CITY OF TORONTO, KANSAS

Independent Auditor's Report and
Financial Statement with
Supplementary Information

For the Year Ended December 31, 2024

CITY OF TORONTO, KANSAS

December 31, 2024

TABLE OF CONTENTS

	PAGE NUMBER
Independent Auditor's Report	1-3
Statement 1	
Summary Statement of Receipts, Expenditures and Unencumbered Cash – Regulatory Basis	4
Notes to the Financial Statement	5-12
SUPPLEMENTARY INFORMATION	
Schedule 1	
Summary of Expenditures – Actual and Budget Regulatory Basis - (Budgeted Funds Only)	13
Schedule 2	
Schedule of Receipts and Expenditures – Actual and Budget Regulatory Basis - (with Comparative Actual Amounts for the Prior Year)	
General Fund	14-15
Library Fund	16
Special Highway Fund	17
Special Parks Fund	18
Special Liability Fund	19
American Rescue Plan Act Fund	20
Equipment Reserve Fund	21
Capital Improvement Fund	22
G.O. Bond and Interest Fund	23
Electric Utility Fund	24
Electric Utility Security Deposits Fund	25
Water Utility Fund	26
Sewer Utility Fund	27
Water and Sewer Utility Surplus Fund	28
Schedule 3	
Summary of Receipts and Disbursement Agency Funds – Regulatory Basis	29

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Toronto, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Toronto, Kansas, as of and for the year ended December 31, 2024 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Toronto, Kansas as of December 31, 2024, 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 of Toronto, Kansas as of December 31, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

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

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the City of Toronto, Kansas 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 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.

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and disbursements-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial

statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Toronto, Kansas as of and for the year ended December 31, 2023 (not presented herein), and have issued our report thereon dated July 16, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2024 (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 2023 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 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 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 2023 basic financial statement or to the 2023 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 2023 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2023, on the basis of accounting described in Note 1.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 19, 2025
Chanute, Kansas

CITY OF TORONTO, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Balance	Encumbrances and Accounts Payable	Cash Balance December 31, 2024
General	$ 27,132.90	$ 140,734.00	$ 158,676.25	$ 9,190.65	$ 28,351.11	$ 37,541.76
Special Purpose Funds						
Library	1,384.18	4,625.34	4,625.34	1,384.18	-	1,384.18
Special Highway	50,296.74	5,559.20	-	55,855.94	-	55,855.94
Special Parks	2,360.57	1,243.59	-	3,604.16	-	3,604.16
Special Liability	4,829.06	3,476.49	5,642.60	2,662.95	-	2,662.95
Equipment Reserve	8,907.57	250.69	6,425.00	2,733.26	-	2,733.26
Bond and Interest Fund						
G.O. Bond and Interest	5,756.25	7,045.47	-	12,801.72	-	12,801.72
Business Funds						
Electric Utility	116,540.46	237,508.95	236,668.06	117,381.35	14,224.38	131,605.73
Electric Utility Security Deposits	-	2,845.80	2,845.80	-	8,260.00	8,260.00
Water Utility	12,246.60	137,672.57	140,654.34	9,264.83	7,380.35	16,645.18
Sewer Utility	11,064.35	52,525.12	50,329.18	13,260.29	1,665.38	14,925.67
Water and Sewer Utility Surplus	565.52	-	-	565.52	-	565.52
Total Reporting Entity (Excluding Agency Funds)	$ 241,084.20	$ 593,487.22	$ 605,866.57	$ 228,704.85	$ 59,881.22	$ 288,586.07

Composition of Cash:	
Cash on Hand	$ 200.00
Checking Account, GNBank	160,117.12
Water Project Checking Account, GNBank	12.00
Certificates of Deposit, GNBank	129,063.00
Total Cash	289,392.12
Less: Agency Funds per Schedule 3	(806.05)
Total Reporting Entity(Excluding Agency Funds)	$ 288,586.07

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement and schedules of the City of Toronto, Kansas, have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow. Note 1 describes how the City's accounting policies differ from accounting principles generally accepted in the United States of America.

Financial Reporting Entity

The City of Toronto, Kansas (the City) is a municipal corporation governed by an elected six member council. This financial statement presents the City of Toronto, Kansas (the primary government).

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the City exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the City. Related municipal entities are not required to be included in the City's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related municipal entities:

Toronto Public Library

The City of Toronto Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Separate internal financial statement are available at the Library.

Regulatory Basis Fund Types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the City of Toronto, Kansas, for the year of 2024:

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types (Continued)

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

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

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a receipt source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for the receipt recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31st such taxes are a lien on the property.

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as receipts. In the financial statement and budget schedules comparisons presented in this report, reimbursements and refunds are recorded as receipts. The reimbursements are recorded as cash receipts when received by the City Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Pension Plan

Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System, which is a multi-employer statewide pension plan. The City's policy is to fund all pension costs accrued. Such costs to be funded are actuarially determined annually by the State of Kansas.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 timetable in the adoption of the legal annual operating budget:

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

If the City is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1 but may not be adopted prior to the revenue neutral rate hearing. The City did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in 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 budget 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 the 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, receipts 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 projects funds, trust funds, and the following special purpose fund:

- Equipment Reserve Fund
- Capital Improvement Fund
- American Rescue Plan Act 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.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1 and Schedule 1, the City was in apparent compliance with the Kansas cash basis and budget laws.

Management is not aware of any other statute violations.

3. DEPOSITS AND INVESTMENTS

K.S.A 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main branch 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 bank provides an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2024.

At year-end, the City's carrying amount of deposits was $289,192.12 and the bank balance was $316,032.89. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000.00 was covered by FDIC insurance and $66,032.89 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

4. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The (non-school municipality) 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 statement and required supplementary information. KPERS' financial statement are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

4. DEFINED BENEFIT PENSION PLAN (Continued)

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

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.26% for the fiscal year ended December 31, 2024. Contributions to the pension plan from the City were $11,847.56 for the year ended December 31, 2024.

Net Pension Liability

At December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $94,295.00. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. 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 nonemployer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

5. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Death and Disability Other Post-Employment Benefits

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, 2024.

Compensated Absences:

All full-time employees of the City with one year of employment are eligible for vacation benefits in varying annual amounts. Vacation must be used by the end of the year following the year earned.

Sick leave accrues to all full-time employees at the rate of one day per month to a maximum of 24 days. Employees who terminate by other than retirement or death will not be paid for accumulated sick leave.

5. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

The City accrues a liability for compensated absences which meet the following criteria:

1. The City's obligation relating to employees rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated and, is material.

In accordance with the above criteria, the City has estimated a liability for vacation pay in the amount of $2,747.50. The City has not estimated the liability for sick pay which has been earned but not taken by City employees, inasmuch as the amount cannot be reasonably estimated.

Other Post Employment Benefits:
As provided by K.S.A. 12-5040, the local government 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. There is no cost to the City under this program.

6. ECONOMIC DEPENDENCY

During 2024, the City sold 70.32% of its gallons of water sold to Rural Water District No. 9 and purchased 100% of its water from the City of Yates Center, Kansas.

7. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2024, were as follows:

Issue	Interest Rates	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
Revolving Loans:									
Kansas Public Water Supply 2971	1.30%	February 10, 2021	$ 1,090,000.00	August 1, 2025	$ 1,090,000.00	$ -	$ 200.00	$ 1,089,800.00	$ 14,169.38
Total Contractual Indebtedness					$ 1,090,000.00	$ -	$ 200.00	$ 1,089,800.00	$ 14,169.38

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

Issue	Year	Interest	Principal	Total
Revolving Loans:				
Kansas Public Water Supply 2971	2025	$ 14,166.76	$ 1,089,800.00	$ 1,103,966.76

8. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee's health and life; and natural disasters. The City manages these risks of loss through the purchase of various insurance policies.

9. OTHER COMMITMENTS AND CONCENTRATIONS

On May 9, 2019, the City entered into a contract with Westar Energy regarding the following:

Beginning June 1, 2019 and ending May 31, 2025, the City will pay Westar a fixed demand fee of $495 per month and $0.052 per kilowatt-hour used by the city in providing electricity to its customers.

The City is responsible for arranging and paying for all required transmission and certain ancillary services as well as any wholesale distribution services to deliver the Full Requirements Electric Service from the point of delivery to the point of receipt.

10. INTERFUND TRANSFERS

Operating transfers were as follows:

From Fund:	To Fund:	Statutory Authority	Amount
Electric Utility	General	K.S.A. 12-825d	$ 30,000.00

11. SUBSEQUENT EVENTS

The City evaluated events and transactions occurring subsequent to year end, and there were no subsequent events requiring recognition in the financial statement. Additionally, there were no non-recognized subsequent events requiring disclosure

SUPPLEMENTARY INFORMATION

Schedule 1

CITY OF TORONTO, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2024

Funds	Total Certified Budget	Adjustments for Qualifying Budget Credits	Total Certified Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General	$ 166,056.00	$ -	$ 166,056.00	$ 158,676.25	$ (7,379.75)
Special Purpose Funds					
Library	5,000.00	-	5,000.00	4,625.34	(374.66)
Special Highway	59,083.00	-	59,083.00	-	(59,083.00)
Special Parks	3,060.00	-	3,060.00	-	(3,060.00)
Special Liability	8,860.00	-	8,860.00	5,642.60	(3,217.40)
Business Funds					
Electric Utility	365,412.00	-	365,412.00	236,668.06	(128,743.94)
Water Utility	183,315.00	-	183,315.00	140,654.34	(42,660.66)
Sewer Utility	70,790.00	-	70,790.00	50,329.18	(20,460.82)

CITY OF TORONTO, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 26,994.30	$ 43,664.18	$ 53,733.00	$ (10,068.82)
Delinquent Tax	3,352.80	6,020.77	5,325.00	695.77
Motor Vehicle Tax	5,567.73	5,162.61	7,878.00	(2,715.39)
Recreational Vehicle Tax	144.82	109.96	149.00	(39.04)
16M and 20M Tax	351.53	869.87	551.00	318.87
Sales Tax	31,252.85	30,608.15	34,788.00	(4,179.85)
Franchise Tax	3,984.52	5,379.15	3,925.00	1,454.15
Intergovernmental				
Highway Connecting Links	8,030.00	8,035.53	8,030.00	5.53
Local Alcoholic Liquor Tax	1,013.93	1,243.60	1,085.00	158.60
Charges for Services	439.25	53.65	193.00	(139.35)
Licenses and Permits	668.00	459.00	450.00	9.00
Fines, Forfeitures and Penalties	606.78	690.00	1,237.00	(547.00)
Use of Money and Property				
Interest Income	3,553.71	5,192.17	233.00	4,959.17
Rental Income	600.00	600.00	-	600.00
Other Receipts				
Miscellaneous	2,747.51	997.89	-	997.89
Reimbursed Expense	3,243.37	1,647.47	-	1,647.47
Operating Transfers from				
Electric Utility Fund	17,500.00	30,000.00	17,500.00	12,500.00
Total Receipts	110,051.10	140,734.00	$ 135,077.00	$ 5,657.00
Expenditures				
General Government				
Personal Services	71,379.87	78,103.56	$ 71,148.00	$ 6,955.56
Contractual Services	31,830.81	62,965.24	35,000.00	27,965.24
Commodities	7,077.09	8,253.43	10,000.00	(1,746.57)
Capital Outlay	268.57	1,315.71	30,208.00	(28,892.29)

CITY OF TORONTO, KANSAS
GENERAL FUND
Schedule of Cash Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Expenditures (Continued)				
Public Safety				
Fire Department				
Contractual Services	$ 1,524.85	$ 1,186.34	$ 3,950.00	$ (2,763.66)
Commodities	985.51	487.40	1,200.00	(712.60)
Capital Outlay	-	5,286.60	2,850.00	2,436.60
Municipal Court				
Contractual Services	71.00	-	1,500.00	(1,500.00)
Commodities	45.00	45.00	200.00	(155.00)
Highways and Streets				
Contractual Services	1,408.12	903.12	500.00	403.12
Commodities	-	19.85	3,000.00	(2,980.15)
Culture and Recreation				
Commodities	-	110.00	500.00	(390.00)
Library Board				
Appropriations	-	-	3,500.00	(3,500.00)
Operating Transfers to:				
Equipment Reserve Fund	2,500.00	-	2,500.00	(2,500.00)
Capital Improvement Fund	14,050.14	-	-	-
Total Expenditures	131,140.96	158,676.25	$ 166,056.00	$ (7,379.75)
Receipts Over(Under) Expenditures	(21,089.86)	(17,942.25)		
Unencumbered Cash, Beginning	48,222.76	27,132.90		
Unencumbered Cash, Ending	$ 27,132.90	$ 9,190.65		

CITY OF TORONTO, KANSAS
LIBRARY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 2,257.17	$ 3,686.16	$ 4,536.00	$ (849.84)
Delinquent Tax	246.07	430.56	450.00	(19.44)
Motor Vehicle Tax	433.59	431.68	426.00	5.68
Recreational Vehicle Tax	11.28	9.21	8.00	1.21
16M and 20M Tax	27.39	67.73	30.00	37.73
Other Receipts				
Reimbursed Expense	729.60	-	-	-
Total Receipts	3,705.10	4,625.34	$ 5,450.00	$ (824.66)
Expenditures				
Culture and Recreation				
Appropriation to Library Board	2,975.50	4,625.34	$ 5,000.00	$ (374.66)
Total Expenditures	2,975.50	4,625.34	$ 5,000.00	$ (374.66)
Receipts Over(Under) Expenditures	729.60	-		
Unencumbered Cash, Beginning	654.58	1,384.18		
Unencumbered Cash, Ending	$ 1,384.18	$ 1,384.18		

CITY OF TORONTO, KANSAS
SPECIAL HIGHWAY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
State Gasoline Tax Payments	$ 5,503.78	$ 5,559.20	$ 7,120.00	$ (1,560.80)
Total Receipts	5,503.78	5,559.20	$ 7,120.00	$ (1,560.80)
Expenditures				
Highways and Streets				
Contractual Services	-	-	$ 5,000.00	$ (5,000.00)
Commodities	-	-	54,083.00	(54,083.00)
Total Expenditures	-	-	$ 59,083.00	$ (59,083.00)
Receipts Over(Under) Expenditures	5,503.78	5,559.20		
Unencumbered Cash, Beginning	44,792.96	50,296.74		
Unencumbered Cash, Ending	$ 50,296.74	$ 55,855.94		

CITY OF TORONTO, KANSAS
SPECIAL PARKS FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Local Alcoholic Liquor Tax	$ 1,013.93	$ 1,243.59	$ 1,085.00	$ 158.59
Total Receipts	1,013.93	1,243.59	$ 1,085.00	$ 158.59
Expenditures				
Culture and Recreation				
Commodities	-	-	$ 3,060.00	$ (3,060.00)
Total Expenditures	-	-	$ 3,060.00	$ (3,060.00)
Receipts Over(Under) Expenditures	1,013.93	1,243.59		
Unencumbered Cash, Beginning	1,346.64	2,360.57		
Unencumbered Cash, Ending	$ 2,360.57	$ 3,604.16		

CITY OF TORONTO, KANSAS
SPECIAL LIABILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 2,257.17	$ 2,538.76	$ 3,124.00	$ (585.24)
Delinquent Tax	246.07	429.12	310.00	119.12
Motor Vehicle Tax	433.54	431.69	426.00	5.69
Recreational Vehicle Tax	11.28	9.19	8.00	1.19
16M and 20M Tax	27.39	67.73	30.00	37.73
Total Receipts	2,975.45	3,476.49	$ 3,898.00	$ (421.51)
Expenditures				
General Government				
Contractual Services	5,229.00	5,642.60	$ 8,860.00	$ (3,217.40)
Total Expenditures	5,229.00	5,642.60	$ 8,860.00	$ (3,217.40)
Receipts Over(Under) Expenditures	(2,253.55)	(2,166.11)		
Unencumbered Cash, Beginning	7,082.61	4,829.06		
Unencumbered Cash, Ending	$ 4,829.06	$ 2,662.95		

CITY OF TORONTO, KANSAS
AMERICAN RESCUE PLAN ACT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
American Rescue Plan Act Funds	$ -	$ -
Total Receipts	-	-
Expenditures		
General Government		
Commodities	13,873.04	-
Capital Outlay	26,263.16	-
Total Expenditures	40,136.20	-
Receipts Over(Under) Expenditures	(40,136.20)	-
Unencumbered Cash, Beginning	40,136.20	-
Unencumbered Cash, Ending	$ -	$ -

CITY OF TORONTO, KANSAS
EQUIPMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ 99.86	$ 250.69
Operating Transfers from:		
General Fund	2,500.00	-
Electric Utility Fund	6,000.00	-
Total Receipts	8,599.86	250.69
Expenditures		
General Government		
Capital Outlay	-	6,425.00
Debt Service		
Backhoe Lease	8,233.44	-
Total Expenditures	8,233.44	6,425.00
Receipts Over(Under) Expenditures	366.42	(6,174.31)
Unencumbered Cash, Beginning	8,541.13	8,907.57
Unencumbered Cash, Ending	$ 8,907.55	$ 2,733.26

CITY OF TORONTO, KANSAS
CAPITAL IMPROVEMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
Federal Grants	$ 384,207.24	$ -
USDA Grants	152,088.00	-
Use of Money and Property		
Revolving Loan Proceeds	478,182.66	-
Operating Transfer from		
General Fund	14,050.14	-
Total Receipts	1,028,528.04	-
Expenditures		
Capital Projects		
Capital Outlay	994,438.08	-
Debt Service		
Interest	2,484.66	-
Total Expenditures	996,922.74	-
Receipts Over(Under) Expenditures	31,605.30	-
Unencumbered Cash, Beginning	(31,605.30)	-
Unencumbered Cash, Ending	$ -	$ -

CITY OF TORONTO, KANSAS
G.O. BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 16,995.56	$ 2.07	$ -	$ 2.07
Delinquent Tax	1,852.75	3,213.79	-	3,213.79
Motor Vehicle Tax	3,264.42	3,250.35	-	3,250.35
Recreational Vehicle Tax	84.91	69.23	-	69.23
16M and 20M Tax	206.13	510.03	-	510.03
Operating Transfers from:				
Water Utility Fund	12,000.00	-	-	-
Sewer Utility Fund	6,000.00	-	-	-
Total Receipts	40,403.77	7,045.47	$ -	$ 7,045.47
Expenditures				
Debt Service				
Principal	45,000.00	-	$ -	$ -
Interest	1,192.50	-	-	-
Total Expenditures	46,192.50	-	$ -	$ -
Receipts Over(Under) Expenditures	(5,788.73)	7,045.47		
Unencumbered Cash, Beginning	11,544.98	5,756.25		
Unencumbered Cash, Ending	$ 5,756.25	$ 12,801.72		

CITY OF TORONTO, KANSAS
ELECTRIC UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Consumer Sales	$ 224,901.68	$ 228,085.80	$ 229,470.00	$ (1,384.20)
Penalties	8,455.11	9,337.46	8,140.00	1,197.46
Connect and Reconnect Fees	170.00	120.00	200.00	(80.00)
Other Receipts				
Miscellaneous	-	(34.31)	-	(34.31)
Total Receipts	233,526.79	237,508.95	$ 237,810.00	$ (301.05)
Expenditures				
Production				
Contractual Services	138,754.55	135,462.37	$ 134,346.00	$ 1,116.37
Transmission and Distribution				
Personal Services	52,240.09	56,877.79	52,676.00	4,201.79
Contractual Services	7,349.56	10,426.62	12,000.00	(1,573.38)
Commodities	8,543.49	3,682.00	6,300.00	(2,618.00)
Capital Outlay	-	219.28	136,590.00	(136,370.72)
Operating Transfers to:				
General Fund	17,500.00	30,000.00	17,500.00	12,500.00
Equipment Reserve Fund	6,000.00	-	6,000.00	(6,000.00)
Total Expenditures	230,387.69	236,668.06	$ 365,412.00	$ (128,743.94)
Receipts Over(Under) Expenditures	3,139.10	840.89		
Unencumbered Cash, Beginning	113,401.36	116,540.46		
Unencumbered Cash, Ending	$ 116,540.46	$ 117,381.35		

CITY OF TORONTO, KANSAS
ELECTRIC UTILITY SECURITY DEPOSITS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ 14.20	$ 38.91
Other Receipts		
Security Deposits Received	2,460.00	2,806.89
Total Receipts	2,474.20	2,845.80
Expenditures		
General Government		
Security Deposits Refunded	2,474.20	2,845.80
Total Expenditures	2,474.20	2,845.80
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ -

CITY OF TORONTO, KANSAS
WATER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

		Current Year		
Receipts	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Charges for Services				
Consumer Sales	$ 139,346.09	$ 136,865.01	$ 143,745.00	$ (6,879.99)
Bulk Sales	2,635.00	90.00	100.00	(10.00)
Connect and Reconnect Fees	265.00	-	120.00	(120.00)
Use of Money and Property				
Interest Income	381.70	676.06	154.00	522.06
Other Receipts				
Miscellaneous	55.00	41.50	-	41.50
Total Receipts	142,682.79	137,672.57	$ 144,119.00	$ (6,446.43)
Expenditures				
Transmission and Distribution				
Personal Services	29,255.30	28,216.18	$ 30,185.00	$ (1,968.82)
Contractual Services	9,205.16	6,666.27	10,000.00	(3,333.73)
Commodities	104,875.40	91,292.87	90,000.00	1,292.87
Capital Outlay	-	109.64	53,130.00	(53,020.36)
Debt Service				
Principal	-	200.00	-	200.00
Interest	5,521.37	14,169.38	-	14,169.38
Operating Transfers to				
G.O. Bond and Interest Fund	12,000.00	-	-	-
Total Expenditures	160,857.23	140,654.34	$ 183,315.00	$ (42,660.66)
Receipts Over(Under) Expenditures	(18,174.44)	(2,981.77)		
Unencumbered Cash, Beginning	30,421.04	12,246.60		
Unencumbered Cash, Ending	$ 12,246.60	$ 9,264.83		

CITY OF TORONTO, KANSAS
SEWER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Consumer Sales	$ 53,787.85	$ 52,263.54	$ 52,709.00	$ (445.46)
Use of Money and Property				
Reimbursed Expense	-	142.51	-	142.51
Interest Income	63.88	119.07	18.00	101.07
Total Receipts	53,851.73	52,525.12	$ 52,727.00	$ (201.88)
Expenditures				
Transmission and Distribution				
Personal Services	28,662.17	28,105.56	$ 29,976.00	$ (1,870.44)
Contractual Services	9,897.90	18,868.86	13,500.00	5,368.86
Commodities	4,721.69	2,675.40	5,000.00	(2,324.60)
Capital Outlay	7,940.37	679.36	22,314.00	(21,634.64)
Operating Transfers to				
G.O. Bond and Interest Fund	6,000.00	-	-	-
Total Expenditures	57,222.13	50,329.18	$ 70,790.00	$ (20,460.82)
Receipts Over(Under) Expenditures	(3,370.40)	2,195.94		
Unencumbered Cash, Beginning	14,434.75	11,064.35		
Unencumbered Cash, Ending	$ 11,064.35	$ 13,260.29		

CITY OF TORONTO, KANSAS
WATER AND SEWER UTILITY SURPLUS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Amounts for the Year Ended December 31, 2023)

	Prior Year Actual	Current Year Actual
Receipts	$ -	$ -
Expenditures		
Commodities	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	565.52	565.52
Unencumbered Cash, Ending	$ 565.52	$ 565.52

CITY OF TORONTO, KANSAS
AGENCY FUNDS
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Beginning Cash Balances	Receipts	Disbursements	Ending Cash Balances
Electric Utility-Sales Tax Fund	$ 824.37	$ 5,705.54	$ 5,765.18	$ 764.73
Water Protection Fee Fund	33.91	135.00	127.59	41.32
Totals	$ 858.28	$ 5,840.54	$ 5,892.77	$ 806.05

Jarred Gilmore Phillips

Honorable Mayor and City Council
City of Toronto, Kansas

In planning and performing our audit of the financial statement of the City of Toronto, Kansas as of and for the year ended December 31, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered the City of Toronto, Kansas' system of 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 the City of Toronto, Kansas' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Toronto, Kansas' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiency in internal control that we consider to be material weaknesses.

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. We consider the following deficiency in internal control to be material weaknesses:

Preparation of Financial Statement

Accounting standards states the client must be able to accept responsibility and be able to identify a material misstatement when reviewing the financial statement, including footnotes and supplemental information. This would also include knowing if a required footnote disclosure was missing or not correctly stated. Presently, the City staff does not have the ability to process and prepare the required financial statement, including footnotes. The potential effects of this material weakness could be unrecognized errors on the financial statement. While we recognize that this condition is not unusual for a City your size, it is important that you be aware of this condition for financial reporting purposes. Management and the City Council should continually be aware of the financial reporting of the City and changes in reporting requirements.

Segregation of Duties

An internal control structure is, quite simply, the procedures and policies in effect which ensure that the City's financial activity is properly recorded, processed, summarized, and reported in the financial statement. A weakness in the control structure occurs when one person is responsible for all of the accounting activities such as performing billings, receipting cash, making deposits, reconciling the bank accounts, and having access to all books and records of the City. Due to small staff size, it is not possible for reviews of daily work to take place, potentially resulting in errors in financial records and reports.

This communication is intended solely for the information and use of management, the Mayor, City Council, and others within the City of Toronto, Kansas, and is not intended to be, and should not be, used by anyone other than these specified parties.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
June 19, 2025