# CITY OF STAFFORD, KANSAS

Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2023

**CITY OF STAFFORD, KANSAS**
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For the Year Ended December 31, 2023

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# INDEPENDENT AUDITORS' REPORT

To the City Council
**City of Stafford, Kansas**
Stafford, Kansas

## Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **City of Stafford, Kansas**, as of and for the year ended December 31, 2023 and the related notes to the financial statement.

*Adverse Opinion on U.S. Generally Accepted Accounting Principles*
In our opinion, because of the significance of the matters discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2023, or changes in financial position and cash flows thereof for the year then ended.

*Unmodified Opinion on Regulatory Basis of Accounting*
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2023, 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 Auditors' Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

**Responsibilities of Management for the Financial Statement**

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

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

**Auditors' Responsibilities for the Audit of the Financial Statement**

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

In performing an audit in accordance with GAAS, we:

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

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

**Supplementary Information**

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City as of and for the year ended December 31, 2022 (not presented herein), and have issued our report thereon dated August 14, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 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/municipal-audits. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2023 (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 2022 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 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 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 2022 basic financial statement or to the 2022 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 2022 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, 2022, on the basis of accounting described in Note 1.

Adams Brown, LLC

**ADAMSBROWN, LLC**
Certified Public Accountants
Great Bend, Kansas

August 12, 2024

**CITY OF STAFFORD, KANSAS**
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2023

| Funds | Beginning Unencumbered Cash Balance | Prior Year Cancelled Encumbrances | Receipts | Expenditures | **Ending Unencumbered Cash Balance** | Add Encumbrances and Accounts Payable | **Ending Cash Balance** |
|---|---|---|---|---|---|---|---|
| **Regulatory Basis Fund Types** | | | | | | | |
| **General Fund** | $ 218,754 | - | 962,397 | 917,397 | **263,754** | 13,094 | **276,848** |
| **Special Purpose Funds** | | | | | | | |
| Library Fund | - | - | 23,785 | 23,785 | **-** | - | **-** |
| Fire Equipment Reserve Fund | 141,101 | - | 52 | - | **141,153** | - | **141,153** |
| Airport Fund | 52,401 | - | 3,914 | 20,938 | **35,377** | 188 | **35,565** |
| Special Parks and Recreation Fund | 3,236 | - | - | 2,474 | **762** | - | **762** |
| Special Highway Fund | 63,129 | - | 25,341 | 25,157 | **63,313** | - | **63,313** |
| Equipment Reserve Fund | 79,330 | - | 25,000 | - | **104,330** | - | **104,330** |
| Capital Improvement Fund | 136,479 | - | 45,339 | 24,523 | **157,295** | - | **157,295** |
| Community Education Fund | 15,421 | - | 19,887 | 9,469 | **25,839** | 436 | **26,275** |
| City Attorney Diversion Fund | 6,333 | - | 1,909 | - | **8,242** | - | **8,242** |
| Swimming Pool Fund | 296,963 | - | 149,542 | 138,072 | **308,433** | - | **308,433** |
| Covid-19 Federal Grant Fund | 133,376 | - | - | - | **133,376** | - | **133,376** |
| **Business Funds** | | | | | | | |
| Electrical and Streets Improvement Fund | 587,653 | - | 149,542 | 96,595 | **640,600** | 2,684 | **643,284** |
| Water Reserve Fund | 25,049 | - | 21,372 | - | **46,421** | - | **46,421** |
| Power Plant Reserve Fund | 153,545 | - | 21,689 | - | **175,234** | - | **175,234** |
| Sewer Reserve Fund | 247,020 | - | 17,550 | - | **264,570** | - | **264,570** |
| Water and Light Fund | 257,436 | - | 1,637,285 | 1,723,987 | **170,734** | 117,456 | **288,190** |
| Sewer Service Fund | 95,464 | - | 107,861 | 119,350 | **83,975** | 142 | **84,117** |
| Trash Fund | 61,558 | - | 175,214 | 181,487 | **55,285** | 26,882 | **82,167** |
| Ritz Theatre Fund | 18,605 | - | 54,442 | 51,805 | **21,242** | 1,897 | **23,139** |
| **Total Primary Government** | 2,592,853 | - | 3,442,121 | 3,335,039 | **2,699,935** | 162,779 | **2,862,714** |
| **Related Municipal Entity** | | | | | | | |
| Stafford Public Building Commission - Swimming Pool Fund | - | - | 86,500 | 86,500 | **-** | - | **-** |
| Land Bank Fund | 10,813 | - | - | 7,480 | **3,333** | - | **3,333** |
| **Total Primary Government (Excluding Agency Funds)** | $ 2,603,666 | - | 3,528,621 | 3,429,019 | **2,703,268** | 162,779 | **2,866,047** |

| **Composition of Cash** | | |
|---|---|---|
| Certificates of Deposit | $ | **790,050** |
| Savings Accounts | | **8,247** |
| Checking Accounts | | **2,064,324** |
| Cash on Hand | | **100** |
| Total Primary Government | | **2,862,721** |
| Total Related Municipal Entities | | **3,333** |
| Agency Funds per Schedule 3 | | **(7)** |
| **Total Primary Government (Excluding Agency Funds)** | $ | **2,866,047** |

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

## NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### Financial Reporting Entity

The City is a municipal corporation governed by an elected mayor and five-member council. This financial statement presents the City (the municipality) and its related municipal entities, Stafford Public Building Commission and Stafford Land Bank, shown below. The related municipal entities are included in the City's reporting entity because they were established to benefit the City and/or its constituents. This financial statement does not include the related municipal entities, Housing Authority and Public Library, shown below.

#### Stafford Public Building Commission

The Public Building Commission (PBC) is a municipal corporation of the State of Kansas formed under the authority of K.S.A. 12-1757 *et seq.* and City Ordinance No. 1039 of **City of Stafford, Kansas**. The Commission has been organized by the governing body of **City of Stafford, Kansas** (the "City") for the purposes of acquiring a site or sites for constructing, reconstructing, equipping and furnishing, or purchasing or otherwise acquiring, a building or buildings or other facilities of a revenue producing character.

#### Stafford Land Bank

The Stafford Land Bank is formed under the authority of K.S.A. 12-5901 *et seq.* and City Ordinance No. 1054 of **City of Stafford, Kansas**. The board of trustees consists of five members appointed by the Mayor. The land bank develops, acquires and holds certain vacant, unused and abandoned properties within City limits. The land bank can sue and be sued, and can buy, sell, or lease real property.

#### Housing Authority

The City's Housing Authority operates the City's housing projects. The housing authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Unaudited financial statements can be obtained by contacting the housing authority's office.

#### Public Library

The City's Library Board operates the Nora E. Larabee Memorial Library. Acquisition or disposition of real property by the Board must be approved by the City. Bond issuances must also be approved by the City. The Board's members are appointed by the City Council. The City substantially funds the library's operations by levying tax dollars for the library. Unaudited financial statements can be obtained by contacting the library.

### Basis of Presentation – Fund Accounting

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

The following types of funds comprise the financial activities of the City for the year ended December 31, 2023.

**Regulatory Basis Fund Types**

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

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

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

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

**Basis of Accounting**

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

**Reimbursements**

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

**NOTE 2 – BUDGETARY INFORMATION**

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

a. Preparation of the budget for the succeeding calendar year on or before August 1st.

b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.

d. Adoption of the final budget on or before August 25th.

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City did hold a revenue neutral rate hearing this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year ended December 31, 2023.

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

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

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds: Equipment Reserve Fund, Community Education Fund, City Attorney Diversion Fund, Swimming Pool Fund, and Covid-19 Federal Grant Fund.

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

## NOTE 3 – DEPOSITS AND INVESTMENTS

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

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

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

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

Custodial Credit Risk – Deposits
Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were legally secured at December 31, 2023.

At December 31, 2023, the City's carrying amount of deposits was $2,862,721 and the bank balance was $2,927,494. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $246,667 was covered by federal depository insurance and $2,680,827 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

At December 31, 2023, the Stafford Land Bank's carrying amount of deposits was $3,333 and the bank balance was $3,333. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, the entire balance was covered by federal depository insurance.

Custodial Credit Risk – Investments
For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments at December 31, 2023.

## NOTE 4 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of Stafford, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2023 were as follows:

| From | To | Regulatory Authority | | Amount |
|---|---|---|---|---|
| General Fund | Electrical and Streets Improvement Fund | Resolution 04-12 | $ | 149,542 |
| General Fund | Swimming Pool Fund | Ordinance 1042 | | 149,542 |
| Water and Light Fund | General Fund | K.S.A. 12-825d | | 30,000 |
| Water and Light Fund | Power Plant Reserve Fund | K.S.A. 12-825d | | 21,689 |
| Water and Light Fund | Equipment Reserve Fund | K.S.A. 12-825d | | 25,000 |
| Water and Light Fund | Capital Improvement Fund | K.S.A. 12-825d | | 25,000 |
| Water and Light Fund | Water Reserve Fund | K.S.A. 12-825d | | 21,372 |
| Sewer Service Fund | Ritz Theatre Fund | K.S.A. 12-825d | | 20,000 |
| Sewer Service Fund | Sewer Reserve Fund | K.S.A. 12-631o | | 17,550 |
| Sewer Service Fund | General Fund | K.S.A. 12-825d | | 75,000 |
| Trash Fund | General Fund | K.S.A. 12-825d | | 3,620 |
| Trash Fund | Ritz Theatre Fund | K.S.A. 12-825d | | 2,500 |

## NOTE 5 – LITIGATION

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

## NOTE 6 – RISK MANAGEMENT

**City of Stafford, Kansas** is exposed to various risks of loss related to torts; damage to and destruction of assets; business interruptions; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. The City has been unable to obtain workers'

compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other counties in the State to participate in Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for 177 participating members.

The City pays an annual premium to KMIT for its workers' compensation insurance coverage. The agreement to participate provides that the KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $500,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT's management.

Settled claims have not exceeded this commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

## NOTE 7 – GRANTS AND SHARED REVENUES

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

## NOTE 8 – DEFERRED COMPENSATION PLAN

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

## NOTE 9 – DEFINED BENEFIT PENSION PLAN

### General Information about the Pension Plan

Plan Description
**City of Stafford, Kansas** 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 Annual Comprehensive Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

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

their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 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 8.43% for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were $48,802 for the year ended December 31, 2023.

**Net Pension Liability**

At December 31, 2023, the City's proportionate share of the collective net pension liability reported by KPERS was $547,008. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

## NOTE 10 – OTHER POST EMPLOYMENT BENEFITS

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

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

As provided by K.S.A.74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2023.

## NOTE 11 – COMPENSATED ABSENCES

**Vacation**
**City of Stafford, Kansas'** policy regarding vacation is that a full-time employee is entitled to paid vacation according to the following schedule:

| Years of Continuous Employment | 0-5 | 5-10 | 10-15 | 15-20 | 20+ |
|---|---|---|---|---|---|
| Hours Earned Per Month | 8 | 10 | 12 | 14 | 16 |
| Maximum Hours Accumulation | 144 | 180 | 216 | 252 | 288 |

Upon termination, an employee shall be compensated for all earned but unused vacation at his/her final rate of pay.

**Sick Leave**
The City's policy regarding sick leave is that full-time employees, who work at least 17 days out of the month, accumulate sick leave at 8 hours per month, which is cancelled upon the termination of the employee. There is no limit to the accumulation of sick leave.

## NOTE 12 – HEALTH REIMBURSEMENT ARRANGEMENT

**City of Stafford, Kansas** entered into a Health Reimbursement Arrangement (HRA) during 2015. The full-time employee benefit is an HRA as defined by Section 105 of the Internal Revenue Code. The HRA plan is funded solely by the employer. The HRA plan allows for reimbursement of certain out-of-pocket medical and prescription drug costs incurred by the employee, their spouse or their dependents. The HRA plan allows for reimbursement of certain out-of-pocket medical and prescription drug costs incurred by the employee, their spouse or their dependents. The maximum allowance per year through BCBS is $6,500 for employee only, $13,000 for employee and spouse, employee and children and employee and family. Of this amount the employee is responsible for $2,500 for employee only and $5,000 for employee and spouse, employee and children and employee and family. The City is responsible for the difference. The amount the City paid in HRA reimbursements was $5,189 for the year ended December 31, 2023.

## NOTE 13 – STAFFORD PUBLIC BUILDING COMMISSION

**Lease Receivable**
Stafford Public Building Commission entered into a separate lease agreement with **City of Stafford, Kansas** for the lease of the swimming pool. The City is obligated to make payments to the Commission equivalent to the debt that the Commission has assumed and to pay its outstanding revenue bond. Total payments receivable are as follows:

| Years Ending December 31 | | Total |
|---|---|---|
| 2024 | $ | 90,465 |
| 2025 | | 89,315 |
| 2026 | | 88,015 |
| 2027 | | 86,715 |
| 2028 | | 90,315 |
| 2029-2033 | | 446,475 |
| 2034-2038 | | 444,675 |
| 2039-2042 | | 351,125 |
| **Total** | $ | **1,687,100** |

**Long-Term Debt**
The Commission issued Revenue Bonds, Series 2017 dated October 17, 2017 with an original issue amount of $1,475,000 for the construction of a swimming pool. The bonds have varying maturities with annual payments. Interest rates range from 2.30-4.75% depending on the maturity date.

## NOTE 14 – SUBSEQUENT EVENT

On April 11, 2024, the City approved a finance lease for $64,099 for the purpose of providing funds for the purchase of two police vehicles.

On August 2, 2024, the City approved a finance lease for $134,577 for the purpose of providing funds for the purchase of a bucket truck.

## NOTE 15 – LONG-TERM DEBT

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

On June 14, 2022, the City issued $1,005,000 in General Obligation Electric and Water Utility System Refunding Revenue Bonds Series 2022 for the purpose of refunding the Electric and Water Utility System Series 2014 revenue bonds.

**Finance Leases**
The City entered a lease agreement with Stafford Public Building Commission on October 17, 2017 in which the City is the lessee. The basic term ends on August 1, 2042.

The terms of the lease provide for basic rent to be paid on each basic rent payment date in an amount sufficient to pay on the next succeeding payment date, the principal of, redemption premium, if any, and interest on the Series 2017 revenue bonds which are due. The basic rent payment dates are February 1 and August 1, commencing August 1, 2018, and continuing through the basic term of the lease. The lease agreement also provides for the payment of additional rent, in addition to basic rent, in amounts pursuant to the terms of the lease. The City intends that revenues received from a one cent sales tax, approved by the voters of the City on August 15, 2016, and from the operation of the project under the provisions of the lease, will be used to make the City's payments to the Commission under the lease, which payments will in turn, be used to pay debt service on the Series 2017 refunding bonds. To the extent that the payments of basic rent and additional rent are not adequate to provide the Commission with funds sufficient to pay the principal and interest on the bonds as they become due and payable, the City shall be obligated to pay, as additional rent, further sums of money as may be required for such purposes.

| Years Ending December 31 | | Total |
|---|---|---|
| 2024 | $ | 90,465 |
| 2025 | | 89,315 |
| 2026 | | 88,015 |
| 2027 | | 86,715 |
| 2028 | | 90,315 |
| 2029-2033 | | 446,475 |
| 2034-2038 | | 444,675 |
| 2039-2042 | | 351,125 |
| **Total** | $ | **1,687,100** |

The City has entered into lease agreements with an option to purchase at the expiration of the lease terms. The leases contain a fiscal funding clause.

Changes in long-term liabilities for the City for the year ended December 31, 2023, were as follows:

| Issue | Interest Rates | Date of Issue | Amount of Issue | Final Maturity | Balance Beginning of Year | Additions | Reductions/ Payments | **Balance End of Year** | Interest Paid |
|---|---|---|---|---|---|---|---|---|---|
| **Finance Leases** | | | | | | | | | |
| Public Building Commission - Series 2017 | 2.30-4.75% | 10/17/2017 | $ 1,475,000 | 08/01/2042 | $ 1,260,000 | - | 45,000 | **1,215,000** | 41,500 |
| 2021 Dodge Police Car | 1.50% | 04/28/2021 | 30,387 | 04/28/2026 | 24,500 | - | 5,981 | **18,519** | 377 |
| 2013 Pole Truck | 3.00% | 05/04/2022 | 89,900 | 04/30/2026 | 89,900 | - | 21,402 | **68,498** | 2,801 |
| 2020 Police Car | 4.30% | 12/5/2023 | 29,350 | 12/5/2027 | - | 29,350 | - | **29,350** | - |
| **Revenue Bonds** | | | | | | | | | |
| Electric and Water Utility System Revenue Bond Refunding | 3.00-3.35% | 06/14/2022 | 1,005,000 | 09/01/2035 | 1,005,000 | - | 65,000 | **940,000** | - |
| **Total for City of Stafford** | | | | | 2,379,400 | 29,350 | 137,383 | **2,271,367** | 44,678 |
| **Stafford Public Building Commission** | | | | | | | | | |
| Revenue Bonds - Series 2017 | 2.30-4.75% | 10/17/2017 | 1,475,000 | 08/01/2042 | 1,260,000 | - | 45,000 | **1,215,000** | 41,500 |
| **Total Contractual Indebtedness** | | | | | $ 3,639,400 | 29,350 | 182,383 | **3,486,367** | 86,178 |

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

| | YEAR | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **City** | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 - 2033 | 2034 - 2038 | 2039 - 2042 | **Total** |
| **Principal** | | | | | | | | | |
| Finance Leases | $ 85,069 | 86,142 | 87,341 | 57,815 | 55,000 | 295,000 | 345,000 | 320,000 | **1,331,367** |
| Revenue Bonds | 75,000 | 75,000 | 75,000 | 80,000 | 80,000 | 435,000 | 120,000 | - | **940,000** |
| **Total Principal** | **160,069** | **161,142** | **162,341** | **137,815** | **135,000** | **730,000** | **465,000** | **320,000** | **2,271,367** |
| **Interest** | | | | | | | | | |
| Finance Leases | 44,112 | 41,889 | 39,490 | 37,056 | 35,315 | 151,475 | 99,675 | 31,125 | **480,137** |
| Revenue Bonds | 29,457 | 27,208 | 24,957 | 22,708 | 20,307 | 62,900 | 4,858 | - | **192,395** |
| **Total Interest** | **73,569** | **69,097** | **64,447** | **59,764** | **55,622** | **214,375** | **104,533** | **31,125** | **672,532** |
| **Total City Principal and Interest** | $ **233,638** | **230,239** | **226,788** | **197,579** | **190,622** | **944,375** | **569,533** | **351,125** | **2,943,899** |
| **Stafford Public Building Commission** | | | | | | | | | |
| **Principal** | | | | | | | | | |
| Revenue Bonds | $ 50,000 | 50,000 | 50,000 | 50,000 | 55,000 | 295,000 | 345,000 | 320,000 | **1,215,000** |
| **Interest** | | | | | | | | | |
| Revenue Bonds | 40,465 | 39,315 | 38,015 | 36,715 | 35,315 | 151,475 | 99,675 | 31,125 | **472,100** |
| **Total Stafford Public Building Commission Principal and Interest** | $ **90,465** | **89,315** | **88,015** | **86,715** | **90,315** | **446,475** | **444,675** | **351,125** | **1,687,100** |

**CITY OF STAFFORD, KANSAS**

Regulatory-Required Supplementary Information

**Schedule 1**

**CITY OF STAFFORD, KANSAS**
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

| Funds | Certified Budget | Adjustment for Qualifying Budget Credits | Total Budget for Comparison | **Expenditures Chargeable to Current Year** | Variance Over (Under) |
|---|---|---|---|---|---|
| **Regulatory Basis Fund Types** | | | | | |
| **General Fund** | $ 1,032,958 | - | 1,032,958 | **917,397** | (115,561) |
| **Special Purpose Funds** | | | | | |
| Library Fund | 24,250 | - | 24,250 | **23,785** | (465) |
| Fire Equipment Reserve Fund | 81,750 | - | 81,750 | **-** | (81,750) |
| Airport Fund | 53,574 | - | 53,574 | **20,938** | (32,636) |
| Special Parks and Recreation Fund | 3,953 | - | 3,953 | **2,474** | (1,479) |
| Special Highway Fund | 60,430 | - | 60,430 | **25,157** | (35,273) |
| Capital Improvement Fund | 210,240 | - | 210,240 | **24,523** | (185,717) |
| **Business Funds** | | | | | |
| Water and Light Fund | 1,912,834 | - | 1,912,834 | **1,723,987** | (188,847) |
| Sewer Service Fund | 182,265 | - | 182,265 | **119,350** | (62,915) |
| Trash Fund | 181,487 | - | 181,487 | **181,487** | - |
| Ritz Theatre Fund | 53,310 | - | 53,310 | **51,805** | (1,505) |

**CITY OF STAFFORD, KANSAS**
**General Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Taxes and Shared Revenues | | | | |
| Ad Valorem Property | $ 291,397 | **299,342** | 315,723 | (16,381) |
| Delinquent | 2,948 | **8,362** | 10,000 | (1,638) |
| Motor Vehicle | 54,323 | **65,503** | 50,438 | 15,065 |
| Recreational Vehicle | 1,656 | **1,320** | 1,303 | 17 |
| 16/20 M Vehicle | 618 | **1,259** | 831 | 428 |
| Local Alcohol Liquor | 782 | **-** | 1,000 | (1,000) |
| County Sales | 88,260 | **93,805** | 67,000 | 26,805 |
| Franchise Tax | 19,692 | **26,251** | 20,000 | 6,251 |
| City Sales Tax | 316,794 | **299,084** | 300,000 | (916) |
| Transient Guest Tax | 886 | **-** | 2,000 | (2,000) |
| Fines and Forfeitures | 22,250 | **23,107** | 4,000 | 19,107 |
| Licenses and Permits | 885 | **1,080** | 1,200 | (120) |
| Swimming Pool | 11,662 | **11,164** | 5,000 | 6,164 |
| Miscellaneous | 26,919 | **18,393** | - | 18,393 |
| Reimbursed Expenses | 8,539 | **-** | 20,000 | (20,000) |
| Demolition Reimbursement | 7,085 | **-** | - | - |
| Leases and Rentals | 16,353 | **16,835** | 8,400 | 8,435 |
| Interest | 507 | **1,355** | 2,400 | (1,045) |
| Mowing and Other | 6,765 | **2,632** | 500 | 2,132 |
| Transfers In | 110,000 | **108,620** | 110,000 | (1,380) |
| Neighborhood Revitalization | (20,003) | **(15,715)** | (13,437) | (2,278) |
| **Total Receipts** | 968,318 | **962,397** | 906,358 | 56,039 |
| **Expenditures** | | | | |
| General Administrative | 60,979 | **64,847** | 75,140 | (10,293) |
| Public Safety | | | | |
| Fire Department | 35,149 | **36,064** | 44,000 | (7,936) |
| Police Department | 322,707 | **344,087** | 330,858 | 13,229 |
| Parks and Recreation | 20,833 | **18,382** | 26,000 | (7,618) |
| Swimming Pool | 55,792 | **6,872** | 46,500 | (39,628) |
| Public Works | 85,088 | **55,106** | 77,500 | (22,394) |
| Employee Benefits | 9,334 | **12,886** | 41,350 | (28,464) |
| Demolition | - | **27,220** | 50,000 | (22,780) |
| Economic Development | - | **24,475** | - | 24,475 |
| Appropriations | - | **5,000** | 5,000 | - |
| Other | 15,096 | **23,374** | 36,610 | (13,236) |
| Transfers Out | 316,794 | **299,084** | 300,000 | (916) |
| **Total Expenditures** | 921,772 | **917,397** | 1,032,958 | (115,561) |
| **Receipts Over (Under) Expenditures** | 46,546 | **45,000** | | |
| **Unencumbered Cash - Beginning** | 172,208 | **218,754** | | |
| **Unencumbered Cash - Ending** | $ 218,754 | **263,754** | | |

**CITY OF STAFFORD, KANSAS**
**Library Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Taxes and Shared Revenues | | | | |
| Ad Valorem Property | $ 20,551 | **19,359** | 20,418 | (1,059) |
| Delinquent | 212 | **595** | 500 | 95 |
| Motor Vehicle | 4,030 | **4,660** | 3,550 | 1,110 |
| Recreational Vehicle | 123 | **94** | 92 | 2 |
| 16/20 M Vehicle | 47 | **93** | 59 | 34 |
| Cash Reserve | - | **-** | 500 | (500) |
| Neighborhood Revitalization | (1,408) | **(1,016)** | (869) | (147) |
| **Total Receipts** | 23,555 | **23,785** | 24,250 | (465) |
| **Expenditures** | | | | |
| Appropriations to Library Board | 23,555 | **23,785** | 24,250 | (465) |
| **Receipts Over (Under) Expenditures** | - | **-** | | |
| **Unencumbered Cash - Beginning** | - | **-** | | |
| **Unencumbered Cash - Ending** | $ - | **-** | | |

**CITY OF STAFFORD, KANSAS**
**Fire Equipment Reserve Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Taxes and Shared Revenues | | | | |
| Delinquent | $ 28 | **2** | 250 | (248) |
| Interest | 23 | **50** | 100 | (50) |
| **Total Receipts** | 51 | **52** | 350 | (298) |
| **Expenditures** | | | | |
| Equipment and Maintenance | - | **-** | 81,750 | (81,750) |
| **Receipts Over (Under) Expenditures** | 51 | **52** | | |
| **Unencumbered Cash - Beginning** | 141,050 | **141,101** | | |
| **Unencumbered Cash - Ending** | $ 141,101 | **141,153** | | |

**CITY OF STAFFORD, KANSAS**
**Airport Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Sale of Crops and Hangar Rental | $ 8,015 | **3,666** | 5,000 | (1,334) |
| Interest | - | **248** | 150 | 98 |
| **Total Receipts** | 8,015 | **3,914** | 5,150 | (1,236) |
| **Expenditures** | | | | |
| Contractual Services | 5,941 | **16,838** | 4,200 | 12,638 |
| Commodities | 6,092 | **4,100** | 2,000 | 2,100 |
| Capital Outlay | 2,855 | **-** | 47,374 | (47,374) |
| **Total Expenditures** | 14,888 | **20,938** | 53,574 | (32,636) |
| **Receipts Over (Under) Expenditures** | (6,873) | **(17,024)** | | |
| **Unencumbered Cash - Beginning** | 59,274 | **52,401** | | |
| **Unencumbered Cash - Ending** | $ 52,401 | **35,377** | | |

**CITY OF STAFFORD, KANSAS**
**Special Parks and Recreation Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Taxes and Shared Revenues | | | | |
| Local Alcohol Liquor | $ 783 | **-** | 1,000 | (1,000) |
| **Expenditures** | | | | |
| Contractual Services | - | **-** | 250 | (250) |
| Commodities | - | **-** | 250 | (250) |
| Capital Outlay | - | **2,474** | 3,453 | (979) |
| **Total Expenditures** | - | **2,474** | 3,953 | (1,479) |
| **Receipts Over (Under) Expenditures** | 783 | **(2,474)** | | |
| **Unencumbered Cash - Beginning** | 2,453 | **3,236** | | |
| **Unencumbered Cash - Ending** | $ 3,236 | **762** | | |

**CITY OF STAFFORD, KANSAS**
**Special Highway Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Taxes and Shared Revenues | | | | |
| State Gasoline Tax | $ 25,101 | **25,341** | 26,390 | (1,049) |
| **Expenditures** | | | | |
| Commodities | 10,022 | **25,157** | 60,430 | (35,273) |
| **Receipts Over (Under) Expenditures** | 15,079 | **184** | | |
| **Unencumbered Cash - Beginning** | 48,050 | **63,129** | | |
| **Unencumbered Cash - Ending** | $ 63,129 | **63,313** | | |

**CITY OF STAFFORD, KANSAS**
**Equipment Reserve Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Interest | $ | 250 | **-** |
| Transfers In | | 25,000 | **25,000** |
| **Total Receipts** | | 25,250 | **25,000** |
| **Expenditures** | | - | **-** |
| **Receipts Over (Under) Expenditures** | | 25,250 | **25,000** |
| **Unencumbered Cash - Beginning** | | 54,080 | **79,330** |
| **Unencumbered Cash - Ending** | $ | 79,330 | **104,330** |

**CITY OF STAFFORD, KANSAS**
**Capital Improvement Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Transfers In | $ 25,000 | **25,000** | 75,000 | (50,000) |
| User Fees | 20,239 | **20,339** | 22,000 | (1,661) |
| **Total Receipts** | 45,239 | **45,339** | 97,000 | (51,661) |
| **Expenditures** | | | | |
| Capital Outlay | - | **24,523** | 210,240 | (185,717) |
| **Receipts Over (Under) Expenditures** | 45,239 | **20,816** | | |
| **Unencumbered Cash - Beginning** | 91,240 | **136,479** | | |
| **Unencumbered Cash - Ending** | $ 136,479 | **157,295** | | |

**CITY OF STAFFORD, KANSAS**
**Community Education Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Donations | $ | 10,521 | **19,887** |
| **Expenditures** | | | |
| Donations | | 1,712 | **1,141** |
| Contractual Services | | 1,646 | **8,328** |
| **Total Expenditures** | | 3,358 | **9,469** |
| **Receipts Over (Under) Expenditures** | | 7,163 | **10,418** |
| **Unencumbered Cash - Beginning** | | 8,258 | **15,421** |
| **Unencumbered Cash - Ending** | $ | 15,421 | **25,839** |

**CITY OF STAFFORD, KANSAS**
**City Attorney Diversion Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Interest | $ | 2 | **9** |
| Diversion Fees | | 3,100 | **1,900** |
| **Total Receipts** | | 3,102 | **1,909** |
| **Expenditures** | | - | **-** |
| **Receipts Over (Under) Expenditures** | | 3,102 | **1,909** |
| **Unencumbered Cash - Beginning** | | 3,231 | **6,333** |
| **Unencumbered Cash - Ending** | $ | 6,333 | **8,242** |

**CITY OF STAFFORD, KANSAS**
**Swimming Pool Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Transfers In | $ | 158,397 | **149,542** |
| **Expenditures** | | | |
| Personal Services | | - | **27,213** |
| Contractual Services | | - | **24,359** |
| Rent to Stafford Public Building Commission - Swimming Pool | | 88,300 | **86,500** |
| **Total Expenditures** | | 88,300 | **138,072** |
| **Receipts Over (Under) Expenditures** | | 70,097 | **11,470** |
| **Unencumbered Cash - Beginning** | | 226,866 | **296,963** |
| **Unencumbered Cash - Ending** | $ | 296,963 | **308,433** |

**CITY OF STAFFORD, KANSAS**
**Covid-19 Federal Grant Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Federal Aid | $ | 72,413 | **-** |
| **Expenditures** | | | |
| Grant Distributions | | 11,450 | **-** |
| **Receipts Over (Under) Expenditures** | | 60,963 | **-** |
| **Unencumbered Cash - Beginning** | | 72,413 | **133,376** |
| **Unencumbered Cash - Ending** | $ | 133,376 | **133,376** |

**CITY OF STAFFORD, KANSAS**
**Land Bank M.I.H. Grant Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Reimbursement | $ | 20,353 | **-** |
| **Expenditures** | | - | **-** |
| **Receipts Over (Under) Expenditures** | | 20,353 | **-** |
| **Unencumbered Cash - Beginning** | | (20,353) | **-** |
| **Unencumbered Cash - Ending** | $ | - | **-** |

**CITY OF STAFFORD, KANSAS**
**Electrical and Streets Improvement Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Transfers In | $ | 158,397 | **149,542** |
| **Expenditures** | | | |
| Lease Payment | | - | **24,203** |
| Capital Outlay | | 102,604 | **72,392** |
| **Total Expenditures** | | 102,604 | **96,595** |
| **Receipts Over (Under) Expenditures** | | 55,793 | **52,947** |
| **Unencumbered Cash - Beginning** | | 531,860 | **587,653** |
| **Unencumbered Cash - Ending** | $ | 587,653 | **640,600** |

**CITY OF STAFFORD, KANSAS**
**Equipment Reserve Depreciation Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | $ | - | **-** |
| **Expenditures** | | | |
| Transfers Out | | 25,000 | **-** |
| **Receipts Over (Under) Expenditures** | | (25,000) | **-** |
| **Unencumbered Cash - Beginning** | | 25,000 | **-** |
| **Unencumbered Cash - Ending** | $ | - | **-** |

**CITY OF STAFFORD, KANSAS**
**Bond Reserve Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | Prior Year Actual | **Current Year Actual** |
|---|---|---|
| **Receipts** | $ - | - |
| **Expenditures** | | |
| Bond Principal | 100,000 | - |
| Bond Interest | 28,690 | - |
| **Total Expenditures** | 128,690 | - |
| **Receipts Over (Under) Expenditures** | (128,690) | - |
| **Unencumbered Cash - Beginning** | 128,690 | - |
| **Unencumbered Cash - Ending** | $ - | - |

**CITY OF STAFFORD, KANSAS**
**Water Reserve Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Transfers In | $ | 21,483 | **21,372** |
| **Expenditures** | | - | **-** |
| **Receipts Over (Under) Expenditures** | | 21,483 | **21,372** |
| **Unencumbered Cash - Beginning** | | 3,566 | **25,049** |
| **Unencumbered Cash - Ending** | $ | 25,049 | **46,421** |

**CITY OF STAFFORD, KANSAS**
**Power Plant Reserve Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Transfers In | $ | 21,991 | **21,689** |
| **Expenditures** | | - | **-** |
| **Receipts Over (Under) Expenditures** | | 21,991 | **21,689** |
| **Unencumbered Cash - Beginning** | | 131,554 | **153,545** |
| **Unencumbered Cash - Ending** | $ | 153,545 | **175,234** |

**CITY OF STAFFORD, KANSAS**
**Sewer Reserve Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Transfers In | $ | 17,655 | **17,550** |
| **Expenditures** | | - | **-** |
| **Receipts Over (Under) Expenditures** | | 17,655 | **17,550** |
| **Unencumbered Cash - Beginning** | | 229,365 | **247,020** |
| **Unencumbered Cash - Ending** | $ | 247,020 | **264,570** |

**CITY OF STAFFORD, KANSAS**
**Water and Light Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Sales and Services | $ 1,613,611 | **1,542,016** | 1,600,000 | (57,984) |
| Penalties | 16,042 | **18,039** | 18,000 | 39 |
| Sales Tax | 56,555 | **54,513** | 45,000 | 9,513 |
| Interest | 3,884 | **9,260** | 10,000 | (740) |
| Connection Fees | 7,956 | **6,025** | 5,000 | 1,025 |
| Bond Proceeds | 1,008,496 | **-** | - | - |
| Reimbursed Expenses | 37,888 | **7,432** | 1,000 | 6,432 |
| Transfers In | 25,000 | **-** | - | - |
| **Total Receipts** | 2,769,432 | **1,637,285** | 1,679,000 | (41,715) |
| **Expenditures** | | | | |
| Power Plant Production | 804,690 | **802,678** | 868,000 | (65,322) |
| Transmission and Distribution | | | | |
| Electric | 168,659 | **139,079** | 195,000 | (55,921) |
| Water | 136,040 | **125,160** | 150,000 | (24,840) |
| Combined | 104,455 | **60,419** | 181,626 | (121,207) |
| General Administrative | 264,195 | **269,673** | 274,429 | (4,756) |
| Sales and Use Tax | 58,298 | **55,775** | - | 55,775 |
| Water Resource Tax | 2,386 | **1,877** | - | 1,877 |
| Community Development and Promotion | 1,765 | **617** | - | 617 |
| Capital Outlay | 18,121 | **42,523** | 123,779 | (81,256) |
| Bond Payment | 1,065,000 | **65,000** | - | 65,000 |
| Interest Payment | 16,965 | **38,125** | - | 38,125 |
| Bond Costs of Issuance | 37,186 | **-** | - | - |
| Transfers Out | 123,474 | **123,061** | 120,000 | 3,061 |
| **Total Expenditures** | 2,801,234 | **1,723,987** | 1,912,834 | (188,847) |
| **Receipts Over (Under) Expenditures** | (31,802) | **(86,702)** | | |
| **Unencumbered Cash - Beginning** | 289,238 | **257,436** | | |
| **Unencumbered Cash - Ending** | $ 257,436 | **170,734** | | |

**CITY OF STAFFORD, KANSAS**
**Sewer Service Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| User Fees | $ 103,882 | **105,744** | 100,000 | 5,744 |
| Interest | - | **1,082** | 1,500 | (418) |
| Other | - | **1,035** | 100 | 935 |
| **Total Receipts** | 103,882 | **107,861** | 101,600 | 6,261 |
| **Expenditures** | | | | |
| Contractual Services | - | **383** | 1,000 | (617) |
| Commodities | 10,828 | **6,417** | 30,000 | (23,583) |
| Capital Outlay | - | **-** | 36,265 | (36,265) |
| Sewer Improvements | - | **-** | 5,000 | (5,000) |
| Transfers Out | 112,655 | **112,550** | 110,000 | 2,550 |
| **Total Expenditures** | 123,483 | **119,350** | 182,265 | (62,915) |
| **Receipts Over (Under) Expenditures** | (19,601) | **(11,489)** | | |
| **Unencumbered Cash - Beginning** | 115,065 | **95,464** | | |
| **Unencumbered Cash - Ending** | $ 95,464 | **83,975** | | |

**CITY OF STAFFORD, KANSAS**
**Trash Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Trash Service Collections | $ 168,452 | **175,214** | 150,000 | 25,214 |
| **Expenditures** | | | | |
| Contractual Services | 143,381 | **175,367** | 173,987 | 1,380 |
| Transfers Out | 7,500 | **6,120** | 7,500 | (1,380) |
| **Total Expenditures** | 150,881 | **181,487** | 181,487 | - |
| **Receipts Over (Under) Expenditures** | 17,571 | **(6,273)** | | |
| **Unencumbered Cash - Beginning** | 43,987 | **61,558** | | |
| **Unencumbered Cash - Ending** | $ 61,558 | **55,285** | | |

**CITY OF STAFFORD, KANSAS**
**Ritz Theatre Fund**
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | **Actual** | Budget | Variance Over (Under) |
| **Receipts** | | | | |
| Sales | $ 25,966 | **24,601** | 22,500 | 2,101 |
| Donations and Miscellaneous | 1,395 | **7,341** | 1,000 | 6,341 |
| Transfers In | 22,500 | **22,500** | 22,500 | - |
| **Total Receipts** | 49,861 | **54,442** | 46,000 | 8,442 |
| **Expenditures** | | | | |
| Salaries and Benefits | 12,650 | **14,704** | 22,750 | (8,046) |
| Contractual Services | 12,867 | **10,321** | 12,000 | (1,679) |
| Commodities | 11,215 | **10,967** | 14,000 | (3,033) |
| Capital Outlay | 334 | **15,813** | 4,560 | 11,253 |
| **Total Expenditures** | 37,066 | **51,805** | 53,310 | (1,505) |
| **Receipts Over (Under) Expenditures** | 12,795 | **2,637** | | |
| **Unencumbered Cash - Beginning** | 5,810 | **18,605** | | |
| **Unencumbered Cash - Ending** | $ 18,605 | **21,242** | | |

**CITY OF STAFFORD, KANSAS**
**Stafford Public Building Commission - Swimming Pool Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Rent from City of Stafford | $ | 88,300 | **86,500** |
| **Expenditures** | | | |
| Principal and Interest Payment | | 88,300 | **86,500** |
| **Receipts Over (Under) Expenditures** | | - | **-** |
| **Unencumbered Cash - Beginning** | | - | **-** |
| **Unencumbered Cash - Ending** | $ | - | **-** |

**CITY OF STAFFORD, KANSAS**
**Land Bank Fund**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

| | | Prior Year Actual | **Current Year Actual** |
|---|---|---|---|
| **Receipts** | | | |
| Reimbursement | $ | 19,472 | **-** |
| **Expenditures** | | | |
| Miscellaneous | | 9,580 | **7,480** |
| **Receipts Over (Under) Expenditures** | | 9,892 | **(7,480)** |
| **Unencumbered Cash - Beginning** | | 921 | **10,813** |
| **Unencumbered Cash - Ending** | $ | 10,813 | **3,333** |

**Schedule 3**

**CITY OF STAFFORD, KANSAS**
**Agency Funds**
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023

| Fund | Beginning Cash Balance | Receipts | Disbursements | **Ending Cash Balance** |
|---|---|---|---|---|
| Stafford Bucks | $ 257 | 3,325 | 3,575 | **7** |