271	11,425	17,459	54,279	35,730	2,942	162,369	553,454
Employee/Employer contributions	-	-	-	-	-	-	-	-	-	-
Miscellaneous	915,815	1,936,458	856,880	539,974	1,128,712	833,328	720,810	648,083	1,039,604	1,691,929
Total revenues	$ 13,233,890	$ 13,615,563	$ 12,633,490	$ 12,391,423	$ 13,560,795	$ 13,901,859	$ 14,274,919	$ 14,601,465	$ 17,265,377	$ 19,214,873
Expenditures										
General government	$ 2,145,740	$ 2,153,525	$ 1,925,518	$ 1,643,600	$ 2,994,601	$ 2,647,842	$ 3,768,056	$ 4,284,381	$ 6,774,326	$ 3,699,713
Public Safety	3,557,487	3,734,445	3,856,591	3,804,030	3,739,648	3,812,017	3,880,915	4,124,938	2,468,447	4,467,610
Highways and streets	1,702,826	1,664,652	1,661,177	1,573,624	1,366,833	1,476,623	1,059,459	1,155,552	1,015,781	999,258
Health and sanitation	462,797	443,129	398,141	393,656	280,697	260,460	469,324	610,040	616,720	683,836
Culture and recreation	1,359,086	1,215,149	1,300,726	1,430,253	1,336,039	1,146,342	1,326,784	1,480,581	1,580,150	1,540,505
Environmental protection	-	-	-	-	-	-	-	-	-	-
Economic development	176,134	224,736	234,523	415,211	536,620	332,377	213,074	110,535	112,221	131,079
Capital improvements	5,707,803	4,240,256	3,544,902	2,873,244	2,059,618	3,717,796	2,737,077	2,057,442	3,259,016	5,271,392
Debt service										
Principal	3,709,972	1,278,744	3,125,118	1,513,545	1,507,086	3,986,927	1,559,044	4,973,715	1,415,449	1,444,597
Interest	530,757	483,297	586,203	479,761	454,029	363,557	412,769	340,493	372,927	440,359
Debt Issuance Costs	-	-	-	-	-	84,177	-	135,154	16,260	-
Total expenditures	$ 19,352,602	$ 15,437,933	$ 16,632,899	$ 14,126,924	$ 14,275,171	$ 17,828,118	$ 15,426,502	$ 19,272,831	$ 17,631,297	$ 18,678,349
Excess of revenues over (under) expenditures	$ (6,118,712)	$ (1,822,370)	$ (3,999,409)	$ (1,735,501)	$ (714,376)	$ (3,926,259)	$ (1,151,583)	$ (4,671,366)	$ (365,920)	$ 536,524

City of El Dorado
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years (Continued)
(Modified Accrual Basis of Accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Other financing sources (uses)										
General obligation bonds issued	$ -	$ 248,245	$ 60,067	$ -	$ -	$ 2,835,000	$ -	$ 7,121,278	$ 3,320,000	$ 2,555,000
Sale of real estate	-	-	-	80,135	12,117	18,950	159,440	131,436	151,220	5,825
Proceeds from capital lease obligations	569,354	64,689	1,152,052	-	-	-	-	-	-	-
Temporary Notes Issued	-	2,548,000	-	-	-	-	-	-	-	-
Refunding bonds issued	-	3,357,000	1,985,000	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	-
Transfers in	4,543,673	6,693,841	7,890,036	4,079,567	4,445,926	4,539,415	3,531,015	5,479,022	3,589,630	9,434,873
Transfers out	(4,794,712)	(5,694,118)	(7,123,807)	(3,557,298)	(2,873,325)	(3,740,535)	(2,928,143)	(4,275,851)	(2,479,988)	(7,375,883)
Total other financing sources (uses)	$ 318,315	$ 7,217,657	$ 3,963,348	$ 602,404	$ 1,584,718	$ 3,652,830	$ 762,312	$ 8,455,885	$ 4,580,862	$ 4,619,815
Net change in Fund Balances	$ (5,800,397)	$ 5,395,287	$ (36,061)	$ (1,133,097)	$ 870,342	$ (273,429)	$ (389,271)	$ 3,784,519	$ 4,214,942	$ 5,156,339
Fund balances, beginning of year, as originally stated	$ 6,891,714	$ 1,091,317	$ 6,486,604	$ 5,905,978	$ 4,222,881	$ 5,093,223	$ 4,819,794	$ 4,491,296	$ 8,109,170	$ 12,324,196
Prior period adjustment	-	-	(544,565)	(550,000)	-	-	60,773	(166,645)	84	-
Fund balances, beginning of year, as restated	$ 6,891,714	$ 1,091,317	$ 5,942,039	$ 5,355,978	$ 4,222,881	$ 5,093,223	$ 4,880,567	$ 4,324,651	$ 8,109,254	$ 12,324,196
Fund balances, end of year	$ 1,091,317	$ 6,486,604	$ 5,905,978	$ 4,222,881	$ 5,093,223	$ 4,819,794	$ 4,491,296	$ 8,109,170	$ 12,324,196	$ 17,480,535
Debt service as a percentage of noncapital expenditures	30.3%	14.1%	28.0%	17.6%	15.9%	30.4%	15.8%	32.6%	12.2%	12.3%

City of El Dorado
Tax Revenues by Source, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

Fiscal Year	Property Tax	Motor Vehicle Tax	Sales Tax	Franchise Tax	Transient Guest Tax	Total
2014	3,348,253	481,874	2,508,095	1,225,660	172,343	7,736,225
2015	3,294,163	511,856	2,610,716	1,171,972	206,669	7,795,376
2016	3,382,302	496,828	2,512,159	1,288,810	168,713	7,848,812
2017	3,553,157	512,914	2,408,098	1,287,895	163,069	7,925,134
2018	4,042,377	505,893	2,692,452	1,343,763	195,007	8,779,492
2019	4,232,976	559,060	2,669,192	1,323,200	176,473	8,960,901
2020	4,211,944	550,974	2,696,442	1,239,115	102,438	8,800,913
2021	4,639,402	594,198	3,058,186	1,284,727	194,906	9,771,419
2022	5,009,052	505,681	3,264,715	1,513,882	233,899	10,527,229
2023	5,427,597	662,176	3,515,647	1,442,700	277,711	11,325,831

City of El Dorado

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year [2]	Total Tax Levy [1]	Collected within the Current Year		Delinquent Tax Collections	Total Collected	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	3,858,827	3,541,256	91.8%	197,988	3,739,244	96.9%
2015	3,744,463	3,468,283	92.6%	201,523	3,669,806	98.0%
2016	4,055,406	3,812,166	94.0%	182,657	3,994,823	98.5%
2017	4,592,141	3,801,217	82.8%	154,752	3,955,969	86.1%
2018	4,876,094	4,381,620	89.9%	166,651	4,548,270	93.3%
2019	4,926,767	4,619,532	93.8%	172,504	4,792,036	97.3%
2020	5,258,327	4,645,252	88.3%	117,666	4,762,918	90.6%
2021	5,649,423	4,995,676	88.43%	237,923	5,233,600	92.64%
2022	5,605,366	5,009,052	89.36%	201,480	5,210,532	92.96%
2023	6,169,806	4,479,450	72.60%	108,897	4,588,347	74.37%

Notes:

[1] As computed and certified by Butler County Clerk on November 1 of levy year.

[2] The year in which the tax was collected.

City of El Dorado
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Levy Year	Real Property	Personal Property [1]	Utilities	Oil & Gas	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2014	72,925,530	2,335,516	4,322,469	1,253	79,584,768	47.237	525,111,705	15.16%
2015	74,333,163	2,360,508	4,852,242	1,276	81,547,189	47.050	531,918,670	15.33%
2016	76,909,849	2,587,788	4,915,755	3,878	84,417,270	47.046	549,387,855	15.37%
2017	79,065,681	2,468,867	5,106,589	3,878	86,645,015	48.040	564,289,277	15.35%
2018	83,962,971	2,457,165	5,548,248	10,828	91,979,212	52.995	597,630,925	15.39%
2019	84,121,795	2,576,804	6,137,624	41,180	92,877,403	53.013	605,536,868	15.34%
2020	90,289,758	2,325,332	6,588,084	9,446	99,212,620	53.045	691,977,393	14.34%
2021	88,518,539	2,269,943	6,275,416	15,239	97,079,137	55.909	625,585,430	15.52%
2022	96,654,375	2,440,921	6,912,334	12,280	106,019,910	58.194	682,298,300	15.54%
2023	108,072,699	2,438,922	6,928,157	14,698	117,454,476	58.664	778,104,653	15.09%

Source: Butler County Clerk

Notes: The assessed value of each class is calculated by varying percentages of appraised or market value. Residential real property is assessed at 11.5% of fair market value, commercial property at 25%, and all other property rates ranging from 12% to 33%.

[1] Assessed values for Personal Property do not include motor vehicle valuation.

City of El Dorado
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

	City of El Dorado						Other Overlapping Governments [2]					
Year [1]	General	Library	Industrial Mill Levy	Debt Service	Airport	Total City	Butler County	Butler Community College	State of Kansas	Unified School District No. 490	Unified School District No. 375	Unified School District No. 205
2014	30.306	4.992	1.018	10.734	0.000	47.050	35.133	18.003	1.500	59.828	66.358	47.071
2015	30.722	4.894	0.979	9.603	0.848	47.046	35.012	18.063	1.500	60.835	65.621	55.444
2016	30.320	4.887	0.979	11.007	0.847	48.040	34.747	20.074	1.500	63.518	62.639	48.036
2017	31.475	4.867	1.000	14.877	0.776	52.995	34.749	20.075	1.500	65.412	64.040	49.518
2018	35.266	4.868	1.000	10.618	1.261	53.013	34.274	20.068	1.500	65.397	62.947	43.447
2019	35.065	5.004	1.001	10.976	0.999	53.045	34.280	19.336	1.500	65.724	63.401	45.537
2020	37.924	5.275	1.055	10.732	0.923	55.909	34.013	18.007	1.500	65.014	63.806	44.126
2021	39.952	5.185	1.139	10.999	0.919	58.194	32.766	15.262	1.500	64.129	62.625	43.875
2022	40.274	5.227	1.148	11.088	0.927	58.664	32.093	13.855	1.500	64.047	59.932	45.987
2023	40.551	5.221	1.147	10.069	0.934	57.922	30.088	12.269	1.500	63.804	59.904	59.147

Source: Butler County Clerk

Notes:

[1] The year shown is the year in which taxes are levied for collection in the following fiscal year.

[2] Overlapping rates are those of local and county governments that apply to property owners within the city limits of El Dorado. Not all overlapping rates apply to all property owners. The rates for Unified School District No. 490 and Unified School District No. 375 only apply to approximately 82.1% and 17.9%, respectively, of the property in El Dorado. The rates for Unified School District No. 205 only apply to two businesses located at the El Dorado municipal airport.

City of El Dorado
Principal Property Taxpayers
Current Year and Nine Years Ago

	2023			2014		
Taxpayer	Assessed Value	Rank	Percentage of Total Assessed Value	Assessed Value	Rank	Percentage of Total Assessed Value
Wal-Mart Real Estate	$ 2,622,520	1	2.50%	$ 2,524,383	1	2.76%
Evergy Kansas South, Inc[3]	$ 2,584,217	2	2.47%	$ 1,582,945	2	1.73%
Kansas Gas Service [1]	$ 1,835,534	3	1.75%	$ 1,057,663	4	1.16%
Barton Solvents Inc	$ 1,789,595	4	1.71%	$ 1,203,893	3	1.32%
Pioneer Balloon	$ 1,264,131	5	1.21%	$ 558,125	6	0.61%
Valmont Newmark Inc.	$ 1,070,345	6	1.02%	$ -		
BNSF	$ 967,229	7	0.92%	$ -		
OEKS LLC	$ 956,638	8	0.91%	$ -		
BG Real Estate Inc	$ 765,480	9	0.73%	$ -		
HE of El Dorado LLC	$ 680,350	10	0.65%	$ -		
Vlamis Enterprises LLC [5]	$ -		0.00%	$ 982,845	5	1.07%
T Town LLC[4]	$ -		0.00%	$ 544,417	7	0.59%
El Dorado Group II LLC	$ -		0.00%	$ 473,151	8	0.52%
Butler Rural Elec Coop Assn	$ -		0.00%	$ 453,085	9	0.50%
Union Pacific Railroad Co	$ -		0.00%	$ 450,075	10	0.49%
Total	$14,536,039		13.87%	$9,830,582		10.74%
Total Assessed Value [2]	$104,834,635			$91,512,573		

Source: Butler County 2023 tax roll.

Notes:
[1] Formerly Western Resources - Gas Division
[2] Does not includes motor vehicle valuation
[3] Formerly Kansas Gas and Electric
[4] Formerly Villas at BCC LLC
[5] Formerly Vlamis, Ted & Elizabeth-Vlamis Enterprises

City of El Dorado
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities					Total Primary Government	Percentage of Personal Income [1]	Debt Per Capita [1]
	General Obligation Bonds	Issuance Premiums	Temporary Notes	Capital Leases	General Obligation Bonds	Temporary Notes	US Corps of Engineering Contract [3]	KS Dept of Health & Environment Loans	Capital Leases			
2014	12,826,910	-	-	514,898	2,258,090	-	49,580,764	8,871,227	168,661	74,220,550	26.49%	5,756
2015	15,134,523	248,245	2,548,000	350,230	2,647,477	-	50,875,729	8,294,684	152,693	80,251,581	27.14%	6,223
2016	14,144,023	283,487	2,548,000	1,264,922	8,935,977	-	52,216,045	2,040,170	130,151	81,562,775	26.42%	6,308
2017	12,285,050	252,656	2,548,000	1,063,271	8,329,950	-	53,603,299	2,030,867	-	80,113,093	26.36%	6,173
2018	10,947,313	221,825	2,548,000	856,988	7,482,688	-	55,039,134	1,932,460	149,220	79,177,628	24.72%	6,071
2019	12,435,735	190,994	-	727,704	6,624,266	-	48,499,478	1,831,746	151,505	70,461,428	22.00%	5,447
2020	10,981,706	160,163	-	622,689	5,758,295	-	50,197,930	1,728,673	-	69,449,456	21.50%	5,369
2021	12,465,584	910,610	-	505,098	4,874,417	-	51,955,861	1,623,183	-	72,334,753	23.29%	5,628
2022	11,290,099	840,715	3,200,000	562,207	4,029,900	-	53,775,355	1,515,223	66,382	75,279,881	22.61%	5,867
2023	12,522,838	770,820	3,200,000	663,916	3,172,160	2,555,000	39,231,891	1,404,730	239,240	63,760,595	17.75%	4,977

Notes:

[1] Personal income and population information can be found on the Demographics and Economic Statistics schedule.

[2] In 2016, KDHE loan 1639 was refinanced with the 2016 bond.

[3] In 2023, the Corps of Engineers provided a new debt schedule based on the change to interest calculation on lake debt. Our liability was reduced by $15.1 million

City of El Dorado
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds [1]	Less Debt Service Funds	Net Bonded Debt	Net Bonded Debt Per Capita	Net Bonded Debt to Estimated Actual Value
2014	15,085,000	88,835	14,996,165	1,162.94	2.86%
2015	17,782,000	1,880,474	15,901,526	1,234.69	2.89%
2016	23,080,000	-	23,080,000	1,784.86	4.20%
2017	20,615,000	151,448	20,463,552	1,576.67	3.63%
2018	18,430,001	312,329	18,117,672	1,389.29	3.03%
2019	19,060,001	262,980	18,797,021	1,453.19	3.10%
2020	16,920,001	235,344	16,684,657	1,290.28	2.63%
2021	17,340,001	288,436	17,051,565	1,326.76	2.73%
2022	15,319,999	378,142	14,941,857	1,164.42	2.19%
2023	15,694,998	622,561	15,072,437	1,176.52	2.21%

Notes: Population and estimated actual value data can be found on the Demographics and Economic Statistics schedule and the Assessed Value and Estimated Actual Value of Taxable Property schedule, respectively.

[1] This is the general bonded debt of both governmental and business-type activates, net of original issuance discounts and premiums.

City of El Dorado
Direct and Overlapping Debt
December 31, 2023

	Debt Outstanding	Estimated Percentage Applicable [1]	Estimated Share of Overlapping Debt
Overlapping Debt:			
Butler County	$ 354,387	10.96%	$ 38,850
Unified School District No. 490	69,650,000	43.76%	30,477,739
Unified School District No. 375	81,375,000	12.57%	10,225,969
Butler Community College	11,614,667	10.96%	1,273,260
	$ 162,994,054		$ 42,015,817
Direct Debt:			
City of El Dorado Direct Debt	17,986,139		17,986,139
Total direct and overlapping debt	$ 180,980,193		$ 60,001,956

Source: The debt outstanding was provided by each entity.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property owners of El Dorado. USD 205's tax rates apply to only two businesses, and therefore the estimated share of overlapping debt is not significant and has not been included above.

[1] The percentage of overlapping debt applicable is estimated using assessed valuations. The City of El Dorado's assessed valuation was multiplied by the percentage of property owners in each taxing entity's jurisdiction, and the resulting amount was divided by each entity's assessed valuation.

City of El Dorado
Legal Debt Margin
Last Ten Fiscal Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Assessed Valuation	$ 79,584,768	$ 81,547,189	$ 84,417,270	$ 86,645,015	$ 91,979,212	$ 92,877,403	$ 94,051,537	$ 97,079,137	$ 105,171,925	$ 104,834,635
Assessed Valuation on Motor Vehicles	11,927,805	12,502,945	12,446,756	12,739,283	12,419,253	12,756,596	12,831,345	13,184,448	12,404,958	12,619,841
Total Assessed Valuation [1]	**$ 91,512,573**	**$ 94,050,134**	**$ 96,864,026**	**$ 99,384,298**	**$ 104,398,465**	**$ 105,633,999**	**$ 106,882,882**	**$ 110,263,585**	**$ 117,576,883**	**$ 117,454,476**
Legal Debt Limit [2]	**$ 27,453,772**	**$ 28,215,040**	**$ 29,059,208**	**$ 29,815,289**	**$ 31,319,540**	**$ 31,690,200**	**$ 32,064,865**	**$ 33,079,076**	**$ 35,273,065**	**$ 35,236,343**
Bonded Indebtedness	$ 15,085,000	$ 17,782,000	$ 22,790,000	$ 20,615,000	$ 18,430,001	$ 19,060,001	$ 16,740,001	$ 17,340,000	$ 17,134,805	$ 15,142,276
Temporary Notes	-	2,548,000	2,548,000	2,548,000	2,548,000	-	-	-	3,200,000	6,179,285
Total Debt	**15,085,000**	**20,330,000**	**25,338,000**	**23,163,000**	**20,978,001**	**19,060,001**	**16,740,001**	**17,340,000**	**20,334,805**	**21,321,561**
Less:										
Assets in Debt Service Fund	$ 88,835	$ 1,880,474	$ -	$ 151,448	$ 312,329	$ 262,980	$ 235,344	$ 288,436	$ 378,142	$ 622,561
Exempted Debt (KSA 10-309)-G.O. Bonds	6,612,762	8,315,990	15,499,604	13,724,756	12,191,752	10,888,755	9,307,272	9,499,511	9,900,807	7,173,198
Exempted Debt (KSA 10-309)-Temporary Notes	-	-	1,462,042	1,462,042	1,462,042	-	-	-	1,836,160	6,041,068
Waterworks Revenue Bonds	-	-	-	-	-	-	-	-	-	-
Sewer System Revenue Bonds	-	-	-	-	-	-	-	-	-	-
Total Deductions	**6,701,597**	**10,196,464**	**16,961,646**	**15,338,246**	**13,966,123**	**11,151,735**	**9,542,616**	**9,787,947**	**12,115,109**	**13,836,827**
Total Amount Applicable to Debt Limit	**8,383,403**	**10,133,536**	**8,376,354**	**7,824,754**	**7,011,878**	**7,908,266**	**7,197,385**	**7,552,053**	**8,219,696**	**7,484,734**
Legal Debt Margin	**$ 19,070,369**	**$ 18,081,504**	**$ 20,682,854**	**$ 21,990,535**	**$ 24,307,662**	**$ 23,781,933**	**$ 24,867,480**	**$ 25,527,023**	**$ 27,053,369**	**$ 27,751,609**
Legal Debt Margin as a percentage of the Debt Limit	**69.46%**	**64.08%**	**71.17%**	**73.76%**	**77.61%**	**75.05%**	**77.55%**	**77.17%**	**76.70%**	**78.76%**

Notes:

[1] Computed in accordance with KSA 10-310.

[2] 30% of Assessed Valuation (KSA 10-308).

City of El Dorado
Revenue Bond Coverage
Waterworks System Revenue Bonds
Last Ten Fiscal Years

Fiscal Year	Gross Revenue	Less: Operating Expenses [1]	Net Available Revenue	Principal Requirements [2]	Interest Requirements [2]	Total	Coverage
2014	4,723,423	2,666,306	2,057,117	-	-	-	N/A
2015	4,058,266	2,725,037	1,333,229	-	-	-	N/A
2016	4,581,166	2,993,801	1,587,365	-	-	-	N/A
2017	4,395,833	2,492,503	1,903,330	-	-	-	N/A
2018	4,544,519	2,542,106	2,002,413	-	-	-	N/A
2019	4,510,139	2,992,937	1,517,202	-	-	-	N/A
2020	4,588,432	2,577,267	2,011,165	-	-	-	N/A
2021	4,701,531	2,990,503	1,711,028	-	-	-	N/A
2022	4,437,670	3,578,796	858,874	-	-	-	N/A
2023	5,133,351	3,351,630	1,781,721	-	-	-	N/A

Notes:

[1] Excludes capital depreciation.

[2] Bond ordinance provides that computation is for the succeeding year's debt service requirements. All bonds were fully retired prior to December 31, 2007.

City of El Dorado
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population[1]	Personal Income	Per Capita Personal Income[2]	Unemployment Rate[3]
2014	12,895	$ 280,178,986	$ 22,677	5.4%
2015	12,879	$ 295,672,571	$ 22,903	4.3%
2016	12,931	$ 299,117,807	$ 23,132	4.4%
2017 [4]	12,979	$ 307,008,819	$ 23,654	3.2%
2018 [5]	13,041	$ 320,286,960	$ 24,560	4.0%
2019	12,935	$ 318,084,585	$ 24,591	3.2%
2020	12,931	$ 321,207,160	$ 24,840	15.5%
2021	12,852	$ 310,594,284	$ 24,167	3.5%
2022	12,865	$ 333,756,695	$ 25,943	2.7%
2023	12,811	$ 359,271,684	$ 28,044	2.7%

Sources:

[1] Population estimates are taken from the Kansas Division of the Budget. The most recent year was estimated based on the average growth rate of the previous 5 years.

[2] Estimate obtained by Census Bureau QuickFacts.

[3] Bureau of Labor Statistics. Rate is for Butler County, as unemployment rate information is not available for El Dorado.

[4] Error found in formula worksheet for Personal Income column for the year of 2017 effecting personal income and per capita income.

[5] For 2018, labor force information was collected from the Bureau of Labor Statistics data from the time period of February 2018-March 2019.

City of El Dorado
Principal Employers
Current Year and Nine Years Ago

	2023			2014		
Employer	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Holly Frontier [2]	442	1	7.35%	457	1	7.72%
Butler Community College	437	2	7.27%	415	3	7.01%
El Dorado Correctional Facility	384	3	6.39%	430	2	7.27%
Butler County Government	352	4	5.85%	370	5	6.25%
USD #490 [1]	232	5	3.86%	385	4	6.51%
Susan B. Allen Hospital	175	6	2.91%	312	6	5.27%
BG Products	172	7	2.86%	80		1.35%
C-Tech [3]	140	8	2.33%	206	7	3.48%
Wal-Mart	132	9	2.19%	128	10	2.16%
City of El Dorado	126	10	2.10%	136	9	2.30%
Pioneer Balloon	100		1.66%	189	8	3.19%
Total	2,692		44.76%	3,108		52.52%
Total Employment [4]	6,014			5,918		

Source: City of El Dorado Survey of Employers

Notes:

[1] USD 490 previously included Butler County Special Cooperative Employees. In 2014, the school district split from the Coop.

[2] Formerly Texaco Refining & Marketing, Equilon Enterprises, and Frontier Refinery.

[3] Formerly Blackburn Construction.

[4] Estimated using Butler County's percentage of the population in the labor force and percentage of the labor force employed, based on data obtained from the Bureau of Labor Statistics.

City of El Dorado
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government										
Administration	1	1	1	1	1	1	1	1	1	0
CVB	1	2	2	2	1	1	1	1	1	1
Airport	1	1	1	1	1	1	1	1	1	1
Engineering	4	4	4	4	4	4	4	4	4	5
Legal/Judicial	3	2	2	2	2	1	1	2	2	1
Public Safety										
Police	27	28	26	25	25	25	19	25	23	26
Fire	17	17	17	17	16	17	17	16	17	17
Building/Zoning	3	2	2	2	2	2	2	2	2	1
Public Works										
Public Works	8	10	6	6	8	8	-	5	5	2
Major Street Improvements	6	6	12	12	8	8	10	8	6	5
Culture/Recreation										
Park Maintenance	2	2	2	2	4	4	5	3	2	6
Recreation	8	10	10	10	9	5	5	9	8	5
Health & Sanitation										
Health & Sanitation	2	2	2	2	2	2	3	4	3	3
Cemetery	2	2	2	2	2	2	2	2	2	2
Water	17	16	17	16	18	17	15	17	18	16
Sewer	6	6	5	5	4	5	6	5	4	6
Refuse	10	11	8	8	8	8	8	6	7	10
Stormwater	2	2	1	1	1	0	4	3	2	2
Data Processing	12	13	11	10	10	13	12	12	11	13
Total	132	137	131	128	126	124	116	126	119	122

Source: City Budget Office

In 2015, the Code Enforcement Officer was transferred from the Building Department to the Police Department and trained as an officer. The FTE's from Prairie Trails and Forrestry are included in the Recreation number.

In 2017, the Police Department and Public Utilities Department struggled to maintain a full staff. Data Processing eliminated the position of Administrative Assistant to the City Manager.

In 2020, the City of El Dorado moved the majority of employees from Public Works to Major Streets due to requirements of the Highway funds. The Building Maintenance position was moved to environmental services (Health and Sanitation) and the Department Director and Administrative Assistant were moved to refuse.

In 2023, the Planning and Zoning and Engineering Administrative Assistant positions was eliminated and a Community Development Coordinator Position was created, and is paid from the General Fund under Engineering. The Assistant Court Clerk/Records Clerk position is paid from the Genral Fund under Police. In the past, the City Manager has been listed under Administration in General Government, but that position has been paid from Data Processing for a few years.

City of El Dorado
Operating Indicators by Function
Last Ten Fiscal Years

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Municipal Court										
Citations Issued	3,575	3,201	4,004	3,218	3,311	3,476	2,379	2,697	2,227	2,396
Warrants Issued	376	281	354	379	358	419	161	239	307	308
Warrants Served	362	334	408	395	288	295	173	190	124	113
Airport										
Fuel Sales (gallons)	31,001	31,192	29,154	25,068	26,894	25,254	26,716	35,002	29,530	23,021
Fire										
Total Number of Incidents	1,302	1,298	1,110	1,382	1,666	1,666	1,494	1,912	1,821	1,721
Fire Calls	180	153	153	157	172	114	172	199	255	174
Rescue & Emergency Medical Calls	743	749	677	759	878	897	777	1,046	925	914
Hazardous Materials Calls	54	81	69	52	55	64	53	68	77	85
Inspections	925	725	539	758	718	767	295	272	303	342
Hydrants Tested	735	1,390	1,546	678	740	737	701	694	629	142
Police										
Criminal Violations Reported	1,523	826	2,610	1,132	2,153	976	876	1,141	974	952
Traffic Accidents	311	342	344	318	287	248	202	213	261	275
Building & Zoning										
New Residential Construction Permits	10	12	9	20	20	9	41	13	32	30
New Commercial Construction Permits	1	6	5	6	6	4	5	6	2	4
Street Operations										
Streets Swept (Curb Miles)	3,941	4,215	4,351	4,425	4,006	2,380	4,126	3,998	3,265	2,641
Animal Control										
Animal Licenses	1,654	1,751	1,263	1,344	1,229	1,210	1,040	1,108	1,041	942
Animal Control Calls	1,904	1,883	1,722	2,132	1,534	1,382	1,306	1,234	1,179	1,533
Animal Citations	247	332	234	294	224	202	184	159	177	118
Cemetery										
Burials	127	135	104	114	102	108	106	114	131	106
Parks and Recreation										
Youth Soccer Participants	366	387	436	416	384	359	300	266	294	311
Swimming Pool Attendance	16,590	14,560	12,892	12,255	11,966	11,071	2,701	7,677	6,967	9,154
Youth Baseball/Softball Participants	703	680	745	502	540	512	356	452	502	467
Youth Basketball Participants	260	271	211	189	188	151	150	61	117	110
Youth Volleyball Participants	350	331	281	243	196	192	86	138	139	160
Adult Softball Teams	16	17	17	8	5	12	0	6	5	8
Adult Flag Football Teams	4	10	0	0	0	0	0	0	0	0
Adult Basketball Teams	8	6	8	5	5	6	0	0	4	0
Adult Volleyball Teams	22	22	23	20	13	14	0	14	20	19
Youth Flag Football	0	0	0	91	91	112	56	83	117	132
Water										
New Meters	5	17	30	6	27	13	9	43	13	27
Treated Water Pumped (millions of gallons)	1,254	1,189	1,166	1,191	1,202	1,169	1,264	1,256	1,235	1,293
Water Distribution Service Calls	236	242	243	199	285	270	149	389	250	198
Water Leaks Repaired	40	52	26	30	39	33	38	22	61	53
Sewer										
Sewer Maintenance Service Calls	208	222	215	187	178	179	129	126	183	166
Refuse										
Refuse Collected (tons)	8,125	8,875	8,763	9,653	11,467	9,114	9,627	11,304	10,889	10,730
Recycling Material (tons)	1,845	1,265	1,304	1,083	987	599	406	0	0	0
Yardwaste Collected (tons)	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000

Source: Various City Departments

Note: Airport sales went up because of crop dusting businesses using our airport to fuel. 2021 numbers for Recreation, Police and Fire decreased due to restrictions resulting from COVID-19.

City of El Dorado
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Square Miles of the City	9.1	9.1	9.1	9.1	9.1	9.1	9.16	9.5	9.6	9.6
Fire										
Stations	2	2	2	2	2	2	2	2	2	2
Paid Firefighters	17	17	17	17	17	17	17	17	17	17
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Police Officers	28	27	26	25	26	26	27	28	28	28
Street Operations										
Miles of Paved City Streets	84.65	85.06	85.06	85.06	85.06	85.06	85.06	85.47	86.52	86.52
Miles of Unpaved City Streets	2.89	2.89	2.89	2.89	2.89	2.89	2.89	2.89	2.07	2.07
Traffic Operations										
Traffic Signals	14	14	14	14	14	14	14	14	14	14
Parks and Recreation										
Swimming Pools	2	2	2	[1] 1	1	1	1	1	1	1
Activity Center	1	1	1	1	1	1	1	1	1	1
Ball Diamonds	12	12	12	12	12	12	12	12	12	12
Soccer Fields	6	6	6	6	6	6	6	6	6	6
Water										
Water Mains (miles)	123.20	124.10	124.10	124.10	129.40	129.4	131.1	131.4	130.88	130.974
Elevated Storage Capacity (millions of gallons)	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Underground Storage Capacity (millions of gallons)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Storage Space -El Dorado Reservoir (BG)	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Sewer										
Sanitary Sewers (miles)	91.30	92.00	92.00	92.00	93.40	93.4	93.9	94.2	94.97	95.143

Source: Various City Departments

[1] Note: The Prairie Trails pool was filled in due to lack of attendence and desire to maintain a failing structure.



SINGLE AUDIT SECTION

ADAMS BROWN
Strategic Allies and CPAs
adamsbrowncpa.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the City Commission
City of El Dorado, Kansas
El Dorado, KS

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **City of El Dorado, Kansas**, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise **City of El Dorado, Kansas'** basic financial statements, and have issued our report thereon dated July 30, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **City of El Dorado, Kansas'** 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **City of El Dorado, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **City of El Dorado, Kansas'** internal control.

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 statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether **City of El Dorado, Kansas'** financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of El Dorado, Kansas' Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on **City of El Dorado, Kansas'** response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. **City of El Dorado, Kansas'** response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
El Dorado, Kansas

July 30, 2024

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
City of El Dorado, Kansas
El Dorado, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **City of El Dorado, Kansas'** compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of **City of El Dorado, Kansas'** major federal programs for the year ended December 31, 2023. **City of El Dorado, Kansas'** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, **City of El Dorado, Kansas** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of **City of El Dorado, Kansas** and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of **City of El Dorado, Kansas'** compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to **City of El Dorado, Kansas'** federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on **City of El Dorado, Kansas'** compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance and will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **City of El Dorado, Kansas'** compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

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

- Identify and assess the risks of material noncompliance, 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 **City of El Dorado, Kansas'** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of **City of El Dorado, Kansas'** internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of **City of El Dorado, Kansas'** internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in

internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



ADAMSBROWN, LLC
Certified Public Accountants
El Dorado, Kansas

July 30, 2024

CITY OF EL DORADO, KANSAS
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Federal Grantor/ Pass-through Grantor/ Program Title	Assistance Listing Number	Agency or Pass-through Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Housing and Urban Development				
Passed Through Kansas Housing Resources Corporation				
Emergency Solutions Grant Program	14.231	N/A	$ 217,105	217,105
Passed Through Kansas Department of Commerce				
Community Development Block Grants	14.228	21-CR-001	-	69,610
Total U.S. Department of Housing and Urban Development			217,105	286,715
U.S. Department of Justice				
Direct Award				
Bulletproof Vest Partnership Program	16.607	N/A	-	4,168
U.S. Department of Transportation				
Passed Through Kansas Department of Transportation				
Highway Safety Cluster				
State and Community Highway Safety	20.600	SP-1300-23	-	5,250
Direct Award				
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	3-20-0018-017-2023	-	108,800
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	3-20-0018-018-2023	-	511,697
COVID-19 Funding				
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	3-20-0018-016-2022	-	32,000
Total U.S. Department of Transportation			-	657,747
U.S. Department of Agriculture				
Passed Through Kansas Forest Service				
Cooperative Forestry Assistance	10.664	N/A	-	2,388
U.S. Department of the Treasury				
Passed Through Kansas Department of Commerce				
COVID-19 Funding				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	471,415
U.S. Institute of Museum and Library Services				
Passed Through Kansas State Library				
Grants to States	45.310	N/A	-	259
Total Expenditures of Federal Awards			$ **217,105**	**1,422,692**

See accompanying notes to schedule of expenditures of federal awards.

CITY OF EL DORADO, KANSAS
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **City of El Dorado, Kansas** under programs of the federal government for the year ended December 31, 2023. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are presented in accordance with generally accepted accounting principles. Such expenditures are recognized following the cost principles contained in the Uniform Guidance cost principles, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

NOTE 3 – INDIRECT COST RATE

The City has elected not to use the 10% de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

NOTE 4 – OTHER EXPENDITURES

The City did not receive any federal awards in the form of noncash assistance, insurance, loans, or loan guarantees and incurred no expenditures in relation thereof for the year ended December 31, 2023.

CITY OF EL DORADO, KANSAS
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2023

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:		Unmodified		
Internal control over financial reporting				
● Material weakness identified?	____	Yes	X	No
● Significant deficiency identified?	X	Yes	____	None Reported
● Noncompliance material to financial statements noted?	____	Yes	X	No

FEDERAL AWARDS

Internal control over major programs:				
● Material weakness identified?	____	Yes	X	No
● Significant deficiency identified?	____	Yes	X	None Reported
Type of auditors' report issued on compliance for major programs:		Unmodified		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	____	Yes	X	No

Identification of major programs:

Assistance Listing Number	Name of Federal Program
20.106	Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs

Dollar threshold used to distinguish between Type A and Type B programs:		$ 750,000		
Auditee qualified as low-risk auditee?	____	Yes	X	No

SECTION II – FINANCIAL STATEMENT FINDINGS

SIGNIFICANT DEFICIENCY

2023-001 Accounts Payable

Criteria or specific requirement
Internal controls should be in place to ensure that all accounts payable are recorded within the correct period.

Condition
Accounts payable were discovered that were not recorded on the books at year-end.

Context
We determined, through a search for unrecorded liabilities, that there was a failure to properly record all accounts payable.

Cause
The City did not recognize that invoices dated in January of 2024 were actually for services provided in December of 2023.

Effect
Management may not be aware of accurate expenditures for the year, which could result in budget violations.

Recommendation
Controls should be implemented to ensure that accounts payable are properly reviewed and recorded.

Views of responsible officials
See corrective action plan.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No material findings or questioned costs are required to be disclosed under the Uniform Guidance.

Summary Schedule of Prior Audit Findings and Questioned Costs
For the Year Ended December 31, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters noted for the year ended December 31, 2022.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No material findings or questioned costs for the year ended December 31, 2022 are required to be disclosed under the Uniform Guidance.

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