

CITY OF HESSTON, KANSAS

DECEMBER 31, 2022



CITY OF HESSTON, KANSAS

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December 31, 2022

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## INDEPENDENT AUDITORS' REPORT

Mayor and City Council  
City of Hesston, Kansas

### Adverse and Unmodified Opinions

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

### Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse and Unmodified Opinions on U.S. Generally Accepted Accounting Principles" 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 the 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—Summary of Significant Accounting Policies.

### Basis for Adverse and Unmodified Opinions

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

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

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

### Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the regulatory basis reporting provisions in the *Kansas Municipal Audit and Accounting Guide*, as described in Note 1—Summary of Significant Accounting Policies, to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for 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 generally accepted auditing standards (GAAS) will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with generally accepted 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 receipts, expenditures, and unencumbered cash balances – regulatory basis (basic financial statement) as a whole. The summary of expenditures – regulatory basis – actual and budget, the individual fund schedules of receipts and expenditures – regulatory basis – actual and budget, and the schedule of receipts and expenditures – related municipal entity (Schedules 1 through 3, as listed in the table of contents) are presented for additional analysis and are not a required part of the basic financial statement; however, they are required to be presented under the provisions in the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and the supplementary information 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 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—Summary of Significant Accounting Policies.



Certified Public Accountants

Hutchinson, Kansas  
May 22, 2023

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

Page 1 of 2

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUND	\$ 1,408,882	\$ 2,954,996	\$ 2,498,564	\$ 1,865,314	\$ 24,524	\$ 1,889,838
SPECIAL PURPOSE FUNDS						
Library	3,036	381,860	382,041	2,855	-	2,855
Special Highway	386,360	97,713	172,013	312,060	14,715	326,775
Emergency Services	118,621	521,532	480,808	159,345	3,822	163,167
Fire Equipment	673,908	117,957	61,795	730,070	-	730,070
Community Service Program	94,338	14,857	15,632	93,563	-	93,563
Economic Development	48,078	10,000	7,874	50,204	-	50,204
Special Parks	2,236	16	-	2,252	-	2,252
Transient Guest Tax	-	37,630	30,000	7,630	-	7,630
Public Building Commission	81,744	60,000	65,056	76,688	-	76,688
Special Law Enforcement	2,541	-	1,956	585	-	585
Revolving Loan	186,080	-	-	186,080	-	186,080
Library Maintenance	20,186	6,234	6,974	19,446	-	19,446
Capital Improvement	1,271,800	620,081	631,389	1,260,492	-	1,260,492
Equipment Reserve	1,022,818	365,733	396,837	991,714	458	992,172
American Rescue	258,618	285,532	258,618	285,532	-	285,532
CDBG	-	6,900	6,900	-	-	-
BOND AND INTEREST FUND						
Bond and Interest	273,552	1,019,999	1,042,275	251,276	-	251,276
CAPITAL PROJECTS	108,791	549,000	263,173	394,618	2,604	397,222
BUSINESS FUNDS						
Utilities	3,034,448	5,287,706	5,202,175	3,119,979	348,113	3,468,092
Utility Deposits	-	-	-	-	58,790	58,790
Utility Maintenance Reserve	1,145,706	188,000	330,248	1,003,458	-	1,003,458
Golf Course	162,201	842,715	786,404	218,512	7,508	226,020
Golf Course Maintenance Reserve	400,702	27,635	319,000	109,337	-	109,337
TOTAL PRIMARY GOVERNMENT	10,704,646	13,396,096	12,959,732	11,141,010	460,534	11,601,544
RELATED MUNICIPAL ENTITY						
Hesston Public Library	164,531	272,914	225,790	211,655	-	211,655
Hesston Land Bank	18,875	-	2,121	16,754	-	16,754
TOTAL REPORTING ENTITY	<u>\$ 10,888,052</u>	<u>\$ 13,669,010</u>	<u>\$ 13,187,643</u>	<u>\$ 11,369,419</u>	<u>\$ 460,534</u>	<u>\$ 11,829,953</u>

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

## CITY OF HESSTON, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH -  
REGULATORY BASIS

For Year Ended December 31, 2022

Page 2 of 2

COMPOSITION OF CASH	
Checking accounts	\$ 11,616,988
Petty cash	1,310
Related municipal entity Hesston Public Library	<u>211,655</u>
TOTAL COMPOSITION OF CASH	<u>\$ 11,829,953</u>

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

CITY OF HESSTON, KANSAS  
 NOTES TO THE FINANCIAL STATEMENT  
 December 31, 2022

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Hesston, Kansas (the City) is a municipal corporation governed by an elected mayor and five-member council. This financial statement presents the City of Hesston (the municipality) and its related municipal entities. The related municipal entities discussed below are included in the City's reporting entity because of their operational or financial relationship with the City:

Related Municipal Entities

The Hesston Public Library is governed by a board, all appointees of which are approved by the City Mayor. The library is not a separate taxing entity under Kansas statutes, and the City levies taxes for the library operation, which represents a significant portion of its total revenues. Acquisition or disposition of real property by the Library Board must be approved by the City. Bond issuances must also be approved by the City.

The Mayor and City Council function as the board of trustees of the Hesston Land Bank. The Land Bank is authorized to acquire, manage, and sell real property to provide for the effective reutilization of the property. The City may advance operating funds to the Land Bank for its operating expenses and may also dissolve the Land Bank.

Fund Accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Kansas Municipal Audit and Accounting Guide Regulatory Basis of Presentation Fund Definitions

The following types of funds comprise the financial activities of the City for the year of 2022:

General Fund

To account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Funds

To account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are intended for specified purposes.

Capital Project Funds

To account for the financial resources segregated for the acquisition or construction of major capital facilities and improvements.

Bond and Interest Fund

To account for the accumulation of resources for the payment of interest and principal on long-term debt.

Business Funds

To account for operations financed in whole or in part by fees charged to users for goods and services.



### Regulatory Basis of Accounting and Departures from Accounting Principles Generally Accepted in the United States of America

The regulatory basis of accounting provisions in the *Kansas Municipal Audit and Accounting Guide* 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 reporting the changes in unencumbered cash and investments of a fund resulting from the 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 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 municipality to use the regulatory basis of accounting.

### Interest Income

Unless otherwise designated, all investment income is credited to the General Fund.

### Use of Estimates

The process of preparing the financial statement requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates relate primarily to unsettled transactions and events as of the date of the financial statement. Accordingly, upon settlement, actual results may differ from estimated amounts.

### Reimbursed Expenditures

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

### Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1 of each year.
2. Publication in local newspaper on or before August 5 of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25.

If a municipality holds a revenue neutral rate hearing, the timeline for adoption of the final budget is adjusted to on or before September 20th. The City held a revenue neutral rate hearing as part of the process for adoption of the 2022 budget.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such amended budgets for the year ended December 31, 2022.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds: Equipment Reserve Fund, Capital Improvement Fund, Building and Maintenance Reserve Funds, Revolving Loan Fund, Special Law Enforcement Fund, Public Building Commission Fund. Spending in funds, which are not subject to the legal annual operating budget requirement, are controlled by federal regulations, other statutes, or by the use of internal limits established by the governing body.

Taxes levied to finance the budget become a lien against all property November 1. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20 and May 10. These taxes are made available to the City after January 1 and are distributed by the County Treasurer generally in the months of January and June. Delinquent tax collections are distributed throughout the year.

#### NOTE 2—DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is used by all funds. Each fund's portion of this pool is displayed on the summary statement of receipts, expenditures, and unencumbered cash. The cash balances of certain funds are restricted as to their use.

K.S.A. 9-1401 established 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 and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of Federal Deposit Insurance Corporation (FDIC) coverage. The City has no other policies that would further limit interest rate risk.

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

#### Concentration of Credit Risk

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

#### 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 FDIC insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka.

At December 31, 2022, the carrying amount of the City's deposits was \$11,616,988. The bank balance was \$11,640,163. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$263,732 was covered by FDIC insurance and the remaining \$11,376,431 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name.

At December 31, 2022, the carrying amount of the related municipal entity's deposits, including certificates of deposit, was \$211,655. The bank balance was \$233,743, which was covered by FDIC insurance. The bank balance was held by one bank resulting in a concentration of credit risk.

#### NOTE 3—LONG-TERM DEBT

Terms for long-term debt for the City at December 31, 2022, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds and Public Building Commission Revenue Bonds				
Series 2013	1.60% to 2.35%	02/15/13	\$ 1,875,000	08/01/26
Series 2016	2.00% to 3.00%	01/26/16	1,745,000	10/01/36
Series 2020 Refunding Series, 2021-A	2.00%	05/05/20	1,060,000	08/01/30
Refunding Series 2021-B	0.25% to 0.75%	06/15/21	930,000	12/01/25
Public Building Commission Series 2020 Refunding	2.00%	06/15/21	3,380,000	03/01/34
	1.875% to 2.00%	06/03/20	560,000	09/01/30
General Obligation Temporary Notes				
Series, 2022-A	2.31%	05/03/22	300,000	05/01/25
Finance Leases				
Mowers	2.99%	05/01/20	45,785	05/01/23
Golf carts	3.40%	12/17/21	333,142	12/17/28
State of Kansas				
City Utility Low-Interest Loan	0.25%	03/23/21	5,330,000	01/01/31

#### Conduit Debt

The City has issued Industrial Revenue Bonds not directly obligated by the City. The total amount outstanding at December 31, 2022, was \$96,702,459 for the Industrial Revenue Bonds. These bonds do not constitute an indebtedness or pledge of the faith and credit of the City.

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

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation and Revenue Bonds					
Series 2013	\$ 655,000	\$ -	\$ 145,000	\$ 510,000	\$ 12,878
Series 2016	1,360,000	-	85,000	1,275,000	36,650
Series 2020 refunding	970,000	-	95,000	875,000	19,400
Series 2021-A	930,000	-	230,000	700,000	7,147
Refunding and Improvement, Series 2021-B	3,095,000	-	350,000	2,745,000	61,200
Public Building Commission Series 2020 refunding	510,000	-	55,000	455,000	10,056
General Obligation Temporary Notes					
Series 2022-A	-	300,000	-	300,000	3,426
Finance Leases					
Golf turf maintenance equipment	35,680	-	35,680	-	912
Mowers	20,846	-	15,574	5,272	410
Golf carts	333,142	-	42,888	290,254	10,662
State of Kansas					
City Utility Low-Interest Loan	4,924,869	-	541,753	4,383,116	11,805
Total Bonded Indebtedness	<u>\$ 12,834,537</u>	<u>\$ 300,000</u>	<u>\$ 1,595,895</u>	<u>\$ 11,538,642</u>	<u>\$ 174,546</u>

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

	Principal				Interest				Total Principal and Interest
	G.O. and PBC Bonds	G.O. Temporary Notes	Finance Leases	City Utility Low-Interest Loan	G.O. and PBC Bonds	G.O. Temporary Notes	Finance Leases	City Utility Low-Interest Loan	
2023	\$ 975,000	\$ -	\$ 49,641	\$ 543,109	\$ 130,029	\$ 6,930	\$ 9,213	\$ 10,289	\$ 1,724,211
2024	980,000	-	45,878	544,468	114,169	6,930	7,671	8,930	1,708,046
2025	995,000	300,000	47,486	545,830	97,649	3,465	6,064	7,567	2,003,061
2026	710,000	-	49,126	547,196	79,844	-	4,424	6,202	1,396,792
2027	425,000	-	50,822	548,566	65,556	-	2,727	4,832	1,097,503
2028-2032	1,855,000	-	52,573	1,653,946	187,825	-	976	6,247	3,756,567
2033-2037	620,000	-	-	-	30,150	-	-	-	650,150
	<u>\$ 6,560,000</u>	<u>\$ 300,000</u>	<u>\$ 295,526</u>	<u>\$ 4,383,115</u>	<u>\$ 705,222</u>	<u>\$ 17,325</u>	<u>\$ 31,075</u>	<u>\$ 44,067</u>	<u>\$ 12,336,330</u>

## NOTE 4—REVOLVING LOANS

The City has a revolving loan fund to loan money to local businesses. At December 31, 2022, there were no loans outstanding.

## NOTE 5—INTERFUND TRANSFERS

Operating transfers were as follows:

From Fund	To Fund	Statutory Authority	Amount
Utilities	Capital Improvement	K.S.A. 12-825d	\$ 125,000
Utilities	Utilities Maintenance Reserve	K.S.A. 12-825d	125,000
Utilities	General	K.S.A. 12-825d	110,000
Utilities	Golf Maintenance Reserve	K.S.A. 12-825d	25,000
Utilities	Golf	K.S.A. 12-825d	75,000
Utilities	Emergency Services	K.S.A. 12-825d	30,000
Utilities	Economic Development	K.S.A. 12-825d	10,000
Utilities	Bond and Interest	City ordinance	190,000
Special Highway	Bond and Interest	Bond payment	100,000
Capital Improvement	Bond and Interest	Bond ordinance	234,783
General	Equipment Reserve	K.S.A. 12-1,117	300,000
General	Capital Improvement	K.S.A. 12-1,118	100,000
General	Public Building Commission	K.S.A. 12-1758	60,000
Emergency Services	Equipment Reserve	K.S.A. 12-1,117	25,000
Capital Improvement	Capital Projects	K.S.A. 12-1,118	250,000

## NOTE 6—DEFERRED COMPENSATION PLAN

The City offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all City employees, permit them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. City contributions to the plan for 2022 were \$21,581.

## NOTE 7—RISK MANAGEMENT

The City is subject to certain risks such as torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from third parties. There have been no significant reductions in insurance coverage from the prior year, and there have been no settled claims in excess of insurance coverage for the prior three years.

## NOTE 8—CONCENTRATIONS

Two customers account for approximately 53% of the City's Utilities Fund revenue.

## NOTE 9—DEFINED BENEFIT PENSION PLAN

### Plan Description

The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report, which can be found on KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

### Funding Policy

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

Kansas law provides that employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined annually based on the results of an annual actuarial valuation. The actuarially determined employer contribution rate (excluding the contribution rate for the Death and Disability program) and the statutory contribution rate for KPERS was 8.87% for the year ended December 31, 2022. Contributions to the pension plan from the City for KPERS were \$187,228 for the year ended December 31, 2022.

### Net Pension Liability

At December 31, 2022, KPERS has determined the City's proportionate share of the collective net pension liability for KPERS was \$1,933,115. The net pension liability was measured as of June 30, 2022, and the total pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's share of the allocation is based on the ratio of the City's employer contributions, relative to the total employer and nonemployer contributions for the plan groups the City participates in. Because the regulatory basis of accounting under *Kansas Municipal Audit and Accounting Guide* does not recognize long-term debt, this liability is not reported in the 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 in the first paragraph above.

## NOTE 10—OTHER LONG-TERM LIABILITIES

### Compensated Absences

The City's policies regarding vacation and sick leave permit employees to accumulate a maximum of 20 days' vacation and 120 days sick leave. Policies prohibit payment of vacation time in lieu of time off and all accumulated vacation pay is payable upon employment termination. Policy prohibits payment of unused sick pay upon termination by the City. The City's estimated liability for compensated absences at December 31, 2022, was \$97,207.

#### Other Post-Employment Benefits – Group Health Insurance

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

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

#### Other Post-Employment Benefits – Death and Disability Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability 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 was 1% for the year ended December 31, 2022.

#### NOTE 11—COMMITMENTS AND CONTINGENCIES

##### Litigation

The City may sometimes be a defendant in various legal actions pending or in process concerning personal injury, workers' compensation claims, property damage, or other matters. The ultimate liability that might result from the final resolution of these matters is not presently determinable. The financial statement does not include accruals or provisions for loss contingencies that may result from these proceedings.

## CITY OF HESSTON, KANSAS

SUMMARY OF EXPENDITURES - REGULATORY BASIS (ACTUAL AND BUDGET)  
(BUDGETED FUNDS ONLY)

For Year Ended December 31, 2022

Schedule 1

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General	\$ 3,796,144	\$ -	\$ 3,796,144	\$ 2,498,564	\$ (1,297,580)
Library	233,352	150,658	384,010	382,041	(1,969)
Special Highway	428,858	-	428,858	172,013	(256,845)
Emergency Services	510,983	-	510,983	480,808	(30,175)
Fire Equipment	848,450	-	848,450	61,795	(786,655)
Community Service Program	98,175	-	98,175	15,632	(82,543)
Economic Development	44,303	-	44,303	7,874	(36,429)
Special Parks	2,265	-	2,265	-	(2,265)
Transient Guest Tax	30,000	-	30,000	30,000	-
Public Building Commission	65,056	-	65,056	65,056	-
Bond and Interest	1,263,984	-	1,263,984	1,042,275	(221,709)
Utilities	7,238,709	-	7,238,709	5,202,175	(2,036,534)
Golf Course	788,921	158,913	947,834	786,404	(161,430)



## CITY OF HESSTON, KANSAS

GENERAL FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2022

Schedule 2  
Page 1 of 17

	2022		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Taxes			
Ad valorem property tax	\$ 946,517	\$ 946,018	\$ 499
Delinquent tax	1,677	5,000	(3,323)
Motor vehicle tax	112,220	114,954	(2,734)
Recreational vehicle tax	1,256	1,014	242
16/20M vehicle tax	264	250	14
Commercial vehicle registration fees	5,028	5,491	(463)
Watercraft tax	-	545	(545)
Sales tax	830,197	680,000	150,197
Local alcohol liquor tax	16	10	6
Neighborhood revitalization	(1,064)	-	(1,064)
Total taxes	<u>1,896,111</u>	<u>1,753,282</u>	<u>142,829</u>
Licenses, fees, and permits			
Utility franchise tax	455,512	395,000	60,512
Miscellaneous permits and licenses	47,734	16,000	31,734
Total licenses, fees, and permits	<u>503,246</u>	<u>411,000</u>	<u>92,246</u>
Other receipts			
Fines, forfeitures, and penalties	27,045	43,400	(16,355)
Fees	9,955	9,120	835
Lease revenues	3,399	34,657	(31,258)
Interest on idle funds	219,825	18,000	201,825
Fuel tax refund	-	2,000	(2,000)
Police grants	43,337	-	43,337
Reimbursements	55,322	95,044	(39,722)
ARPA reimbursement	63,676	-	63,676
Miscellaneous	23,080	20,000	3,080
Transfer from - Utilities	110,000	50,000	60,000
Total other receipts	<u>555,639</u>	<u>272,221</u>	<u>283,418</u>
TOTAL RECEIPTS	<u>2,954,996</u>	<u>\$ 2,436,503</u>	<u>\$ 518,493</u>
<b>EXPENDITURES</b>			
General government			
General administration	217,692	\$ 161,510	\$ 56,182
Legal service and engineering	38,766	50,000	(11,234)
Audit	17,550	19,899	(2,349)
Total general government	<u>274,008</u>	<u>231,409</u>	<u>42,599</u>
Public safety			
Police	860,528	1,003,029	(142,501)
Fire	207,572	191,350	16,222
Municipal Court	40,321	43,400	(3,079)
Total public safety	<u>1,108,421</u>	<u>1,237,779</u>	<u>(129,358)</u>

## CITY OF HESSTON, KANSAS

GENERAL FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2022

Schedule 2  
Page 2 of 17

	2022		Variance Over (Under)
	Actual	Budget	
EXPENDITURES (CONTINUED)			
Highways and streets			
Streets	\$ 304,867	\$ 296,621	\$ 8,246
Street lighting	61,711	57,500	4,211
Total highways and streets	<u>366,578</u>	<u>354,121</u>	<u>12,457</u>
Culture and recreation			
Park	240,658	252,135	(11,477)
Cemetery	39	500	(461)
Tree board	312	2,500	(2,188)
Employee functions	5,800	5,000	800
Total culture and recreation	<u>246,809</u>	<u>260,135</u>	<u>(13,326)</u>
Economic development			
Harvey County EDC	36,000	36,000	-
Community development	3,088	5,000	(1,912)
Lease purchase (restaurant building)	3,461	2,000	1,461
Chamber of Commerce	199	-	199
Total economic development	<u>42,748</u>	<u>43,000</u>	<u>(252)</u>
Capital improvements	-	1,444,700	(1,444,700)
Operating transfers out	460,000	225,000	235,000
TOTAL EXPENDITURES	<u>2,498,564</u>	<u>\$ 3,796,144</u>	<u>\$ (1,297,580)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	456,432		
UNENCUMBERED CASH, BEGINNING	<u>1,408,882</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 1,865,314</u>		

## CITY OF HESSTON, KANSAS

LIBRARY FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2022

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Ad valorem property tax	\$ 203,779	\$ 203,651	\$ 128
Delinquent tax	390	1,200	(810)
Motor vehicle tax	25,373	25,966	(593)
Recreational vehicle tax	284	229	55
16/20M vehicle tax	61	56	5
Commercial vehicle registration fees	1,137	1,240	(103)
Watercraft tax	-	123	(123)
Reimbursements	150,658	-	150,658
Neighborhood revitalization	(229)	-	(229)
Miscellaneous	407	-	407
	<u>381,860</u>	<u>\$ 232,465</u>	<u>\$ 149,395</u>
<b>EXPENDITURES</b>			
Appropriations to library board	230,795	\$ 233,352	\$ (2,557)
Payroll and insurance	151,246	-	151,246
	<u>382,041</u>	<u>233,352</u>	<u>148,689</u>
Adjustment for qualifying budget credit	-	150,658	(150,658)
	<u>382,041</u>	<u>\$ 384,010</u>	<u>\$ (1,969)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(181)		
UNENCUMBERED CASH, BEGINNING	<u>3,036</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 2,855</u>		

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

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
State payments	\$ 97,713	\$ 96,230	\$ 1,483
<b>EXPENDITURES</b>			
Service contracts	68,463	\$ 15,000	\$ 53,463
Paving and materials	2,315	25,000	(22,685)
Street improvements	-	10,000	(10,000)
Sidewalk improvements	-	353,858	(353,858)
Water Street Bond payment	100,000	25,000	75,000
Reimbursed expense	1,235	-	1,235
TOTAL EXPENDITURES	172,013	\$ 428,858	\$ (256,845)
RECEIPTS OVER (UNDER) EXPENDITURES	(74,300)		
UNENCUMBERED CASH, BEGINNING	386,360		
UNENCUMBERED CASH, ENDING	\$ 312,060		

CITY OF HESSTON, KANSAS  
 EMERGENCY SERVICES FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2022

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Intergovernmental	\$ 145,771	\$ 140,000	\$ 5,771
Charges for services	252,009	210,000	42,009
Grants	6,260	-	6,260
Reimbursements	300	-	300
ARPA reimbursement	78,851	-	78,851
Miscellaneous	8,341	1,625	6,716
Operating transfers in	30,000	60,000	(30,000)
TOTAL RECEIPTS	521,532	\$ 411,625	\$ 109,907
<b>EXPENDITURES</b>			
Personal services	354,316	\$ 307,166	\$ 47,150
Contractual services	56,694	60,798	(4,104)
Commodities	38,486	36,750	1,736
Capital outlay	1,170	106,269	(105,099)
Reimbursed expense	5,142	-	5,142
Operating transfers out	25,000	-	25,000
TOTAL EXPENDITURES	480,808	\$ 510,983	\$ (30,175)
RECEIPTS OVER (UNDER) EXPENDITURES	40,724		
UNENCUMBERED CASH, BEGINNING	118,621		
UNENCUMBERED CASH, ENDING	\$ 159,345		

## CITY OF HESSTON, KANSAS

FIRE EQUIPMENT FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2022

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Ad valorem property tax	\$ 49,276	\$ 49,245	\$ 31
Delinquent tax	97	400	(303)
Motor vehicle tax	6,135	6,277	(142)
Recreational vehicle tax	68	55	13
16/20M vehicle tax	15	14	1
Commercial vehicle registration fees	275	300	(25)
Watercraft tax	-	30	(30)
Neighborhood revitalization	(55)	-	(55)
Service agreements	62,146	62,146	-
<b>TOTAL RECEIPTS</b>	<b>117,957</b>	<b><u>\$ 118,467</u></b>	<b><u>\$ (510)</u></b>
<b>EXPENDITURES</b>			
Capital expenditures	61,795	<u>\$ 848,450</u>	<u>\$ (786,655)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>56,162</b>		
<b>UNENCUMBERED CASH, BEGINNING</b>	<b><u>673,908</u></b>		
<b>UNENCUMBERED CASH, ENDING</b>	<b><u>\$ 730,070</u></b>		

CITY OF HESSTON, KANSAS  
 COMMUNITY SERVICE PROGRAM FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2022

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Ad valorem property tax	\$ 11,930	\$ 11,899	\$ 31
Delinquent tax	40	200	(160)
Motor vehicle tax	2,740	2,803	(63)
Recreational vehicle tax	31	25	6
16/20M vehicle tax	6	6	-
Commercial vehicle registration fees	123	134	(11)
Watercraft tax	-	13	(13)
Neighborhood revitalization	(13)	-	(13)
	14,857	<u>\$ 15,080</u>	<u>\$ (223)</u>
<b>TOTAL RECEIPTS</b>			
<b>EXPENDITURES</b>			
Community service grants	15,632	<u>\$ 98,175</u>	<u>\$ (82,543)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>			
	(775)		
<b>UNENCUMBERED CASH, BEGINNING</b>			
	94,338		
<b>UNENCUMBERED CASH, ENDING</b>			
	<u>\$ 93,563</u>		

CITY OF HESSTON, KANSAS  
 ECONOMIC DEVELOPMENT FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2022

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Operating transfers in	\$ 10,000	\$ -	\$ 10,000
EXPENDITURES			
Contractual services	7,559	\$ 7,500	\$ 59
Commodities	315	1,000	(685)
Capital outlay	-	35,803	(35,803)
TOTAL EXPENDITURES	7,874	\$ 44,303	\$ (36,429)
RECEIPTS OVER (UNDER) EXPENDITURES	2,126		
UNENCUMBERED CASH, BEGINNING	48,078		
UNENCUMBERED CASH, ENDING	\$ 50,204		



## CITY OF HESSTON, KANSAS

SPECIAL PARKS FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2022

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Local alcohol liquor tax	\$ 16	<u>\$ 10</u>	<u>\$ 6</u>
EXPENDITURES			
Capital outlay	<u>-</u>	<u>\$ 2,265</u>	<u>\$ (2,265)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	16		
UNENCUMBERED CASH, BEGINNING	<u>2,236</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 2,252</u>		

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

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Transient guest tax	\$ 37,630	<u>\$ 30,000</u>	<u>\$ 7,630</u>
EXPENDITURES			
Transient guest tax appropriations	<u>30,000</u>	<u>\$ 30,000</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) EXPENDITURES	7,630		
UNENCUMBERED CASH, BEGINNING	<u>-</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 7,630</u>		

CITY OF HESSTON, KANSAS  
PUBLIC BUILDING COMMISSION  
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
(ACTUAL AND BUDGET)  
For Year Ended December 31, 2022

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Operating transfers in	\$ 60,000	\$ 50,000	\$ 10,000
EXPENDITURES			
Bond principal	55,000	\$ 55,000	\$ -
Interest coupons	10,056	10,056	-
TOTAL EXPENDITURES	65,056	\$ 65,056	\$ -
RECEIPTS OVER (UNDER) EXPENDITURES	(5,056)		
UNENCUMBERED CASH, BEGINNING	81,744		
UNENCUMBERED CASH, ENDING	\$ 76,688		

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

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Ad valorem property tax	\$ 75,591	\$ 75,551	\$ 40
Delinquent tax	158	500	(342)
Motor vehicle tax	9,384	9,629	(245)
Recreational vehicle tax	105	85	20
16/20M vehicle tax	21	21	-
Commercial vehicle registration fees	421	460	(39)
Watercraft tax	-	46	(46)
Special assessments	409,621	407,945	1,676
Neighborhood revitalization	(85)	-	(85)
Operating transfers in	524,783	545,183	(20,400)
	<u>1,019,999</u>	<u>\$ 1,039,420</u>	<u>\$ (19,421)</u>
<b>EXPENDITURES</b>			
Bond principal	905,000	\$ 905,000	\$ -
Interest coupons	137,275	134,910	2,365
Cash basis reserve	-	224,074	(224,074)
	<u>1,042,275</u>	<u>\$ 1,263,984</u>	<u>\$ (221,709)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(22,276)		
UNENCUMBERED CASH, BEGINNING	<u>273,552</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 251,276</u>		

## CITY OF HESSTON, KANSAS

UTILITIES FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2022

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Charges for service	\$ 5,252,921	\$ 4,000,347	\$ 1,252,574
Connection fees	4,510	4,500	10
Reimbursements	1,048	-	1,048
Miscellaneous	29,227	28,500	727
TOTAL RECEIPTS	5,287,706	\$ 4,033,347	\$ 1,254,359
<b>EXPENDITURES</b>			
Personal services	919,000	\$ 911,664	\$ 7,336
Contractual services	650,490	577,060	73,430
Commodities	2,347,244	1,090,900	1,256,344
Capital outlay	34,707	3,332,128	(3,297,421)
City utility loan payment	553,558	553,557	1
Reimbursed expense	7,176	-	7,176
Operating transfers out	690,000	773,400	(83,400)
TOTAL EXPENDITURES	5,202,175	\$ 7,238,709	\$ (2,036,534)
RECEIPTS OVER (UNDER) EXPENDITURES	85,531		
UNENCUMBERED CASH, BEGINNING	3,034,448		
UNENCUMBERED CASH, ENDING	\$ 3,119,979		

## CITY OF HESSTON, KANSAS

GOLF COURSE FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2022

Schedule 2  
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	2022		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Golf fees	\$ 481,286	\$ 395,000	\$ 86,286
Concessions and shop sales	121,297	126,000	(4,703)
Reimbursements	42,823	-	42,823
ARPA reimbursement	116,090	-	116,090
Advertisement proceeds	2,455	6,500	(4,045)
Miscellaneous	3,764	5,000	(1,236)
Transfers from other funds	75,000	128,000	(53,000)
<b>TOTAL RECEIPTS</b>	<u>842,715</u>	<u>\$ 660,500</u>	<u>\$ 182,215</u>
<b>EXPENDITURES</b>			
Personal services	371,900	\$ 289,949	\$ 81,951
Contractual services	108,932	99,875	9,057
Commodities	162,837	170,750	(7,913)
Capital outlay	101,598	228,347	(126,749)
Reimbursed expense	41,137	-	41,137
<b>TOTAL EXPENDITURES</b>	786,404	788,921	(2,517)
Adjustment for qualifying budget credit	-	158,913	(158,913)
<b>TOTAL FOR COMPARISON</b>	<u>786,404</u>	<u>\$ 947,834</u>	<u>\$ (161,430)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	56,311		
UNENCUMBERED CASH, BEGINNING	<u>162,201</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 218,512</u>		

CITY OF HESSTON, KANSAS  
SPECIAL PURPOSE NONBUDGETED FUNDS  
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
For Year Ended December 31, 2022

Schedule 2  
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	Special Law Enforcement	Revolving Loan	Library Maintenance	Capital Improvement	Equipment Reserve	American Rescue	CDBG
RECEIPTS							
Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 285,532	\$ 6,900
Reimbursements	-	-	6,234	106,905	-	-	-
Forfeitures	-	-	-	-	-	-	-
Sale of property	-	-	-	288,176	-	-	-
Miscellaneous	-	-	-	-	40,733	-	-
Operating transfers in	-	-	-	225,000	325,000	-	-
<b>TOTAL RECEIPTS</b>	<b>-</b>	<b>-</b>	<b>6,234</b>	<b>620,081</b>	<b>365,733</b>	<b>285,532</b>	<b>6,900</b>
EXPENDITURES							
Contractual services	-	-	740	-	-	-	6,900
Capital outlay	1,758	-	-	39,701	396,837	-	-
Reimbursed expense	198	-	6,234	106,905	-	-	-
Reimbursed expense - personnel costs	-	-	-	-	-	258,618	-
Operating transfers out	-	-	-	484,783	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>1,956</b>	<b>-</b>	<b>6,974</b>	<b>631,389</b>	<b>396,837</b>	<b>258,618</b>	<b>6,900</b>
RECEIPTS OVER (UNDER) EXPENDITURES	(1,956)	-	(740)	(11,308)	(31,104)	26,914	-
UNENCUMBERED CASH, BEGINNING	2,541	186,080	20,186	1,271,800	1,022,818	258,618	-
UNENCUMBERED CASH, ENDING	<u>\$ 585</u>	<u>\$ 186,080</u>	<u>\$ 19,446</u>	<u>\$ 1,260,492</u>	<u>\$ 991,714</u>	<u>\$ 285,532</u>	<u>\$ -</u>

CITY OF HESSTON, KANSAS  
 CAPITAL PROJECTS NONBUDGETED FUNDS  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 For Year Ended December 31, 2022

Schedule 2  
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	Golf Clubhouse Improvements	Prairie Lakes II	22 Acre Development	Downtown Revitalization	Total
RECEIPTS					
Bond proceeds	\$ -	\$ 299,000	\$ -	\$ -	\$ 299,000
Operating transfers in	250,000	-	-	-	250,000
TOTAL RECEIPTS	250,000	299,000	-	-	549,000
EXPENDITURES					
Debt issuance costs	-	12,169	-	-	12,169
Construction	17,625	233,379	-	-	251,004
TOTAL EXPENDITURES	17,625	245,548	-	-	263,173
RECEIPTS OVER (UNDER) EXPENDITURES	232,375	53,452	-	-	285,827
UNENCUMBERED CASH, BEGINNING	55,969	-	50,446	2,576	108,791
UNENCUMBERED CASH, ENDING	<u>\$ 288,344</u>	<u>\$ 53,452</u>	<u>\$ 50,446</u>	<u>\$ 2,576</u>	<u>\$ 394,618</u>



CITY OF HESSTON, KANSAS  
 BUSINESS NONBUDGETED FUNDS  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 For Year Ended December 31, 2022

Schedule 2  
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	<u>Utility Maintenance Reserve</u>	<u>Golf Course Maintenance Reserve</u>
RECEIPTS		
Miscellaneous	\$ 63,000	\$ 2,635
Operating transfers in	<u>125,000</u>	<u>25,000</u>
TOTAL RECEIPTS	<u>188,000</u>	<u>27,635</u>
EXPENDITURES		
Maintenance	165,131	-
Service contracts	-	2,212
Equipment	<u>165,117</u>	<u>316,788</u>
TOTAL EXPENDITURES	<u>330,248</u>	<u>319,000</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(142,248)	(291,365)
UNENCUMBERED CASH, BEGINNING	<u>1,145,706</u>	<u>400,702</u>
UNENCUMBERED CASH, ENDING	<u><u>\$ 1,003,458</u></u>	<u><u>\$ 109,337</u></u>

## CITY OF HESSTON, KANSAS

HESSTON PUBLIC LIBRARY - RELATED MUNICIPAL ENTITY  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 For Year Ended December 31, 2022

Schedule 3  
Page 1 of 2

	Actual
<b>RECEIPTS</b>	
City appropriations	\$ 230,817
SCKLS	21,417
Grants	3,847
Fines	3,074
Donations	10,594
State	1,070
Interest	639
Miscellaneous	1,330
Other	126
<b>TOTAL RECEIPTS</b>	<b>272,914</b>
<b>EXPENDITURES</b>	
Buildings	13,830
Books and collection	23,339
Operations	10,588
Payroll	143,886
Programming	5,885
Technology	8,310
Utilities	13,084
Expedition packs	1,659
Mobile WiFi	4,801
Miscellaneous	408
<b>TOTAL EXPENDITURES</b>	<b>225,790</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>47,124</b>
<b>UNENCUMBERED CASH, BEGINNING</b>	<b>164,531</b>
<b>UNENCUMBERED CASH, ENDING</b>	<b>\$ 211,655</b>

## CITY OF HESSTON, KANSAS

HESSTON LAND BANK - RELATED MUNICIPAL ENTITY  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 For Year Ended December 31, 2022

	Schedule 3 Page 2 of 2
	Actual
RECEIPTS	
City appropriations	\$ -
Land sales	-
	-
TOTAL RECEIPTS	-
EXPENDITURES	
Special assessments	2,029
Miscellaneous	92
	2,121
TOTAL EXPENDITURES	2,121
RECEIPTS OVER (UNDER) EXPENDITURES	(2,121)
UNENCUMBERED CASH, BEGINNING	18,875
UNENCUMBERED CASH, ENDING	\$ 16,754