

CITY OF KANOPOLIS, KANSAS

Financial Statement With Independent Auditors' Report

For the Year Ended December 31, 2022

CITY OF KANOPOLIS, KANSAS
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 For the Year Ended December 31, 2022

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Kanopolis, Kansas
Kanopolis, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **City of Kanopolis, Kansas**, as of and for the year ended December 31, 2022 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2022, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

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

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

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

Responsibilities of Management for the Financial Statement

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

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

Auditors' Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City as of and for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated October 11, 2022, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipal-services>. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2022 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2021 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2021, on the basis of accounting described in Note 1.



ADAMSBROWN, LLC

Certified Public Accountants

Great Bend, Kansas

March 14, 2023

CITY OF KANOPOLIS, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2022

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds							
General Fund	\$ 67,460	-	275,319	266,235	76,544	9,399	85,943
Special Purpose Funds							
Employee Benefits Fund	7,501	-	38,176	37,500	8,177	-	8,177
Library Fund	1,692	-	12,381	10,626	3,447	-	3,447
Noxious Weed Fund	1,366	-	230	185	1,411	-	1,411
Special Highway Fund	50,098	-	12,158	39,785	22,471	-	22,471
Recreation Fund	726	-	532	1,258	-	-	-
Cemetery Fund	12,546	-	2,791	-	15,337	-	15,337
Municipal Equipment Fund	24,329	-	-	3,500	20,829	-	20,829
Municipal Improvement Fund	43,350	-	-	149	43,201	-	43,201
Capital Project Funds							
Capital Projects Fund	353,644	-	136,148	46,728	443,064	5,000	448,064
Business Funds							
Solid Waste Fund	12,532	-	41,095	40,466	13,161	3,297	16,458
Water Utility Fund	116,408	3,300	166,328	175,772	110,264	7,634	117,898
Sewer Utility Fund	110,268	-	56,212	50,016	116,464	37	116,501
Sewer Utility Revolving Fund	8,159	-	6,900	5,879	9,180	-	9,180
Total Primary Government	810,079	3,300	748,270	678,099	883,550	25,367	908,917
Related Municipal Entity							
Kanopolis Public Library Fund	36,323	-	9,376	8,292	37,407	-	37,407
Total Reporting Entity (Excluding Agency Funds) \$	<u>846,402</u>	<u>3,300</u>	<u>757,646</u>	<u>686,391</u>	<u>920,957</u>	<u>25,367</u>	<u>946,324</u>
				Composition of Cash			
				Certificates of Deposit		\$	188,264
				Money Market and Savings Accounts			563,406
				Checking Accounts			183,646
				Petty Cash			151
				Total Primary Government			<u>935,467</u>
				Total Related Municipal Entity			37,407
				Agency Funds per Schedule 3			<u>(26,550)</u>
				Total Reporting Entity (Excluding Agency Funds) \$			<u>946,324</u>

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

CITY OF KANOPOLIS, KANSAS

Notes to Financial Statement

December 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

The City is a municipal corporation governed by an elected mayor and five elected council members. This financial statement presents the City (the municipality) and its related municipal entity, Kanopolis Public Library, shown below. The related municipal entity is included in the City's reporting entity because they established to benefit the City and/or its constituents.

Kanopolis Public Library

The Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Bond issuances must also be approved by the City. The City levies taxes for the library.

Basis of Presentation – Fund Accounting

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

The following types of funds comprise the financial activities of the City for the years ended December 31, 2022.

Regulatory Basis Fund Types

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

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

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

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

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

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the

CITY OF KANOPOLIS, KANSAS

Notes to Financial Statement

December 31, 2022

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

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

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting.

NOTE 2 – BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

If the 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 no such budget amendments this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison 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 regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts

CITY OF KANOPOLIS, KANSAS

Notes to Financial Statement

December 31, 2022

payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds: Municipal Equipment Fund and Municipal Improvement Fund.

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

NOTE 3 – DEPOSITS AND INVESTMENTS

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

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

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

Concentration of Credit Risk

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

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were legally secured at December 31, 2022.

At December 31, 2022, the City's carrying amount of deposits was \$935,467 and the bank balance was \$936,661. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance, and \$686,661 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

At December 31, 2022, the Public Library's carrying amount of deposits was \$37,407 and the bank balance was \$38,661. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, all was covered by federal depository insurance.

CITY OF KANOPOLIS, KANSAS

Notes to Financial Statement

December 31, 2022

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments at December 31, 2022.

NOTE 4 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of Kanopolis, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2022 were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
Sewer Utility Fund	Employee Benefits Fund	K.S.A. 12-825d	\$ 12,000
Sewer Utility Fund	Sewer Utility Revolving Fund	K.S.A. 12-631o	6,900
Water Utility Fund	Employee Benefits Fund	K.S.A. 12-825d	12,000
General Fund	Capital Projects Fund	K.S.A. 12-1,118	1,416

NOTE 5 – CAPITAL PROJECTS

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

	<u>Project Authorization</u>	<u>Expenditures To Date</u>
Water System Improvement Project	\$ 2,061,907	1,799,860

NOTE 6 – LITIGATION

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

NOTE 7 – 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.

NOTE 8 – GRANTS AND SHARED REVENUES

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

CITY OF KANOPOLIS, KANSAS
Notes to Financial Statement
December 31, 2022

NOTE 9 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The City did not remit bond payments within twenty days before the payment was due, which is a violation of K.S.A. 10-130.

NOTE 10 – DEFERRED COMPENSATION PLAN

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

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

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

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

NOTE 12 – COMPENSATED ABSENCES

Vacation

City of Kanopolis, Kansas' policy regarding vacation for full-time employees is as follows:

<u>Years Worked</u>	<u>Amount Earned</u>
0-5	8 hours/month
6 and over	10 hours/month

The maximum accumulation employees may accrue should not exceed 120 hours (15 days) of vacation. Any earned, but unused leave for any permanent employee leaving the service of the City shall be compensated at the employee's hourly rate.

Sick Leave

The City's policy regarding sick leave for full-time employees is received at a rate of one day per month of continuous service. Sick leave may be accumulated but not taken until such employee has completed three continual months of service. Employees may accumulate sick leave up to a maximum of 30 days. Sick leave credits are considered as having cash value of one-half time of sick days at the employee's hourly rate if the employee terminates at retirement in good standing.

NOTE 13 – DEBT RESTRICTIONS AND COVENANTS

KDHE Revolving Loan

The City entered into a loan agreement with the Kansas Department of Health and Environment to fund the sewer improvements in the amount of \$120,000. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2022.

CITY OF KANOPOLIS, KANSAS
Notes to Financial Statement
December 31, 2022

NOTE 14 – LONG-TERM DEBT

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

General Obligation Bonds

On May 28, 2020, the City issued \$1,558,000 in Series 2020 General Obligation bonds for the purpose of financing the cost of certain improvements to the City.

KDHE Revolving Loan

The City entered into a \$120,000 revolving loan agreement on October 28, 2004 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance sewer improvements.

CITY OF KANOPOLIS, KANSAS

Notes to Financial Statement

December 31, 2022

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
KDHE Revolving Loan									
Water Pollution Control	2.83%	10/28/2004	\$ 120,000	2025	\$ 22,085	-	5,291	16,794	588
Bonds									
General Obligation Bond - Series 2020	1.88%	5/28/2020	1,558,000	2060	1,531,498	-	26,999	1,504,499	28,716
Total Contractual Indebtedness					<u>\$ 1,553,583</u>	<u>-</u>	<u>32,290</u>	<u>1,521,293</u>	<u>29,304</u>

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

	2023	2024	2025	2026	2027	2028 - 2032	2033 - 2037	2038 - 2042	2043 - 2047	2048 - 2052	2053 - 2057	2058 - 2060	Total
Principal													
KDHE Revolving Loan													
Water Pollution Control	\$ 5,441	5,597	5,756	-	-	-	-	-	-	-	-	-	16,794
General Obligation Bond - Series 2020	27,515	27,955	28,555	29,091	29,636	156,589	171,911	188,651	207,020	227,154	249,309	161,113	1,504,499
Total Principal	<u>32,956</u>	<u>33,552</u>	<u>34,311</u>	<u>29,091</u>	<u>29,636</u>	<u>156,589</u>	<u>171,911</u>	<u>188,651</u>	<u>207,020</u>	<u>227,154</u>	<u>249,309</u>	<u>161,113</u>	<u>1,521,293</u>
Interest													
KDHE Revolving Loan													
Water Pollution Control	398	257	112	-	-	-	-	-	-	-	-	-	767
General Obligation Bond - Series 2020	28,209	27,769	27,169	26,634	26,088	122,033	106,710	89,971	71,602	51,467	29,313	6,081	613,046
Total Interest	<u>28,607</u>	<u>28,026</u>	<u>27,281</u>	<u>26,634</u>	<u>26,088</u>	<u>122,033</u>	<u>106,710</u>	<u>89,971</u>	<u>71,602</u>	<u>51,467</u>	<u>29,313</u>	<u>6,081</u>	<u>613,813</u>
Total Principal and Interest	<u>\$ 61,563</u>	<u>61,578</u>	<u>61,592</u>	<u>55,725</u>	<u>55,724</u>	<u>278,622</u>	<u>278,621</u>	<u>278,622</u>	<u>278,622</u>	<u>278,621</u>	<u>278,622</u>	<u>167,194</u>	<u>2,135,106</u>

CITY OF KANOPOLIS, KANSAS

Regulatory-Required Supplementary Information

CITY OF KANOPOLIS, KANSAS
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2022

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds					
General Fund	\$ 261,500	4,735	266,235	266,235	-
Special Purpose Funds					
Employee Benefits Fund	37,500	-	37,500	37,500	-
Library Fund	13,800	-	13,800	10,626	(3,174)
Noxious Weed Fund	1,400	-	1,400	185	(1,215)
Special Highway Fund	55,374	-	55,374	39,785	(15,589)
Recreation Fund	2,850	-	2,850	1,258	(1,592)
Cemetery Fund	14,020	-	14,020	-	(14,020)
Business Funds					
Solid Waste Fund	49,699	-	49,699	40,466	(9,233)
Water Utility Fund	260,425	-	260,425	175,772	(84,653)
Sewer Utility Fund	164,256	-	164,256	50,016	(114,240)
Sewer Utility Revolving Fund	13,256	-	13,256	5,879	(7,377)

CITY OF KANOPOLIS, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property	\$ 107,426	111,421	112,278	(857)
Delinquent	3,012	2,831	3,000	(169)
Motor Vehicle	16,466	15,167	16,985	(1,818)
Recreational Vehicle	849	460	513	(53)
Commercial Vehicle	1,080	1,106	1,166	(60)
Sales Tax	53,737	54,197	49,000	5,197
Franchise Fees	37,486	40,817	33,000	7,817
Licenses and Permits	1,049	612	700	(88)
Fines and Fees	1,493	-	100	(100)
Fire	2,500	31,898	6,600	25,298
Dividends	6,263	6,267	6,300	(33)
Lease	-	-	100	(100)
Community Center	2,400	1,950	3,000	(1,050)
Library Community Room	1,050	1,500	-	1,500
Reimbursed Expenses	-	1,845	-	1,845
Interest	442	539	-	539
Miscellaneous	7,157	4,709	-	4,709
Total Receipts	242,410	275,319	232,742	42,577
Expenditures				
Personal Services	56,683	54,728	77,500	(22,772)
Contractual Services	39,343	46,515	40,000	6,515
Commodities	13,920	18,711	14,000	4,711
Capital Outlay	-	4,960	-	4,960
Community Center	6,415	8,318	7,000	1,318
Fire Department	22,171	28,964	24,000	4,964
Police Department	23,135	23,037	23,000	37
Park Department	571	301	1,000	(699)
Street Department	18,969	62,659	57,000	5,659
Street Lighting	15,507	11,949	13,000	(1,051)
Miscellaneous	8,370	4,677	5,000	(323)
Transfers Out	-	1,416	-	1,416
(a) Adjustment for Qualifying Budget Credits	-	-	4,735	(4,735)
Total Expenditures	205,084	266,235	266,235	-
Receipts Over (Under) Expenditures	37,326	9,084		
Unencumbered Cash - Beginning	30,134	67,460		
Unencumbered Cash - Ending	\$ 67,460	76,544		
(a) Adjustment for Qualifying Budget Credits				
Reimbursed Expenses over Amount Budgeted			\$ 1,845	
Donations over Amount Budgeted			2,890	
			<u>\$ 4,735</u>	

CITY OF KANOPOLIS, KANSAS
Employee Benefits Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property	\$ 10,025	12,062	12,434	(372)
Delinquent	301	271	250	21
Motor Vehicle	1,550	1,670	1,585	85
Recreational Vehicle	80	51	48	3
Commercial Vehicle	102	122	109	13
Transfers In	24,000	24,000	20,000	4,000
Total Receipts	36,058	38,176	<u>34,426</u>	<u>3,750</u>
Expenditures				
Employee Benefits	32,496	37,500	<u>37,500</u>	<u>-</u>
Receipts Over (Under) Expenditures	3,562	676		
Unencumbered Cash - Beginning	3,939	7,501		
Unencumbered Cash - Ending	\$ <u>7,501</u>	<u>8,177</u>		

CITY OF KANOPOLIS, KANSAS
Library Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem	\$ 10,175	10,530	10,851	(321)
Delinquent	260	244	-	244
Motor Vehicle	1,346	1,456	1,609	(153)
Recreational Vehicle	69	44	49	(5)
Commerical Vehicle	88	107	111	(4)
Total Receipts	<u>11,938</u>	<u>12,381</u>	<u>12,620</u>	<u>(239)</u>
Expenditures				
Personal Services	10,711	8,316	11,200	(2,884)
Contractual Services	-	2,310	100	2,210
Commodities	-	-	100	(100)
Capital Outlay	-	-	2,400	(2,400)
Total Expenditures	<u>10,711</u>	<u>10,626</u>	<u>13,800</u>	<u>(3,174)</u>
Receipts Over (Under) Expenditures	1,227	1,755		
Unencumbered Cash - Beginning	<u>465</u>	<u>1,692</u>		
Unencumbered Cash - Ending	\$ <u>1,692</u>	<u>3,447</u>		

CITY OF KANOPOLIS, KANSAS
Noxious Weed Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem	\$ 192	194	200	(6)
Delinquent	6	6	-	6
Motor Vehicle	29	27	30	(3)
Recreational Vehicle	2	1	1	-
Commercial Vehicle	2	2	2	-
Total Receipts	231	230	<u>233</u>	<u>(3)</u>
Expenditures				
Commodities	-	185	<u>1,400</u>	<u>(1,215)</u>
Receipts Over (Under) Expenditures	231	45		
Unencumbered Cash - Beginning	<u>1,135</u>	<u>1,366</u>		
Unencumbered Cash - Ending	\$ <u>1,366</u>	<u>1,411</u>		

CITY OF KANOPOLIS, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
State of Kansas Gas Tax	\$ 13,034	12,158	<u>11,620</u>	<u>538</u>
Expenditures				
Contractual Services	-	39,785	<u>55,374</u>	<u>(15,589)</u>
Receipts Over (Under) Expenditures	13,034	(27,627)		
Unencumbered Cash - Beginning	<u>37,064</u>	<u>50,098</u>		
Unencumbered Cash - Ending	\$ <u>50,098</u>	<u>22,471</u>		

CITY OF KANOPOLIS, KANSAS
Recreation Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem	\$ 288	301	306	(5)
Delinquent	7	6	7	(1)
Motor Vehicle	35	41	45	(4)
Recreational Vehicle	2	1	1	-
Commerical Vehicle	2	3	3	-
Donations and Grants	80	100	500	(400)
Tournament and Other	80	80	500	(420)
Total Receipts	<u>494</u>	<u>532</u>	<u>1,362</u>	<u>(830)</u>
Expenditures				
Commodities	213	1,258	1,850	(592)
Capital Outlay	-	-	1,000	(1,000)
Miscellaneous	105	-	-	-
Total Expenditures	<u>318</u>	<u>1,258</u>	<u>2,850</u>	<u>(1,592)</u>
Receipts Over (Under) Expenditures	176	(726)		
Unencumbered Cash - Beginning	<u>550</u>	<u>726</u>		
Unencumbered Cash - Ending	<u>\$ 726</u>	<u>-</u>		

CITY OF KANOPOLIS, KANSAS
Cemetery Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Ad Valorem	\$ 2,066	2,110	2,173	(63)
Delinquent	65	57	45	12
Motor Vehicle	322	294	326	(32)
Recreational Vehicle	17	9	10	(1)
Commercial Vehicle	21	21	22	(1)
Sales of Lots	250	300	250	50
Donation	655	-	-	-
Total Receipts	<u>3,396</u>	<u>2,791</u>	<u>2,826</u>	<u>(35)</u>
Expenditures				
Personal Services	607	-	13,720	(13,720)
Contractual	-	-	300	(300)
Total Expenditures	<u>607</u>	<u>-</u>	<u>14,020</u>	<u>(14,020)</u>
Receipts Over (Under) Expenditures	2,789	2,791		
Unencumbered Cash - Beginning	<u>9,757</u>	<u>12,546</u>		
Unencumbered Cash - Ending	\$ <u>12,546</u>	<u>15,337</u>		

CITY OF KANOPOLIS, KANSAS
Municipal Equipment Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts	\$ -	-
Expenditures		
Capital Outlay	9,035	3,500
Receipts Over (Under) Expenditures	(9,035)	(3,500)
Unencumbered Cash - Beginning	33,364	24,329
Unencumbered Cash - Ending	\$ 24,329	20,829

CITY OF KANOPOLIS, KANSAS
Municipal Improvement Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Reimbursements	\$ 1,077	-
Expenditures		
Contractual	7,484	149
Receipts Over (Under) Expenditures	(6,407)	(149)
Unencumbered Cash - Beginning	49,757	43,350
Unencumbered Cash - Ending	\$ 43,350	43,201

CITY OF KANOPOLIS, KANSAS
Capital Projects Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	\$ 39,490	34,490
State Aid	-	65,000
Interest	-	2,950
Grants	9,894	32,292
Transfers In	-	1,416
Total Receipts	<u>49,384</u>	<u>136,148</u>
Expenditures		
Professional Services	5,963	10,270
Construction	39,031	36,458
Total Expenditures	<u>44,994</u>	<u>46,728</u>
Receipts Over (Under) Expenditures	4,390	89,420
Unencumbered Cash - Beginning	<u>349,254</u>	<u>353,644</u>
Unencumbered Cash - Ending	<u>\$ 353,644</u>	<u>443,064</u>

CITY OF KANOPOLIS, KANSAS
Solid Waste Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Customer Collection	\$ 40,976	41,095	40,500	595
Expenditures				
Contractual Services	37,143	40,425	41,000	(575)
Miscellaneous	-	41	8,699	(8,658)
Total Expenditures	37,143	40,466	49,699	(9,233)
Receipts Over (Under) Expenditures	3,833	629		
Unencumbered Cash - Beginning	8,699	12,532		
Unencumbered Cash - Ending	\$ 12,532	13,161		

CITY OF KANOPOLIS, KANSAS
Water Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Sales to Customers	\$ 165,849	164,850	155,000	9,850
Sales Tax	457	489	400	89
Reimbursements	2,215	-	-	-
Miscellaneous	1,528	-	-	-
Interest	1,076	989	1,400	(411)
Total Receipts	<u>171,125</u>	<u>166,328</u>	<u>156,800</u>	<u>9,528</u>
Expenditures				
Personal Services	57,801	55,669	146,400	(90,731)
Contractual Services	32,794	28,897	26,000	2,897
Commodities	13,791	21,361	11,000	10,361
Bond Principal and Interest	55,715	55,715	65,725	(10,010)
Miscellaneous	1,466	2,130	1,300	830
Transfers Out	12,000	12,000	10,000	2,000
Total Expenditures	<u>173,567</u>	<u>175,772</u>	<u>260,425</u>	<u>(84,653)</u>
Receipts Over (Under) Expenditures	(2,442)	(9,444)		
Unencumbered Cash - Beginning	118,850	116,408		
Prior Year Cancelled Encumbrances	-	3,300		
Unencumbered Cash - Ending	<u>\$ 116,408</u>	<u>110,264</u>		

CITY OF KANOPOLIS, KANSAS
Sewer Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Sewer Service Charges	\$ 55,611	56,150	56,000	150
Interest	158	62	300	(238)
Total Receipts	<u>55,769</u>	<u>56,212</u>	<u>56,300</u>	<u>(88)</u>
Expenditures				
Personal Services	22,481	24,933	135,256	(110,323)
Contractual Services	5,427	2,411	3,000	(589)
Commodities	3,349	3,772	5,000	(1,228)
Capital Outlay	-	-	5,000	(5,000)
Transfers Out	18,900	18,900	16,000	2,900
Total Expenditures	<u>50,157</u>	<u>50,016</u>	<u>164,256</u>	<u>(114,240)</u>
Receipts Over (Under) Expenditures	5,612	6,196		
Unencumbered Cash - Beginning	<u>104,656</u>	<u>110,268</u>		
Unencumbered Cash - Ending	\$ <u>110,268</u>	\$ <u>116,464</u>		

CITY OF KANOPOLIS, KANSAS
Sewer Utility Revolving Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Transfers In	\$ 6,900	6,900	6,000	900
Expenditures				
Principal	5,144	5,315	12,677	(7,362)
Interest	734	564	579	(15)
Total Expenditures	5,878	5,879	13,256	(7,377)
Receipts Over (Under) Expenditures	1,022	1,021		
Unencumbered Cash - Beginning	7,137	8,159		
Unencumbered Cash - Ending	\$ 8,159	9,180		

CITY OF KANOPOLIS, KANSAS
Kanopolis Public Library Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
State Aid	\$ 128	-
CKLS	7,686	8,032
Donations	48	1,100
Interest	76	73
Miscellaneous	100	171
Total Receipts	8,038	9,376
Expenditures		
Programs	2,604	2,570
Books and Periodicals	3,839	3,040
Supplies	1,256	1,337
Training	200	392
Utilities	254	252
Capital Outlay	2,760	656
Miscellaneous	265	45
Total Expenditures	11,178	8,292
Receipts Over (Under) Expenditures	(3,140)	1,084
Unencumbered Cash - Beginning	39,463	36,323
Unencumbered Cash - Ending	\$ 36,323	37,407

CITY OF KANOPOLIS, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2022

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Meter Deposit Fund	\$ <u>25,068</u>	<u>1,660</u>	<u>178</u>	<u>26,550</u>