

**CITY OF HAYS, KANSAS**

Primary Government Financial Statement  
With Independent Auditors' Report

For the Year Ended December 31, 2022

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## INDEPENDENT AUDITORS' REPORT

To the Mayor and City Commission  
**City of Hays, Kansas**  
Hays, Kansas

### Report on the Audit of the Financial Statement

#### Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **City of Hays, 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), 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 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 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 statement.

In performing an audit in accordance with GAAS 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 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 schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 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 the City as of and for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated May 26, 2022. The 2021 financial statements and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services>. The 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 combining and individual fund financial statements and schedules. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 combining and individual fund financial statements and schedules and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 financial statements or to the 2021 financial statements 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 financial statements as a whole for the year ended December 31, 2021, on the basis of accounting described in Note 1 of the December 31, 2021 audit report. Adjustments were made in the current year to adjust beginning balances for the change in accounting basis as noted in Note 13.

### Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 27, 2023, 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.

A handwritten signature in black ink that reads "Adams Brown, LLC". The signature is written in a cursive, flowing style.

**ADAMSBROWN, LLC**

Certified Public Accountants

Hays, Kansas

April 27, 2023

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

Funds	Beginning Unencumbered Cash Balance	Change in Accounting Basis	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>Governmental Type Funds</b>								
<b>General Fund</b>	\$ 3,866,082	393,889	14,006	16,566,464	15,690,945	<b>5,149,496</b>	431,847	<b>5,581,343</b>
<b>Special Purpose Funds</b>								
Library Fund	115,695	-	-	1,571,305	1,584,834	<b>102,166</b>	-	<b>102,166</b>
Library Employee Benefits Fund	19,289	-	-	256,009	260,746	<b>14,552</b>	-	<b>14,552</b>
Special Highway Fund	389,767	-	1,730	1,229,686	1,095,311	<b>525,872</b>	78,777	<b>604,649</b>
Employee Benefits Fund	1,763,442	-	-	4,033,898	4,204,649	<b>1,592,691</b>	639	<b>1,593,330</b>
Public Safety Equipment Fund	6,919	-	5,000	524,716	487,666	<b>48,969</b>	33,412	<b>82,381</b>
Airport Fund	645,088	12,290	-	1,037,309	1,659,244	<b>35,443</b>	31,078	<b>66,521</b>
Convention and Visitor's Bureau Fund	388,793	14,257	30	1,523,847	1,704,730	<b>222,197</b>	14,394	<b>236,591</b>
New Equipment Reserve Fund	4,176,925	-	1,965	837,860	1,863,501	<b>3,153,249</b>	1,251,510	<b>4,404,759</b>
Special Alcohol Program Fund	33,542	-	-	172,158	113,885	<b>91,815</b>	-	<b>91,815</b>
Special Parks and Recreation Fund	88,391	-	-	303,792	201,052	<b>191,131</b>	12,650	<b>203,781</b>
Parks Improvement Fund	38,204	-	-	46,280	63,379	<b>21,105</b>	21,326	<b>42,431</b>
City Commission Capital Reserve Fund	406,773	-	3,580	2,910,742	452,710	<b>2,868,385</b>	45,000	<b>2,913,385</b>
American Rescue Plan Act Fund	664,160	-	-	1,582,862	945,189	<b>1,301,833</b>	-	<b>1,301,833</b>
Law Enforcement Trust Fund	21,484	-	-	6,757	7,303	<b>20,938</b>	6,649	<b>27,587</b>
Convention and Visitor's Bureau Reserve Fund	450,000	-	-	350,000	-	<b>800,000</b>	-	<b>800,000</b>
Airport Improvement Fund	(586,164)	-	14,036	1,954,611	2,168,102	<b>(785,619)</b>	495,375	<b>(290,244)</b>
Opioid Settlement Fund	-	-	-	5,119	-	<b>5,119</b>	-	<b>5,119</b>
Golf Course Improvement Fund	29,965	-	-	19,425	54	<b>49,336</b>	-	<b>49,336</b>
Sports Complex Fund	645,838	-	-	84,905	256,825	<b>473,918</b>	-	<b>473,918</b>
Budget Stabilization Fund	3,262,011	-	-	-	40,522	<b>3,221,489</b>	-	<b>3,221,489</b>
<b>Bond and Interest Funds</b>								
Bond and Interest Fund	172,528	-	-	1,548,970	1,563,085	<b>158,413</b>	-	<b>158,413</b>
Economic Development Bond Fund	452,872	-	-	324,005	23,575	<b>753,302</b>	-	<b>753,302</b>
CVB Sinking Fund	7,960	-	-	74,947	-	<b>82,907</b>	-	<b>82,907</b>
<b>Capital Project Fund</b>								
Capital Projects Fund	(2,118,730)	-	154,192	1,163,555	9,169,859	<b>(9,970,842)</b>	6,354,173	<b>(3,616,669)</b>
<b>Business Funds</b>								
Water Production and Distribution Fund	1,000,604	(99,171)	1,163	4,213,615	3,765,421	<b>1,350,790</b>	787,791	<b>2,138,581</b>
Water Reclamation and Reuse Fund	837,036	(207,270)	6,674	5,224,049	5,146,949	<b>713,540</b>	117,139	<b>830,679</b>
Water Conservation Fund	609,922	3,981	24,240	3,986,160	3,210,306	<b>1,413,997</b>	22,272	<b>1,436,269</b>
Solid Waste Fund	142,151	(67,691)	-	1,720,993	1,642,600	<b>152,853</b>	46,046	<b>198,899</b>
Stormwater Management Fund	22,464	(26,285)	218	824,453	789,587	<b>31,263</b>	87,268	<b>118,531</b>
Water Production and Distribution Reserve Fund	729,044	-	-	650,000	968,855	<b>410,189</b>	69,574	<b>479,763</b>
Water Reclamation and Reuse Reserve Fund	1,791,100	-	-	651,868	444,826	<b>1,998,142</b>	382,767	<b>2,380,909</b>
Water Sales Tax Reserve Fund	40,442,698	-	-	2,341,685	949,058	<b>41,835,325</b>	76,217	<b>41,911,542</b>
Solid Waste Reserve Fund	585,251	-	-	300,000	189,765	<b>695,486</b>	46,050	<b>741,536</b>
Stormwater Reserve Fund	1,306,439	-	-	300,000	10,200	<b>1,596,239</b>	-	<b>1,596,239</b>
<b>Total Primary Government (Excluding Agency Funds)</b>	<b>\$ 62,407,543</b>	<b>24,000</b>	<b>226,834</b>	<b>58,342,045</b>	<b>60,674,733</b>	<b>60,325,689</b>	<b>10,411,954</b>	<b>70,737,643</b>
<b>Composition of Cash</b>								
Treasury Notes							\$	<b>65,247,582</b>
Checking Accounts								<b>5,998,181</b>
Petty Cash								<b>1,500</b>
Total Cash								<b>71,247,263</b>
Agency Funds per Schedule 3								<b>(509,620)</b>
<b>Total Primary Government (Excluding Agency Funds)</b>							<b>\$</b>	<b>70,737,643</b>

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



**CITY OF HAYS, KANSAS**  
Notes to Financial Statement  
December 31, 2022

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**City of Hays, 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 five-member commission. This financial statement does not include the related municipal entities shown below. A related municipal entity is an entity established to benefit the City and/or its constituents.

**Hays Public Library**

The Hays Public Library is overseen by a Library board whose members are appointed by the City Commission. The day to day operations are managed by a Library director that is appointed by the Library board. 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 must approve, by charter ordinance, increases in the Library mill levy rate. The City has excluded this related municipal entity in the City's financial statement. Contact the City office for information on how to obtain a copy of the financial statements and audit report.

**Housing Authority of the City of Hays, Kansas**

The Housing Authority of the City of Hays, Kansas is overseen by a five member board whose members are appointed by the City Commission. The day to day operations are managed by an executive director that is appointed by the board. The City has excluded this related municipal entity in the City's financial statement. Contact the City office for information on how to obtain a copy of the financial statements.

**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 year 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.

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

**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.

**CITY OF HAYS, KANSAS**  
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December 31, 2022

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**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 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.

**Budget Stabilization Reserve**

In 2004, through a general election, the City passed a  $\frac{3}{4}\%$  sales tax to replace the property tax levy for the general fund. At that time, a budget stabilization reserve was created in the general fund that amounted to the ending unencumbered cash balance prior to the change. The City's Comprehensive Financial Management Policy requires that 25% of General Fund Operating Expenditures be maintained in the Budget Stabilization Fund. Any expenditures used with stabilization funds must be approved by City Commission.

**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

**CITY OF HAYS, KANSAS**  
Notes to Financial Statement  
December 31, 2022

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has been adjusted to on or before September 20<sup>th</sup>. 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 amendments for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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: New Equipment Reserve Fund, Parks Improvement Fund, City Commission Capital Reserve Fund, American Rescue Plan Act Fund, Law Enforcement Trust Fund, Convention and Visitor's Bureau Reserve Fund, Airport Improvement Fund, Opioid Settlement Fund, Golf Course Improvement Fund, Sports Complex Fund, and Budget Stabilization 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.

### **Special Assessments**

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds, which are secured by the full faith and credit of the City. Projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the Bond and Interest Fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the Bond and Interest Fund.

Special assessments are levied over a fifteen to twenty year period and the annual installments are due and payable with annual ad valorem property taxes. Delinquent assessments against property benefited by special assessments constitute a lien against such property. When assessments are two years in arrears, the assessments may be collected by foreclosure.

### **NOTE 3 – DEPOSITS AND INVESTMENTS**

**City of Hays, 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

**CITY OF HAYS, KANSAS**  
Notes to Financial Statement  
December 31, 2022

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. The rating of the City's investments is noted below.

As of December 31, 2022, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in years) Less than One	Rating
U.S. Treasury Notes	\$ 65,247,582	65,247,582	AAA

The City does not maintain a formal investment policy pertaining to Passenger Facility revenue. However, in accordance with the Code of Federal Regulation, unexpended Passenger Facility revenue of the City is held in other interest bearing instruments.

**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. The City's allocation of investments as of December 31, 2022, is as follows:

Investments	Percentage of Investments
U.S. Treasury Notes	100%

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, 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 \$5,999,681 and the bank balance was \$6,782,828. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and \$6,532,828 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

**Custodial Credit Risk – Investments**

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

**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

**CITY OF HAYS, KANSAS**  
Notes to Financial Statement  
December 31, 2022

authorized by Kansas statutes. **City of Hays, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2022 were as follows:

From	To	Regulatory Authority	Amount
General Fund	New Equipment Reserve Fund	K.S.A. 12-1,117	\$ 278,756
General Fund	Stormwater Management Fund	Commission Approved	16,500
General Fund	Special Highway Fund	Commission Approved	200,000
General Fund	City Commission Capital Reserve Fund	Commission Approved	2,530,000
Water Production and Distribution Fund	General Fund	K.S.A. 12-825d	561,631
Water Reclamation and Reuse Fund	General Fund	K.S.A. 12-825d	765,000
Convention and Visitor's Bureau Fund	General Fund	Commission Approved	139,000
Water Conservation Fund	General Fund	K.S.A. 12-825d	546,349
Solid Waste Fund	General Fund	K.S.A. 12-825d	244,610
Special Alcohol Program Fund	General Fund	Commission Approved	53,885
Sports Complex Fund	General Fund	Commission Approved	232,895
Stormwater Management Fund	General Fund	K.S.A. 12-825d	80,996
Water Production and Distribution Fund	Employee Benefits Fund	K.S.A. 12-16,102	270,211
Water Reclamation and Reuse Fund	Employee Benefits Fund	K.S.A. 12-16,102	215,033
Water Conservation Fund	Employee Benefits Fund	K.S.A. 12-16,102	26,976
Solid Waste Fund	Employee Benefits Fund	K.S.A. 12-16,102	194,613
Convention and Visitor's Bureau Fund	Employee Benefits Fund	K.S.A. 12-16,102	92,990
Stormwater Management Fund	Employee Benefits Fund	K.S.A. 12-16,102	70,720
Sports Complex Fund	Employee Benefits Fund	K.S.A. 12-16,102	21,507
Airport Fund	New Equipment Reserve Fund	K.S.A. 12-1,117	24,132
Convention and Visitor's Bureau Fund	New Equipment Reserve Fund	K.S.A. 12-1,117	2,964
Water Production and Distribution Fund	New Equipment Reserve Fund	K.S.A. 12-1,117	20,576
Water Reclamation and Reuse Fund	New Equipment Reserve Fund	K.S.A. 12-1,117	31,971
Water Conservation Fund	New Equipment Reserve Fund	K.S.A. 12-1,117	1,909
Stormwater Management Fund	New Equipment Reserve Fund	K.S.A. 12-1,117	45,293
Public Safety Equipment Fund	New Equipment Reserve Fund	K.S.A. 12-1,117	380,000
Airport Fund	Airport Improvement Fund	K.S.A. 12-1,118	1,050,000
Solid Waste Fund	Solid Waste Reserve Fund	K.S.A. 12-825d	300,000
Water Reclamation and Reuse Fund	Water Reclamation and Reuse Reserve Fund	K.S.A. 12-825d	650,000
Water Production and Distribution Fund	Water Production and Distribution Reserve Fund	K.S.A. 12-825d	650,000
Water Conservation Fund	Water Sales Tax Reserve Fund	K.S.A. 12-825d	2,341,685
Stormwater Management Fund	Stormwater Reserve Fund	K.S.A. 12-1,118	300,000
Convention and Visitor's Bureau Fund	Bond and Interest Fund	Commission Approved	337,672
Convention and Visitor's Bureau Fund	Special Parks and Recreation Fund	Commission Approved	75,000
Convention and Visitor's Bureau Fund	Convention and Visitor's Bureau Reserve Fund	Commission Approved	350,000
Convention and Visitor's Bureau Fund	CVB Sinking Fund	Commission Approved	74,947

**NOTE 5 – CAPITAL PROJECTS**

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

	Project Authorization	Expenditures to Date
Airport Improvement 3-20-0028-36 Apron Rehab	\$ 1,027,601	1,027,601
Airport Improvement 3-20-0028-38 4-22 Light Rehab	1,021,613	956,087
Airport Improvement 3-20-0028-39 CARES	1,049,358	798,683
Airport Improvement 3-20-0028-40 Apron Rehab Beacon Replacement	1,490,950	1,099,600
Airport Improvement 3-20-0028-41 Land Acquisition	261,805	237,996
Airport Improvement 3-20-0028-42 CRRSA	1,005,034	776,480
Airport Improvement 3-20-0028-43 Snow Removal Equipment Building	1,316,239	290,185
Airport Improvement 3-20-0028-44 ARPA	1,072,737	112,667

**CITY OF HAYS, KANSAS**  
Notes to Financial Statement  
December 31, 2022

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**NOTE 6 – LITIGATION**

**City of Hays, 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**

**City of Hays, Kansas** 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.

The City has been unable to obtain commercial insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other public entities in the State of Kansas and Missouri to participate in the Midwest Public Risk Pool (MPR), a public entity risk pool currently operating as a common risk management and insurance program for 163 participating members. The City joined MPR in July 2017. The agreement to participate provides that MPR will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 for each insured event. During 2022, the City contributed \$292,679 to the fund for this insurance coverage. Additional premiums may be due if total claims for the pool are different than what has been anticipated by MPR management. The City's Director of Finance is on the Board of Directors for MPR.

The City has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for 174 participating members. The City joined KMIT in January 2005. The agreement to participate provides that KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 for each insured event. During 2022, the City contributed \$194,520 to the fund for this insurance coverage. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT management.

**NOTE 8 – GRANTS AND SHARED REVENUES**

**City of Hays, 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.

**NOTE 9 – DEFINED BENEFIT PENSION PLAN**

**General Information about the Pension Plan**

**Plan Description**

**City of Hays, Kansas** participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are part of a cost-sharing, multiple-employer defined benefit pension plan as provided by Kansas law. KPERS and KP&F provide retirement

**CITY OF HAYS, KANSAS**  
Notes to Financial Statement  
December 31, 2022

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benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

**Contributions**

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes the KP&F member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.90% for KPERS and 22.99% for KP&F for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were \$612,250 for KPERS and \$828,499 for KP&F for the year ended December 31, 2022.

**Net Pension Liability**

At December 31, 2022, the City's proportionate share of the collective net pension liability reported by KPERS was \$6,367,666 and \$8,307,760 for KP&F. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

**NOTE 10 – DEFERRED COMPENSATION PLAN**

City employees may participate in a deferred compensation plan created in accordance with Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. The employee is responsible for the amount of deferred compensation to be contributed. The amount selected is invested for the employee. The City is not required to make any contributions. The deferred compensation is not available to employees until termination, retirement, death, or in case of limited specific circumstances.

**CITY OF HAYS, KANSAS**  
Notes to Financial Statement  
December 31, 2022

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**NOTE 11 – OTHER POST EMPLOYMENT BENEFITS**

As provided by K.S.A. 12-5040, **City of Hays, 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.

As provided by K.S.A.74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2022.

**NOTE 12 – COMPENSATED ABSENCES**

The City's policy is a general leave policy of paid time off (PTO). PTO shall be accrued by full-time employees, and all employees shall have a maximum amount of PTO accrual equal to the number of hours they accrue during their anniversary year. Employees who exceed the accrual maximum shall not be credited with further PTO until their accruals are reduced below the maximum level. Upon separation from employment with the City, employees who terminate in good standing will be paid for all accrued but unused PTO at their current rate of pay.

Months of Service	Accrual Hours Per Payroll	Annual Amount of Accrual Hours	Annual Amount of Accrual Days
0 - 47	7.4	192.4	24
48 - 107	8.0	208.0	26
108 - 167	8.6	223.6	28
168 - 227	9.3	241.8	30
228 +	9.9	257.4	32

**NOTE 13 – CHANGE IN ACCOUNTING BASIS**

For the year ended December 31, 2022, the City waived using generally accepted accounting principles (GAAP) and elected to use the regulatory basis of accounting in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*. Under GAAP, the City recorded transactions on the accrual basis. Under the regulatory basis, modified accrual basis is used. Multiple GAAP to KMAAG adjustments are necessary in order to accurately report the City's financial statements as of year-end. Those adjustments include removing accounts receivable and paid time off. The net change in accounting basis as reported on Statement 1 is \$24,000.

**NOTE 14 – LONG-TERM DEBT**

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

**General Obligation Bonds**

On November 23, 2004, the City issued \$2,445,000 in Series 2004-A General Obligation Economic Development Bonds to pay the costs of making the Economic Development Grant and paying the costs of issuance.



**CITY OF HAYS, KANSAS**  
Notes to Financial Statement  
December 31, 2022

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On August 15, 2011, the City issued \$2,220,000 in Series 2011-A General Obligation Internal Improvement Bonds to finance Vine Street Project and various Improvement Districts.

On October 31, 2013, the City issued \$1,245,000 in Series 2013-A General Obligation Refunding and Improvement Bonds to finance the Golden Belt Estates 4<sup>th</sup> Addition and the 46<sup>th</sup> Street 1<sup>st</sup> Addition and to establish an escrow account to redeem General Obligation Bonds Series 2002-A.

On July 1, 2015, the City issued \$1,010,000 in Series 2015-A General Obligation Bonds to finance the 46<sup>th</sup> Street, Second Addition and Golden Belt Estates, Fifth Edition – Danby Lane and Jagger Court.

On December 15, 2016, the City issued \$5,850,000 in Series 2016-A General Obligation Refunding Bonds to establish an escrow account to redeem General Obligation Bonds, Series 2005-A, 2006-A, 2007-A, 2008-A and 2009-A.

On August 15, 2017, the City issued \$1,490,000 in Series 2017-A General Obligation Bonds to finance the 46<sup>th</sup> Street Addition – Phase II, the King's Gate First Addition – Phase II, the Tallgrass Addition – Phase V and the S&W Alley.

On August 15, 2017, the City issued \$2,050,000 in Series 2017-B General Obligation Refunding Bonds to finance the Sewerage System Project.

On May 29, 2019, the City issued \$65,000 in Series 2019-A General Obligation Bonds to finance the King's Gate First Addition.

On April 15, 2021, the City issued \$6,480,000 in Series 2021-A General Obligation Bonds to finance the North Vine Corridor Project.

**KDHE Revolving Loan**

The City has entered into a revolving loan agreement with the State of Kansas in order to finance wastewater plant improvements in the amount of \$30,260,000.

**CITY OF HAYS, 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
<b>General Obligation Bonds</b>									
Series 2004-A	5.30 - 5.375%	2004	\$ 2,445,000	2024	\$ 640,000	-	400,000	<b>240,000</b>	31,285
Series 2011-A	2.50 - 3.40%	2011	2,220,000	2026	750,000	-	140,000	<b>610,000</b>	22,615
Series 2013-A	2.70 - 3.50%	2013	1,245,000	2028	370,000	-	110,000	<b>260,000</b>	11,445
Series 2015-A	3.00 - 3.80%	2015	1,010,000	2030	645,000	-	65,000	<b>580,000</b>	21,698
Series 2016-A	2.25 - 2.50%	2016	5,850,000	2026	2,370,000	-	660,000	<b>1,710,000</b>	55,175
Series 2017-A	3.00 - 3.50%	2017	1,490,000	2032	1,150,000	-	95,000	<b>1,055,000</b>	36,725
Series 2017-B	3.00%	2017	2,050,000	2024	930,000	-	300,000	<b>630,000</b>	27,900
Series 2019-A	3.25%	2019	65,000	2029	54,000	-	6,000	<b>48,000</b>	1,755
Series 2021-A	1.10 - 4.00%	2021	6,480,000	2046	6,480,000	-	125,000	<b>6,355,000</b>	212,672
<b>KDHE Revolving Loan</b>									
State of Kansas	2.27%	2015	30,260,000	2038	25,578,978	-	1,293,982	<b>24,284,996</b>	510,198
<b>Total Contractual Indebtedness</b>					<b>\$ 38,967,978</b>	<b>-</b>	<b>3,194,982</b>	<b>35,772,996</b>	<b>931,468</b>

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

Principal	YEAR									Total
	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038-2042	2043-2046	
General Obligation Bonds \$	1,631,000	1,316,000	947,000	977,000	452,000	2,070,000	1,335,000	1,475,000	1,285,000	11,488,000
KDHE Revolving Loan	1,323,523	1,353,737	1,384,641	1,416,251	1,448,582	7,754,312	8,680,766	923,184	-	24,284,996
Total Principal	2,954,523	2,669,737	2,331,641	2,393,251	1,900,582	9,824,312	10,015,766	2,398,184	1,285,000	35,772,996
Interest										
General Obligation Bonds	297,806	252,051	213,781	284,664	153,951	544,639	358,684	224,094	68,569	2,398,239
KDHE Revolving Loan	483,911	457,024	429,523	401,395	372,624	1,408,042	583,620	9,324	-	4,145,463
Total Interest	781,717	709,075	643,304	686,059	526,575	1,952,681	942,304	233,418	68,569	6,543,702
Total Principal and Interest \$	3,736,240	3,378,812	2,974,945	3,079,310	2,427,157	11,776,993	10,958,070	2,631,602	1,353,569	42,316,698

**CITY OF HAYS, KANSAS**

Regulatory-Required Supplementary Information

**CITY OF HAYS, 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)
<b>Governmental Type Funds</b>					
<b>General Fund</b>	\$ 15,791,666	-	15,791,666	<b>15,690,945</b>	(100,721)
<b>Special Purpose Funds</b>					
Library Fund	1,584,834	-	1,584,834	<b>1,584,834</b>	-
Library Employee Benefits Fund	260,746	-	260,746	<b>260,746</b>	-
Special Highway Fund	1,116,722	-	1,116,722	<b>1,095,311</b>	(21,411)
Employee Benefits Fund	4,912,380	-	4,912,380	<b>4,204,649</b>	(707,731)
Public Safety Equipment Fund	505,922	-	505,922	<b>487,666</b>	(18,256)
Airport Fund	1,732,536	-	1,732,536	<b>1,659,244</b>	(73,292)
Convention and Visitor's Bureau Fund	1,773,567	-	1,773,567	<b>1,704,730</b>	(68,837)
Special Alcohol Program Fund	113,885	-	113,885	<b>113,885</b>	-
Special Parks and Recreation Fund	260,135	-	260,135	<b>201,052</b>	(59,083)
<b>Bond and Interest Funds</b>					
Bond and Interest Fund	1,950,985	-	1,950,985	<b>1,563,085</b>	(387,900)
Economic Development Bond Fund	234,250	-	234,250	<b>23,575</b>	(210,675)
<b>Business Funds</b>					
Water Production and Distribution Fund	3,819,280	-	3,819,280	<b>3,765,421</b>	(53,859)
Water Reclamation and Reuse Fund	5,270,252	-	5,270,252	<b>5,146,949</b>	(123,303)
Water Conservation Fund	3,210,306	-	3,210,306	<b>3,210,306</b>	-
Solid Waste Fund	1,668,052	-	1,668,052	<b>1,642,600</b>	(25,452)
Stormwater Management Fund	846,449	-	846,449	<b>789,587</b>	(56,862)

**CITY OF HAYS, 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	(Under)
<b>Receipts</b>				
Taxes				
Local Sales Tax	\$ 9,629,267	10,324,983	8,697,091	1,627,892
Intergovernmental				
Local Alcoholic Liquor Tax	148,542	172,158	113,885	58,273
Federal Aid	3,363	3,849	-	3,849
Franchise Fees	1,319,779	1,398,022	1,350,000	48,022
Licenses	65,650	49,643	43,458	6,185
Permits	107,796	88,278	81,450	6,828
Fines and Court Fees	529,515	583,585	582,000	1,585
Interest Income	52,003	38,332	4,000	34,332
Rentals	1,200	-	1,200	(1,200)
Golf Course Fees	338,073	351,022	283,000	68,022
Cemetery Fees	16,225	15,525	9,900	5,625
Miscellaneous	195,866	174,443	202,800	(28,357)
Sale of Assets	2,377	-	-	-
Reimbursements	553,831	742,258	742,258	-
Transfers In	2,514,108	2,624,366	2,631,275	(6,909)
<b>Total Receipts</b>	\$ 15,477,595	16,566,464	14,742,317	1,824,147
<b>Expenditures</b>				
City Commission	13,810	25,265	45,135	(19,870)
City Manager	398,564	477,666	491,060	(13,394)
Human Resources	221,684	216,673	248,157	(31,484)
Information Technology	621,876	743,055	767,234	(24,179)
Project Management	184,840	234,965	184,798	50,167
Communications	598,148	631,784	689,787	(58,003)
City Attorney	78,914	117,851	130,820	(12,969)
Finance/City Clerk	413,545	441,096	444,231	(3,135)
Intergovernmental Account	889,002	914,834	866,725	48,109
Police Department	2,320,181	2,654,407	2,730,595	(76,188)
Municipal Court	98,064	113,579	174,857	(61,278)
Public Works	178,845	190,664	205,468	(14,804)
Service Division	776,821	846,240	906,661	(60,421)
Planning, Inspection, and Enforcement	271,241	311,841	316,262	(4,421)
Fleet Maintenance	620,518	740,130	643,530	96,600
Fire Department	1,496,017	1,609,566	1,655,180	(45,614)
Parks and Playgrounds	974,793	1,116,737	1,100,504	16,233
Golf Course	352,234	423,232	428,358	(5,126)
Swimming Pool	130,540	140,020	114,600	25,420
Ballfield Maintenance	15,244	28,196	33,800	(5,604)
Cemetery	10,108	15,897	16,300	(403)
Bickle-Schmidt Sports Complex	171,317	217,355	246,440	(29,085)
Social Services	168,000	168,000	168,000	-
Economic Development	206,313	286,636	280,000	6,636
Transfers Out	2,383,942	3,025,256	2,903,164	122,092
<b>Total Expenditures</b>	13,594,561	15,690,945	15,791,666	(100,721)
<b>Receipts Over (Under) Expenditures</b>	1,883,034	875,519		
<b>Unencumbered Cash - Beginning</b>	1,976,084	3,866,082		
<b>Change in Accounting Basis</b>	-	393,889		
<b>Prior Year Cancelled Encumbrances</b>	6,964	14,006		
<b>Unencumbered Cash - Ending</b>	\$ 3,866,082	5,149,496		

## CITY OF HAYS, 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	
<b>Receipts</b>				
Taxes				
Ad Valorem	\$ 1,339,425	<b>1,422,583</b>	1,432,641	(10,058)
Delinquent	9,335	<b>14,424</b>	-	14,424
Motor Vehicle	159,140	<b>148,091</b>	112,145	35,946
Recreational Vehicle	2,994	<b>2,769</b>	1,938	831
16/20M Truck	846	<b>694</b>	845	(151)
Commercial Vehicle	8,653	<b>8,484</b>	5,706	2,778
Neighborhood Revit Rebate	(5,502)	<b>(6,505)</b>	(6,753)	248
Tax Increment Financing Dist. (TIF)	(22,226)	<b>(19,235)</b>	(28,621)	9,386
<b>Total Receipts</b>	1,492,665	<b>1,571,305</b>	<u>1,517,901</u>	<u>53,404</u>
<b>Expenditures</b>				
Distributions to Library Board	1,483,000	<b>1,584,834</b>	<u>1,584,834</u>	<u>-</u>
<b>Receipts Over (Under) Expenditures</b>	9,665	<b>(13,529)</b>		
<b>Unencumbered Cash - Beginning</b>	106,030	<b>115,695</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>115,695</u>	<u><b>102,166</b></u>		

**CITY OF HAYS, KANSAS**  
**Library 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	
<b>Receipts</b>				
Taxes				
Ad Valorem	\$ 178,712	<b>236,939</b>	283,773	(46,834)
Delinquent	1,414	<b>2,012</b>	-	2,012
Motor Vehicle	21,092	<b>19,759</b>	14,957	4,802
Recreational Vehicle	396	<b>369</b>	258	111
16/20M Truck	141	<b>85</b>	113	(28)
Commercial Vehicle	1,076	<b>1,132</b>	761	371
Neighborhood Revit Rebate	(733)	<b>(1,083)</b>	(1,068)	(15)
Tax Increment Financing Dist. (TIF)	(2,965)	<b>(3,204)</b>	(4,515)	1,311
<b>Total Receipts</b>	199,133	<b>256,009</b>	<u>294,279</u>	<u>(38,270)</u>
<b>Expenditures</b>				
Distributions to Library Board	197,280	<b>260,746</b>	<u>260,746</u>	<u>-</u>
<b>Receipts Over (Under) Expenditures</b>	1,853	<b>(4,737)</b>		
<b>Unencumbered Cash - Beginning</b>	17,436	<b>19,289</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>19,289</u>	<u><b>14,552</b></u>		

## CITY OF HAYS, 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	
<b>Receipts</b>				
Intergovernmental				
State Gasoline Tax	\$ 603,280	<b>562,835</b>	533,430	29,405
State Aid	-	<b>268,305</b>	110,984	157,321
Connecting Link Maintenance	104,570	<b>74,600</b>	74,500	100
Reimbursements	40,837	<b>110,984</b>	-	110,984
Miscellaneous	-	<b>12,962</b>	-	12,962
Transfers In	500,000	<b>200,000</b>	200,000	-
<b>Total Receipts</b>	<u>1,248,687</u>	<u><b>1,229,686</b></u>	<u>918,914</u>	<u>310,772</u>
<b>Expenditures</b>				
Contractual Services	6,571	<b>48,394</b>	50,000	(1,606)
Capital Outlay	1,027,121	<b>1,046,917</b>	1,066,722	(19,805)
<b>Total Expenditures</b>	<u>1,033,692</u>	<u><b>1,095,311</b></u>	<u>1,116,722</u>	<u>(21,411)</u>
<b>Receipts Over (Under) Expenditures</b>	214,995	<b>134,375</b>		
<b>Unencumbered Cash - Beginning</b>	153,107	<b>389,767</b>		
<b>Prior Year Cancelled Encumbrances</b>	<u>21,665</u>	<u><b>1,730</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>389,767</u>	<u><b>525,872</b></u>		



## CITY OF HAYS, 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	
<b>Receipts</b>				
Taxes				
Ad Valorem	\$ 2,683,138	2,791,992	2,811,552	(19,560)
Delinquent	19,300	29,037	-	29,037
Motor Vehicle	325,078	296,656	224,678	71,978
Recreational Vehicle	6,115	5,547	3,883	1,664
16/20M Truck	1,756	1,411	1,692	(281)
Commercial Vehicle	17,604	16,996	11,433	5,563
Neighborhood Revit Rebate	(11,026)	(12,766)	(15,218)	2,452
Tax Increment Financing Dist. (TIF)	(44,522)	(37,750)	(64,975)	27,225
Interest Income	8,776	9,837	1,000	8,837
Miscellaneous	30,891	40,888	-	40,888
Transfers In	974,320	892,050	869,719	22,331
<b>Total Receipts</b>	4,011,430	4,033,898	3,843,764	190,134
<b>Expenditures</b>				
Workmen's Compensation	159,160	194,521	178,344	16,177
Unemployment Compensation	9,675	32,658	10,893	21,765
Social Security	698,093	778,771	801,057	(22,286)
Employee Retirement	1,325,672	1,479,502	1,485,389	(5,887)
Contingency	488	4,616	362,198	(357,582)
Health Insurance	1,381,543	1,663,711	2,024,000	(360,289)
Contractual Services	47,157	50,870	50,499	371
<b>Total Expenditures</b>	3,621,788	4,204,649	4,912,380	(707,731)
<b>Receipts Over (Under) Expenditures</b>	389,642	(170,751)		
<b>Unencumbered Cash - Beginning</b>	1,373,800	1,763,442		
<b>Unencumbered Cash - Ending</b>	\$ 1,763,442	1,592,691		

**CITY OF HAYS, KANSAS**  
**Public Safety Equipment 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	
<b>Receipts</b>				
Taxes				
Ad Valorem	\$ 454,448	<b>474,116</b>	477,547	(3,431)
Delinquent	3,174	<b>4,878</b>	-	4,878
Motor Vehicle	53,996	<b>50,245</b>	38,051	12,194
Recreational Vehicle	1,016	<b>939</b>	658	281
16/20M Truck	282	<b>237</b>	287	(50)
Commercial Vehicle	2,947	<b>2,879</b>	1,936	943
Neighborhood Revit Rebate	(1,867)	<b>(2,168)</b>	(2,388)	220
Tax Increment Financing Dist. (TIF)	(7,541)	<b>(6,410)</b>	(10,169)	3,759
Federal Aid	10,185	-	-	-
Miscellaneous	348	-	-	-
<b>Total Receipts</b>	<u>516,988</u>	<u><b>524,716</b></u>	<u>505,922</u>	<u>18,794</u>
<b>Expenditures</b>				
Capital Outlay	126,757	<b>107,666</b>	134,434	(26,768)
Transfers Out	378,000	<b>380,000</b>	371,488	8,512
<b>Total Expenditures</b>	<u>504,757</u>	<u><b>487,666</b></u>	<u>505,922</u>	<u>(18,256)</u>
<b>Receipts Over (Under) Expenditures</b>	12,231	<b>37,050</b>		
<b>Unencumbered Cash - Beginning</b>	(5,312)	<b>6,919</b>		
<b>Prior Year Cancelled Encumbrances</b>	-	<b>5,000</b>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 6,919</u>	<u><b>48,969</b></u>		

**CITY OF HAYS, KANSAS**  
**Airport 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		Variance Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes				
Ad Valorem	\$ 340,949	<b>355,528</b>	358,160	(2,632)
Delinquent	1,867	<b>3,518</b>	-	3,518
Motor Vehicle	37,590	<b>37,696</b>	28,538	9,158
Recreational Vehicle	708	<b>705</b>	493	212
16/20M Truck	141	<b>177</b>	215	(38)
Commercial Vehicle	2,186	<b>2,160</b>	1,452	708
Neighborhood Revit Rebate	(1,401)	<b>(1,626)</b>	(1,840)	214
Tax Increment Financing Dist. (TIF)	(5,657)	<b>(4,807)</b>	(7,627)	2,820
Intergovernmental				
Federal Grant	418,388	<b>470,283</b>	544,584	(74,301)
Licenses and Fees Collected	136,401	<b>137,527</b>	131,950	5,577
Farming Leases	17,409	<b>19,810</b>	17,409	2,401
Miscellaneous	7,272	<b>16,338</b>	5,000	11,338
Transfers In	30,000	-	-	-
<b>Total Receipts</b>	<b>985,853</b>	<b>1,037,309</b>	<b>1,078,334</b>	<b>(41,025)</b>
<b>Expenditures</b>				
Personal Services	240,349	<b>311,493</b>	316,403	(4,910)
Contractual Services	120,088	<b>104,079</b>	182,300	(78,221)
Commodities	120,473	<b>161,289</b>	161,000	289
Capital Outlay	-	<b>8,251</b>	-	8,251
Transfers Out	80,440	<b>1,074,132</b>	1,072,833	1,299
<b>Total Expenditures</b>	<b>561,350</b>	<b>1,659,244</b>	<b>1,732,536</b>	<b>(73,292)</b>
<b>Receipts Over (Under) Expenditures</b>	<b>424,503</b>	<b>(621,935)</b>		
<b>Unencumbered Cash - Beginning</b>	<b>219,762</b>	<b>645,088</b>		
<b>Change in Accounting Basis</b>	-	<b>12,290</b>		
<b>Prior Year Cancelled Encumbrances</b>	<b>823</b>	-		
<b>Unencumbered Cash - Ending</b>	<b>\$ 645,088</b>	<b>35,443</b>		

**CITY OF HAYS, KANSAS**  
**Convention and Visitor's Bureau 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Intergovernmental				
Guest Tax	\$ 1,207,361	<b>1,444,210</b>	1,300,444	143,766
Miscellaneous	16,151	<b>17,879</b>	12,696	5,183
Reimbursements	294,230	<b>61,758</b>	61,758	-
<b>Total Receipts</b>	<u>1,517,742</u>	<u><b>1,523,847</b></u>	<u>1,374,898</u>	<u>148,949</u>
<b>Expenditures</b>				
Personal Services	263,065	<b>266,776</b>	284,907	(18,131)
Contractual Services	227,041	<b>255,223</b>	387,561	(132,338)
Commodities	33,211	<b>22,345</b>	31,000	(8,655)
Capital Outlay	87,415	<b>87,813</b>	91,550	(3,737)
Transfers Out	789,567	<b>1,072,573</b>	978,549	94,024
<b>Total Expenditures</b>	<u>1,400,299</u>	<u><b>1,704,730</b></u>	<u>1,773,567</u>	<u>(68,837)</u>
<b>Receipts Over (Under) Expenditures</b>	117,443	<b>(180,883)</b>		
<b>Unencumbered Cash - Beginning</b>	270,395	<b>388,793</b>		
<b>Change in Accounting Basis</b>	-	<b>14,257</b>		
<b>Prior Year Cancelled Encumbrances</b>	<u>955</u>	<u><b>30</b></u>		
<b>Unencumbered Cash - Ending</b>	\$ <u>388,793</u>	<u><b>222,197</b></u>		

**CITY OF HAYS, KANSAS**  
**New Equipment Reserve 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
<b>Receipts</b>		
Interest Income	\$ 20,365	19,684
Miscellaneous	46,315	32,575
Transfers In	764,697	785,601
<b>Total Receipts</b>	831,377	837,860
<b>Expenditures</b>		
Capital Outlay	1,124,990	1,863,501
<b>Receipts Over (Under) Expenditures</b>	(293,613)	(1,025,641)
<b>Unencumbered Cash - Beginning</b>	4,470,538	4,176,925
<b>Prior Year Cancelled Encumbrances</b>	-	1,965
<b>Unencumbered Cash - Ending</b>	\$ 4,176,925	3,153,249

**CITY OF HAYS, KANSAS**  
**Special Alcohol Program 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	
<b>Receipts</b>				
Intergovernmental				
Liquor Tax	\$ 148,542	<b>172,158</b>	113,885	58,273
<b>Expenditures</b>				
Contractual Services	60,000	<b>60,000</b>	60,000	-
Transfers Out	121,479	<b>53,885</b>	53,885	-
<b>Total Expenditures</b>	181,479	<b>113,885</b>	113,885	-
<b>Receipts Over (Under) Expenditures</b>	(32,937)	<b>58,273</b>		
<b>Unencumbered Cash - Beginning</b>	66,479	<b>33,542</b>		
<b>Unencumbered Cash - Ending</b>	\$ 33,542	<b>91,815</b>		

**CITY OF HAYS, KANSAS**  
**Special Parks and 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Intergovernmental				
Liquor Tax	\$ 148,542	<b>172,158</b>	113,885	58,273
Miscellaneous	-	<b>26,395</b>	-	26,395
Donations	-	<b>50</b>	-	50
Reimbursements	29,816	<b>30,189</b>	30,189	-
Transfers In	75,000	<b>75,000</b>	75,000	-
<b>Total Receipts</b>	253,358	<b>303,792</b>	<u>219,074</u>	<u>84,718</u>
<b>Expenditures</b>				
Capital Outlay	547,083	<b>201,052</b>	<u>260,135</u>	<u>(59,083)</u>
<b>Receipts Over (Under) Expenditures</b>	(293,725)	<b>102,740</b>		
<b>Unencumbered Cash - Beginning</b>	382,116	<b>88,391</b>		
<b>Unencumbered Cash - Ending</b>	\$ <u>88,391</u>	<u><b>191,131</b></u>		

**CITY OF HAYS, KANSAS**  
**Parks 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
<b>Receipts</b>		
Donations	\$ 540	2,235
Miscellaneous	37,995	44,045
<b>Total Receipts</b>	38,535	46,280
<b>Expenditures</b>		
Contractual Services	-	18,576
Capital Outlay	16,151	44,803
<b>Total Expenditures</b>	16,151	63,379
<b>Receipts Over (Under) Expenditures</b>	22,384	(17,099)
<b>Unencumbered Cash - Beginning</b>	14,824	38,204
<b>Prior Year Cancelled Encumbrances</b>	996	-
<b>Unencumbered Cash - Ending</b>	\$ 38,204	21,105



**CITY OF HAYS, KANSAS**  
**City Commission Capital Reserve 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
<b>Receipts</b>		
Interest Income	\$ 15,391	5,742
Miscellaneous	375,000	375,000
Transfers In	1,600,000	2,530,000
<b>Total Receipts</b>	<b>1,990,391</b>	<b>2,910,742</b>
<b>Expenditures</b>		
Contractual Services	-	45,000
Capital Outlay	2,289,995	-
Bond Principal	-	400,000
Bond Interest	-	7,710
Transfers Out	3,193,807	-
<b>Total Expenditures</b>	<b>5,483,802</b>	<b>452,710</b>
<b>Receipts Over (Under) Expenditures</b>	<b>(3,493,411)</b>	<b>2,458,032</b>
<b>Unencumbered Cash - Beginning</b>	<b>3,900,184</b>	<b>406,773</b>
<b>Prior Year Cancelled Encumbrances</b>	<b>-</b>	<b>3,580</b>
<b>Unencumbered Cash - Ending</b>	<b>\$ 406,773</b>	<b>2,868,385</b>

**CITY OF HAYS, KANSAS**  
**American Rescue Plan Act 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
<b>Receipts</b>		
Intergovernmental		
Federal Aid	\$ 1,582,862	<b>1,582,862</b>
<b>Expenditures</b>		
Reimbursed Expenses	918,702	<b>945,189</b>
<b>Receipts Over (Under) Expenditures</b>	664,160	<b>637,673</b>
<b>Unencumbered Cash - Beginning</b>	-	<b>664,160</b>
<b>Unencumbered Cash - Ending</b>	\$ 664,160	<b>1,301,833</b>

**CITY OF HAYS, KANSAS**  
**Law Enforcement Trust 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
<b>Receipts</b>		
Collections	\$ 3,314	-
Miscellaneous	244	<b>6,757</b>
<b>Total Receipts</b>	3,558	<b>6,757</b>
<b>Expenditures</b>		
General Government	1,300	<b>7,303</b>
<b>Receipts Over (Under) Expenditures</b>	2,258	<b>(546)</b>
<b>Unencumbered Cash - Beginning</b>	19,226	<b>21,484</b>
<b>Unencumbered Cash - Ending</b>	\$ 21,484	<b>20,938</b>

**CITY OF HAYS, KANSAS**  
**Convention and Visitor's Bureau Reserve 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
<b>Receipts</b>		
Transfers In	\$ 450,000	350,000
<b>Expenditures</b>	-	-
<b>Receipts Over (Under) Expenditures</b>	450,000	350,000
<b>Unencumbered Cash - Beginning</b>	-	450,000
<b>Unencumbered Cash - Ending</b>	\$ 450,000	800,000

**CITY OF HAYS, KANSAS**  
**Airport 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
<b>Receipts</b>		
Intergovernmental		
Federal Aid	\$ 1,509,140	865,980
Passenger Facility Charges	48,344	38,631
Transfers In	60,000	1,050,000
<b>Total Receipts</b>	1,617,484	1,954,611
<b>Expenditures</b>		
Capital Outlay	1,616,470	2,168,102
<b>Receipts Over (Under) Expenditures</b>	1,014	(213,491)
<b>Unencumbered Cash - Beginning</b>	(587,178)	(586,164)
<b>Prior Year Cancelled Encumbrances</b>	-	14,036
<b>Unencumbered Cash - Ending</b>	\$ (586,164)	(785,619)

**CITY OF HAYS, KANSAS**  
**Opioid Settlement 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
<b>Receipts</b>		
Miscellaneous	\$ -	5,119
<b>Expenditures</b>	-	-
<b>Receipts Over (Under) Expenditures</b>	-	5,119
<b>Unencumbered Cash - Beginning</b>	-	-
<b>Unencumbered Cash - Ending</b>	\$ -	5,119

**CITY OF HAYS, KANSAS**  
**Golf Course 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
<b>Receipts</b>		
Collections	\$ 19,740	19,425
<b>Expenditures</b>		
Commodities	-	54
<b>Receipts Over (Under) Expenditures</b>	19,740	19,371
<b>Unencumbered Cash - Beginning</b>	10,225	29,965
<b>Unencumbered Cash - Ending</b>	\$ 29,965	49,336

**CITY OF HAYS, KANSAS**  
**Sports Complex 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
<b>Receipts</b>		
Miscellaneous	\$ -	84,905
<b>Expenditures</b>		
General Government	79,905	2,423
Transfers Out	218,000	254,402
<b>Total Expenditures</b>	297,905	256,825
<b>Receipts Over (Under) Expenditures</b>	(297,905)	(171,920)
<b>Unencumbered Cash - Beginning</b>	943,743	645,838
<b>Unencumbered Cash - Ending</b>	\$ 645,838	473,918



**CITY OF HAYS, KANSAS**  
**Budget Stabilization 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
<b>Receipts</b>	\$ -	-
<b>Expenditures</b>		
Capital Outlay	-	<b>40,522</b>
<b>Receipts Over (Under) Expenditures</b>	-	<b>(40,522)</b>
<b>Unencumbered Cash - Beginning</b>	3,262,011	<b>3,262,011</b>
<b>Unencumbered Cash - Ending</b>	\$ <u>3,262,011</u>	<u><b>3,221,489</b></u>

## CITY OF HAYS, KANSAS

## Bond and Interest 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	
<b>Receipts</b>				
Taxes				
Ad Valorem	\$ 684,379	646,117	650,621	(4,504)
Delinquent	4,584	7,106	-	7,106
Motor Vehicle	78,045	75,667	57,293	18,374
Recreational Vehicle	1,469	1,415	990	425
16/20M Truck	363	352	431	(79)
Commercial Vehicle	4,374	4,335	2,915	1,420
Special Assessments	611,632	487,996	490,566	(2,570)
Neighborhood Revit Rebate	(2,811)	(2,954)	(3,248)	294
Tax Increment Financing Dist. (TIF)	(11,356)	(8,736)	(11,191)	2,455
Transfers In	-	337,672	665,572	(327,900)
<b>Total Receipts</b>	1,370,679	1,548,970	1,853,949	(304,979)
<b>Expenditures</b>				
Bond Principal	1,196,000	1,201,000	1,501,000	(300,000)
Interest Payments	175,403	362,085	389,985	(27,900)
Cash Basis Reserve	-	-	60,000	(60,000)
<b>Total Expenditures</b>	1,371,403	1,563,085	1,950,985	(387,900)
<b>Receipts Over (Under) Expenditures</b>	(724)	(14,115)		
<b>Unencumbered Cash - Beginning</b>	173,252	172,528		
<b>Unencumbered Cash - Ending</b>	\$ 172,528	158,413		

**CITY OF HAYS, KANSAS**  
**Economic Development Bond 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Taxes				
Tax Increment Financing	\$ 94,268	80,142	-	80,142
Intergovernmental				
Local Sales Tax	217,726	243,863	267,830	(23,967)
<b>Total Receipts</b>	311,994	324,005	267,830	56,175
<b>Expenditures</b>				
Bond Principal	185,000	-	200,000	(200,000)
Interest Payments	44,055	23,575	34,250	(10,675)
<b>Total Expenditures</b>	229,055	23,575	234,250	(210,675)
<b>Receipts Over (Under) Expenditures</b>	82,939	300,430		
<b>Unencumbered Cash - Beginning</b>	369,933	452,872		
<b>Unencumbered Cash - Ending</b>	\$ 452,872	753,302		

**CITY OF HAYS, KANSAS**  
**CVB Sinking 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
<b>Receipts</b>		
Transfers In	\$ 7,960	<b>74,947</b>
<b>Expenditures</b>	-	-
<b>Receipts Over (Under) Expenditures</b>	7,960	<b>74,947</b>
<b>Unencumbered Cash - Beginning</b>	-	<b>7,960</b>
<b>Unencumbered Cash - Ending</b>	\$ 7,960	<b>82,907</b>

**CITY OF HAYS, 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
<b>Receipts</b>		
Intergovernmental		
State Aid	\$ 1,500,000	-
Debt Proceeds	6,739,424	-
Insurance Proceeds	809,927	560,174
Reimbursements	-	603,381
Transfers In	3,477,988	-
<b>Total Receipts</b>	12,527,339	1,163,555
<b>Expenditures</b>		
Capital Outlay	6,731,061	9,169,859
<b>Receipts Over (Under) Expenditures</b>	5,796,278	(8,006,304)
<b>Unencumbered Cash - Beginning</b>	(7,921,286)	(2,118,730)
<b>Prior Year Cancelled Encumbrances</b>	6,278	154,192
<b>Unencumbered Cash - Ending</b>	\$ (2,118,730)	(9,970,842)

**CITY OF HAYS, KANSAS**  
**Water Production and Distribution 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)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over (Under)
<b>Receipts</b>				
Water Sales	\$ 3,477,273	<b>3,583,315</b>	3,290,298	293,017
Water Tap - Turn-Ons	24,186	<b>41,631</b>	29,000	12,631
Water Sales Conservation Rate	456,265	<b>530,727</b>	406,908	123,819
Sales and Other Charges	13,085	<b>28,034</b>	10,000	18,034
Penalty	20,432	<b>22,369</b>	18,000	4,369
Interest on Investment	10,379	<b>7,539</b>	1,000	6,539
<b>Total Receipts</b>	<b>4,001,620</b>	<b>4,213,615</b>	<b>3,755,206</b>	<b>458,409</b>
<b>Expenditures</b>				
<b>Personal Services</b>				
Salaries	613,434	<b>677,607</b>	646,762	30,845
<b>Contractual Services</b>				
Communications	19,108	<b>42,940</b>	45,000	(2,060)
Publications	177	<b>432</b>	600	(168)
Heat, Light and Power	213,977	<b>210,409</b>	234,200	(23,791)
Professional Services	225	<b>27,324</b>	30,000	(2,676)
Travel and Training	5,304	<b>6,317</b>	8,500	(2,183)
Other Contractual Services	100,778	<b>102,387</b>	120,000	(17,613)
<b>Total Contractual Services</b>	<b>339,569</b>	<b>389,809</b>	<b>438,300</b>	<b>(48,491)</b>
<b>Commodities</b>				
Office Supplies	908	<b>839</b>	1,500	(661)
General Supplies and Materials	83,160	<b>86,790</b>	70,000	16,790
Chemicals	317,186	<b>406,932</b>	328,000	78,932
Repairs to Buildings and Structures	40,027	<b>8,416</b>	30,000	(21,584)
Equipment Expense	165,601	<b>185,318</b>	160,000	25,318
Projects	76,464	<b>70,466</b>	205,000	(134,534)
Uniforms	7,320	<b>8,640</b>	8,925	(285)
<b>Total Commodities</b>	<b>690,666</b>	<b>767,401</b>	<b>803,425</b>	<b>(36,024)</b>
<b>Debt Service</b>				
Principal Payment - Bond	206,500	<b>210,000</b>	210,000	-
Interest Payment - Bond	25,725	<b>19,530</b>	19,530	-
<b>Total Debt Service</b>	<b>232,225</b>	<b>229,530</b>	<b>229,530</b>	<b>-</b>
<b>Nonoperating Expenditures</b>				
Water Taps, Hydrants, Meters	144,666	<b>165,056</b>	150,000	15,056
Contingency	29,445	<b>16,449</b>	50,000	(33,551)
Interest on Deposits	539	<b>1,094</b>	1,000	94
Clean Drinking Water Fee	15,765	<b>16,057</b>	15,500	557
Transfer to Water Reserve	965,000	<b>650,000</b>	639,766	10,234
Transfer to General	563,612	<b>561,631</b>	561,631	-
Transfer to Employee Benefits	261,843	<b>270,211</b>	262,790	7,421
Transfer to New Equipment Reserve	22,267	<b>20,576</b>	20,576	-
<b>Total Nonoperating Expenditures</b>	<b>2,003,137</b>	<b>1,701,074</b>	<b>1,701,263</b>	<b>(189)</b>
<b>Total Expenditures</b>	<b>3,879,031</b>	<b>3,765,421</b>	<b>3,819,280</b>	<b>(53,859)</b>
<b>Receipts Over (Under) Expenditures</b>	<b>122,589</b>	<b>448,194</b>		
<b>Unencumbered Cash - Beginning</b>	<b>873,423</b>	<b>1,000,604</b>		
<b>Change in Accounting Basis</b>	-	<b>(99,171)</b>		
<b>Prior Year Cancelled Encumbrances</b>	<b>4,592</b>	<b>1,163</b>		
<b>Unencumbered Cash - Ending</b>	<b>\$ 1,000,604</b>	<b>1,350,790</b>		

**CITY OF HAYS, KANSAS**  
**Water Reclamation and Reuse 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	
<b>Receipts</b>				
Sewer Service Charges	\$ 5,137,191	<b>5,175,684</b>	5,100,000	75,684
Sales and Other Charges	4,056	<b>18,041</b>	6,000	12,041
Penalty	20,292	<b>21,471</b>	17,500	3,971
Interest on Investment	11,555	<b>8,853</b>	1,200	7,653
<b>Total Receipts</b>	<b>5,173,094</b>	<b>5,224,049</b>	<b>5,124,700</b>	<b>99,349</b>
<b>Expenditures</b>				
<b>Personal Services</b>				
Salaries	494,117	<b>539,942</b>	543,550	(3,608)
<b>Contractual Services</b>				
Communications	11,314	<b>15,750</b>	11,000	4,750
Heat, Light and Power	303,675	<b>289,211</b>	306,000	(16,789)
Professional Services	29,846	<b>24,610</b>	35,000	(10,390)
Travel and Training	2,041	<b>4,934</b>	8,000	(3,066)
Other Contractual Services	44,704	<b>48,901</b>	45,000	3,901
<b>Total Contractual Services</b>	<b>391,580</b>	<b>383,406</b>	<b>405,000</b>	<b>(21,594)</b>
<b>Commodities</b>				
Office Supplies	25	<b>205</b>	600	(395)
General Supplies and Materials	21,154	<b>37,816</b>	35,000	2,816
Chemicals	163,672	<b>184,696</b>	80,000	104,696
Repairs to Buildings and Structures	230,659	<b>272,313</b>	285,000	(12,687)
Equipment Expense	71,199	<b>53,629</b>	75,000	(21,371)
Projects	34,100	<b>14,000</b>	240,000	(226,000)
Uniforms	5,939	<b>6,554</b>	6,300	254
<b>Total Commodities</b>	<b>526,748</b>	<b>569,213</b>	<b>721,900</b>	<b>(152,687)</b>
<b>Debt Service</b>				
KDHE Loan Payment	1,867,323	<b>1,867,323</b>	1,867,323	-
Principal Payment - Bond	88,500	<b>90,000</b>	90,000	-
Interest Payment - Bond	11,025	<b>8,370</b>	8,370	-
<b>Total Debt Service</b>	<b>1,966,848</b>	<b>1,965,693</b>	<b>1,965,693</b>	<b>-</b>
<b>Nonoperating Expenditures</b>				
Contingency	35,757	<b>26,691</b>	50,000	(23,309)
Transfer to Water Reclamation Reserve	700,000	<b>650,000</b>	576,278	73,722
Transfer to General	758,625	<b>765,000</b>	765,000	-
Transfer to Employee Benefits	208,551	<b>215,033</b>	210,860	4,173
Transfer to New Equipment Reserve	51,634	<b>31,971</b>	31,971	-
<b>Total Nonoperating Expenditures</b>	<b>1,754,567</b>	<b>1,688,695</b>	<b>1,634,109</b>	<b>54,586</b>
<b>Total Expenditures</b>	<b>5,133,860</b>	<b>5,146,949</b>	<b>5,270,252</b>	<b>(123,303)</b>
<b>Receipts Over (Under) Expenditures</b>	<b>39,234</b>	<b>77,100</b>		
<b>Unencumbered Cash - Beginning</b>	<b>788,293</b>	<b>837,036</b>		
<b>Change in Accounting Basis</b>	<b>-</b>	<b>(207,270)</b>		
<b>Prior Year Cancelled Encumbrances</b>	<b>9,509</b>	<b>6,674</b>		
<b>Unencumbered Cash - Ending</b>	<b>\$ 837,036</b>	<b>713,540</b>		

## CITY OF HAYS, KANSAS

## Water Conservation 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)

		Current Year		Variance
	Prior Year Actual	Actual	Budget	Over Over (Under)
<b>Receipts</b>				
Local Sales Tax	\$ 3,506,596	3,777,165	3,035,271	741,894
Rent on R-9 Ranch	21,772	24,582	21,772	2,810
Miscellaneous	4,929	1,734	-	1,734
Interest on Sales Tax Collections	203,144	182,679	13,000	169,679
<b>Total Receipts</b>	3,736,441	3,986,160	3,070,043	916,117
<b>Expenditures</b>				
<b>Personal Services</b>				
Salaries	65,096	71,229	69,646	1,583
<b>Contractual Services</b>				
Communications	374	388	700	(312)
Publications	718	1,014	2,000	(986)
Travel and Training	1,809	2,042	2,450	(408)
Other Contractual Services	2,445	2,500	3,300	(800)
<b>Total Contractual Services</b>	5,346	5,944	8,450	(2,506)
<b>Commodities</b>				
General Supplies and Materials	4,044	5,813	4,250	1,563
Projects	153,008	119,502	190,000	(70,498)
Uniforms	166	180	250	(70)
<b>Total Commodities</b>	157,218	125,495	194,500	(69,005)
<b>Nonoperating Expenditures</b>				
R-9 Ranch Expenditures	84,775	90,719	25,000	65,719
Transfer to Water Sales Tax Reserve	2,483,037	2,341,685	2,338,215	3,470
Transfer to General - Water Sales Tax	532,858	546,349	546,349	-
Transfer to Employee Benefits	26,401	26,976	26,237	739
Transfer to New Equipment Reserve	1,909	1,909	1,909	-
<b>Total Nonoperating Expenditures</b>	3,128,980	3,007,638	2,937,710	69,928
<b>Total Expenditures</b>	3,356,640	3,210,306	3,210,306	-
<b>Receipts Over (Under) Expenditures</b>	379,801	775,854		
<b>Unencumbered Cash - Beginning</b>	228,942	609,922		
<b>Change in Accounting Basis</b>	-	3,981		
<b>Prior Year Cancelled Encumbrances</b>	1,179	24,240		
<b>Unencumbered Cash - Ending</b>	\$ 609,922	1,413,997		



## CITY OF HAYS, 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	
<b>Receipts</b>				
Refuse Collections	\$ 1,580,383	<b>1,666,986</b>	1,630,728	36,258
Interest on Investments	2,897	<b>2,459</b>	300	2,159
Yard Waste Tags	898	<b>536</b>	600	(64)
Recycling Revenue	46,493	<b>51,012</b>	15,000	36,012
<b>Total Receipts</b>	1,630,671	<b>1,720,993</b>	1,646,628	74,365
<b>Expenditures</b>				
<b>Personal Services</b>				
Salaries	382,993	<b>432,318</b>	421,874	10,444
Transfer to Employee Benefits	191,125	<b>194,613</b>	187,891	6,722
<b>Total Personal Services</b>	574,118	<b>626,931</b>	609,765	17,166
<b>Contractual Services</b>				
Communications	1,218	<b>1,303</b>	1,850	(547)
Publications	1,497	<b>875</b>	3,500	(2,625)
Utility - Water, Light and Power	7,309	<b>8,877</b>	8,850	27
Other Contractual Services	455,679	<b>426,533</b>	510,000	(83,467)
Travel and Training	1,964	<b>1,559</b>	1,300	259
Transfer to Solid Waste Reserve	200,000	<b>300,000</b>	245,827	54,173
Transfer to General	232,852	<b>244,610</b>	244,610	-
<b>Total Contractual Services</b>	900,519	<b>983,757</b>	1,015,937	(32,180)
<b>Commodities</b>				
Office Supplies	248	<b>358</b>	550	(192)
General Supplies	19,871	<b>16,590</b>	24,000	(7,410)
Equipment Expense	6,239	<b>6,736</b>	10,000	(3,264)
Uniforms	3,866	<b>3,862</b>	3,800	62
Repairs to Buildings and Structures	824	<b>4,366</b>	4,000	366
<b>Total Commodities</b>	31,048	<b>31,912</b>	42,350	(10,438)
<b>Total Expenditures</b>	1,505,685	<b>1,642,600</b>	1,668,052	(25,452)
<b>Receipts Over (Under) Expenditures</b>	124,986	<b>78,393</b>		
<b>Unencumbered Cash - Beginning</b>	13,332	<b>142,151</b>		
<b>Change in Accounting Basis</b>	-	<b>(67,691)</b>		
<b>Prior Year Cancelled Encumbrances</b>	3,833	<b>-</b>		
<b>Unencumbered Cash - Ending</b>	\$ 142,151	<b>152,853</b>		

**CITY OF HAYS, KANSAS**  
**Stormwater Management 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b>Receipts</b>				
Stormwater Fee	\$ 806,213	<b>807,953</b>	809,959	(2,006)
Miscellaneous	238	-	-	-
Transfer from General Fund	16,500	<b>16,500</b>	16,500	-
<b>Total Receipts</b>	<u>822,951</u>	<u><b>824,453</b></u>	<u>826,459</u>	<u>(2,006)</u>
<b>Expenditures</b>				
<b>Personal Services</b>				
Salaries	169,117	<b>176,291</b>	179,251	(2,960)
Transfer to Employee Benefits	67,595	<b>70,720</b>	69,013	1,707
<b>Total Personal Services</b>	<u>236,712</u>	<u><b>247,011</b></u>	<u>248,264</u>	<u>(1,253)</u>
<b>Contractual Services</b>				
Communications	387	<b>642</b>	940	(298)
Other Contractual Services	13,201	<b>16,727</b>	20,000	(3,273)
Contingency	-	<b>27,808</b>	50,000	(22,192)
Professional Services	14,556	<b>12,839</b>	30,000	(17,161)
Travel and Training	582	<b>78</b>	2,500	(2,422)
Transfer to General	81,844	<b>80,996</b>	80,996	-
<b>Total Contractual Services</b>	<u>110,570</u>	<u><b>139,090</b></u>	<u>184,436</u>	<u>(45,346)</u>
<b>Commodities</b>				
General Supplies	19,945	<b>27,227</b>	70,000	(42,773)
Uniforms	1,150	<b>966</b>	1,200	(234)
Transfer to Stormwater Reserve	500,000	<b>300,000</b>	267,256	32,744
Transfer to New Equipment Reserve	45,041	<b>45,293</b>	45,293	-
<b>Total Commodities</b>	<u>566,136</u>	<u><b>373,486</b></u>	<u>383,749</u>	<u>(10,263)</u>
<b>Capital Outlay</b>	<u>-</u>	<u><b>30,000</b></u>	<u>30,000</u>	<u>-</u>
<b>Total Expenditures</b>	<u>913,418</u>	<u><b>789,587</b></u>	<u>846,449</u>	<u>(56,862)</u>
<b>Receipts Over (Under) Expenditures</b>	(90,467)	<b>34,866</b>		
<b>Unencumbered Cash - Beginning</b>	95,479	<b>22,464</b>		
<b>Change in Accounting Basis</b>	-	<b>(26,285)</b>		
<b>Prior Year Cancelled Encumbrances</b>	<u>17,452</u>	<u><b>218</b></u>		
<b>Unencumbered Cash - Ending</b>	<u>\$ 22,464</u>	<u><b>31,263</b></u>		

**CITY OF HAYS, KANSAS**  
**Water Production and Distribution Reserve 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
<b>Receipts</b>		
Transfers In	\$ 965,000	<b>650,000</b>
<b>Expenditures</b>		
Capital Outlay	1,024,741	<b>968,855</b>
Transfers Out	159,977	-
<b>Total Expenditures</b>	<b>1,184,718</b>	<b>968,855</b>
<b>Receipts Over (Under) Expenditures</b>	(219,718)	<b>(318,855)</b>
<b>Unencumbered Cash - Beginning</b>	947,832	<b>729,044</b>
<b>Prior Year Cancelled Encumbrances</b>	930	-
<b>Unencumbered Cash - Ending</b>	<b>\$ 729,044</b>	<b>410,189</b>

**CITY OF HAYS, KANSAS**  
**Water Reclamation and Reuse Reserve 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
<b>Receipts</b>		
Reimbursed Expenses	\$ 1,868	1,868
Miscellaneous	31,544	-
Transfers In	700,000	650,000
<b>Total Receipts</b>	733,412	651,868
<b>Expenditures</b>		
Capital Outlay	369,262	444,826
Transfers Out	2,715	-
<b>Total Expenditures</b>	371,977	444,826
<b>Receipts Over (Under) Expenditures</b>	361,435	207,042
<b>Unencumbered Cash - Beginning</b>	1,429,665	1,791,100
<b>Unencumbered Cash - Ending</b>	\$ 1,791,100	1,998,142

**CITY OF HAYS, KANSAS**  
**Water Sales Tax Reserve 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
<b>Receipts</b>		
Transfers In	\$ 2,483,037	<b>2,341,685</b>
<b>Expenditures</b>		
Capital Outlay	745,927	<b>949,058</b>
<b>Receipts Over (Under) Expenditures</b>	1,737,110	<b>1,392,627</b>
<b>Unencumbered Cash - Beginning</b>	38,657,056	<b>40,442,698</b>
<b>Prior Year Cancelled Encumbrances</b>	48,532	-
<b>Unencumbered Cash - Ending</b>	\$ 40,442,698	<b>41,835,325</b>

**CITY OF HAYS, KANSAS**  
**Solid Waste Reserve 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
<b>Receipts</b>		
Transfers In	\$ 200,000	<b>300,000</b>
<b>Expenditures</b>		
Capital Outlay	187,875	<b>189,765</b>
<b>Receipts Over (Under) Expenditures</b>	12,125	<b>110,235</b>
<b>Unencumbered Cash - Beginning</b>	573,126	<b>585,251</b>
<b>Unencumbered Cash - Ending</b>	\$ 585,251	<b>695,486</b>

**CITY OF HAYS, KANSAS**  
**Stormwater Reserve 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
<b>Receipts</b>		
Transfers In	\$ 500,000	300,000
<b>Expenditures</b>		
Capital Outlay	820,095	10,200
Transfers Out	96,490	-
<b>Total Expenditures</b>	916,585	10,200
<b>Receipts Over (Under) Expenditures</b>	(416,585)	289,800
<b>Unencumbered Cash - Beginning</b>	1,723,024	1,306,439
<b>Unencumbered Cash - Ending</b>	\$ 1,306,439	1,596,239

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

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Police Judge	\$ 52,411	140,955	98,114	<b>95,252</b>
CID #1	23,799	119,322	117,132	<b>25,989</b>
CID #2	29,066	224,484	233,353	<b>20,197</b>
CID #3	5,368	46,245	46,695	<b>4,918</b>
CID #4	7,117	396,133	394,348	<b>8,902</b>
CID #5	-	32,813	22,880	<b>9,933</b>
Economic Development Fund	22,870	414,954	414,277	<b>23,547</b>
USD 489 Sales Tax Fund	-	320,882	-	<b>320,882</b>
<b>Total</b>	<b>\$ 140,631</b>	<b>1,695,788</b>	<b>1,326,799</b>	<b>509,620</b>



**CITY OF HAYS, KANSAS**

Single Audit Information

**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 Mayor and City Commission  
**City of Hays, Kansas**  
Hays, Kansas

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 statement of **City of Hays, Kansas**, as of and for the year ended December 31, 2022, and the related notes to the financial statement, and have issued our report thereon dated April 27, 2023. The report on the audited financial statement was adverse because it was not presented in conformity with accounting principles generally accepted in the United States of America; however, it was unqualified as presented on a prescribed basis of accounting that demonstrates compliance with 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.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statement, we considered **City of Hays, 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 opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of **City of Hays, Kansas'** internal control. Accordingly, we do not express an opinion on the effectiveness of **City of Hays, 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 statement 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether **City of Hays, Kansas'** financial statement is 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 statement. 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*.

**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.

A handwritten signature in black ink that reads "Adams Brown, LLC". The signature is written in a cursive, flowing style.

**ADAMSBROWN, LLC**

Certified Public Accountants

Hays, Kansas

April 27, 2023

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

To the Mayor and City Commission  
**City of Hays, Kansas**  
Hays, Kansas

**Report on Compliance for Each Major Program and for the Passenger Facility Charge Program**

**Opinion on Each Major Federal Program and the Passenger Facility Charge Program**

We have audited **City of Hays, 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 Hays, Kansas'** major federal programs and in the *Passenger Facility Charge Audit Guide for Public Agencies* issued by the Federal Aviation Administration (the Guide) for the City's passenger facility charge program for the year ended December 31, 2022. **City of Hays, 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 Hays, 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 and its passenger facility charge program for the year ended December 31, 2022.

**Basis for Opinion on Each Major Federal Program and the Passenger Facility Charge 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; the *Passenger Facility Charge Audit Guide for Public Agencies*, 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 Hays, 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 and for the passenger facility charge program. Our audit does not provide a legal determination of **City of Hays, 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 Hays, Kansas'** federal programs, and the terms and conditions of its passenger facility charge program.

### 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 Hays, 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*, the Uniform Guidance and the Guide 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 Hays, 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*, the Uniform Guidance and the Guide, 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 Hays, 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 Hays, 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 and the Guide, but not for the purpose of expressing an opinion on the effectiveness of **City of Hays, 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 Uniform Guidance and the Guide. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Adams Brown, LLC". The signature is written in a cursive, flowing style.

**ADAMSBROWN, LLC**  
Certified Public Accountants  
Hays, Kansas

April 27, 2023

**CITY OF HAYS, KANSAS**  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2022

Federal Grantor/ Pass-through Grantor/ Program Title	Assistance Listing Number	Agency or Pass-through Number	Passed Through to Sub-Recipients	Federal Expenditures
<b>U.S. Department of Transportation</b>				
Direct Award				
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	AIP 3-20-0028-38	\$ -	125,946
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	AIP 3-20-0028-40	-	977,470
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	AIP 3-20-0028-41	-	2,372
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	AIP 3-20-0028-43	-	177,594
COVID-19 Funding				
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	AIP 3-20-0028-39	-	153,675
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	AIP 3-20-0028-42		358,092
Airport Improvement Program, COVID-19 Airports Programs, and Infrastructure Investment and Jobs Act Programs	20.106	AIP 3-20-0028-44	-	112,667
Passed Through the Kansas Department of Transportation				
Highway Safety Cluster				
National Priority Safety Programs	20.616	SP-4704-22	-	870
State and Community Highway Safety	20.600	SP-1300-22	-	3,242
<b>Total U.S. Department of Transportation</b>			-	1,911,928
<b>U.S. Department of the Interior</b>				
Direct Award				
Fish and Wildlife Cluster				
Sport Fish Restoration	15.605	N/A	-	1,009
<b>U.S. Department of Treasury</b>				
Direct Award				
COVID-19 Funding				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	-	1,863,891
<b>Total Expenditures of Federal Awards</b>			\$ -	<b>3,776,828</b>

See accompanying notes to schedule of expenditures of federal awards.

**CITY OF HAYS, KANSAS**  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2022

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**NOTE 1 – BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **City of Hays, Kansas**, and is presented on the basis of accounting that demonstrates compliance with the regulatory basis of accounting of the State of Kansas, which is a comprehensive basis of accounting other than generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

**NOTE 2 – 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 3 – 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, 2022.

**NOTE 4 – PASSENGER FACILITY CHARGES**

The accompanying schedule of passenger facility charges is presented on the cash basis of accounting. The information in the schedule is presented in accordance with the requirements of the Passenger Facility Charge Audit Guide for Public Agencies. Therefore, some amounts presented in the schedule may differ from amounts in or used in the preparation of the basic financial statements.

<b>Approved Application Project Number</b>		<b>Unliquidated PFC Beginning Balance</b>	<b>PFC Collected</b>	<b>PFC Expended</b>	<b>Unliquidated PFC Ending Balance</b>
15-01-C-00-HYS	\$	-	207,045	207,045	-
20-02-C-01-HYS		-	105,866	105,866	-



**CITY OF HAYS, KANSAS**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022

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**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**FINANCIAL STATEMENTS**

Type of auditor's report issued on whether the financial statement was prepared in accordance with a special purpose framework that is not in compliance with GAAP:

Unmodified

Internal control over financial reporting

- |   |       |     |                      |               |
|---|-------|-----|----------------------|---------------|
| • Material weakness identified?                         | _____ | Yes | _____ <u>X</u> _____ | No            |
| • Significant deficiency identified?                    | _____ | Yes | _____ <u>X</u> _____ | None Reported |
| • Noncompliance material to financial statements noted? | _____ | Yes | _____ <u>X</u> _____ | No            |

**FEDERAL AWARDS**

Internal control over major programs:

- |                                      |       |     |                      |               |
|--------------------------------------|-------|-----|----------------------|---------------|
| • Material weakness identified?      | _____ | Yes | _____ <u>X</u> _____ | No            |
| • Significant deficiency identified? | _____ | Yes | _____ <u>X</u> _____ | 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	_____ <u>X</u> _____	No
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Identification of major programs:

_____ Assistance Listing Number _____	_____ Name of Federal Program _____
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ <u>X</u> _____	Yes	_____	No
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**CITY OF HAYS, KANSAS**  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

None noted in current year.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

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



**CITY COMMISSION**  
MASON RUDER, MAYOR  
MICHAEL BERGES, SHAUN MUSIL  
SANDY JACOBS, REESE BARRICK

**CITY MANAGER**  
TOBY DOUGHERTY  
**ASSISTANT CITY MANAGER**  
COLLIN BIELSER

Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2022

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

No matters noted for the year ended December 31, 2021.

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

No material findings or questioned costs for the fiscal year ended December 31, 2021 are required to be disclosed under the Uniform Guidance.