

CITY OF ROSE HILL, KANSAS

Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2022

CITY OF ROSE HILL, KANSAS
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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Rose Hill, Kansas
Rose Hill, 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 Rose Hill, Kansas**, as of and for the year ended December 31, 2022 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

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

Basis for Adverse and Unmodified Opinions

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

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

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

Responsibilities of Management for the Financial Statement

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

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

Auditors' Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

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

City of Rose Hill, Kansas' basic financial statement for the year ended December 31, 2021 (not presented herein), was audited by other auditors whose report dated February 3, 2023 expressed an unmodified opinion on the basic financial statement. The 2021 basic financial statement and the other auditor's 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 report of the other auditors dated February 3, 2023, stated that the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2021 was subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and in their opinion, was fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2021, on the basis of accounting described in Note 1.



ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

August 21, 2023

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Regulatory Basis Fund Types							
General Fund	\$ 765,262	9,375	2,159,044	2,181,721	751,960	147,118	899,078
Special Purpose Funds							
Library Fund	11,714	-	152,080	145,000	18,794	-	18,794
Special Streets and Highway Fund	214,540	-	128,631	50,656	292,515	1,955	294,470
Special Parks and Recreation Fund	9,553	-	-	-	9,553	-	9,553
Street Sales Tax Fund	280,818	-	424,881	384,706	320,993	-	320,993
Equipment Reserve Fund	170,835	-	50,000	27,556	193,279	-	193,279
Capital Improvement Fund	128,579	-	150,000	-	278,579	-	278,579
CDBG Grant Fund	(28,793)	-	63,400	34,607	-	-	-
Stimulus (SCLFRF) Fund	302,777	-	302,776	-	605,553	-	605,553
Bond and Interest Fund							
Bond and Interest Fund	243,404	-	544,848	333,583	454,669	-	454,669
Capital Project Fund							
Street Improvement Project Fund	154,319	-	-	154,319	-	-	-
Sunrise Addition Project Fund	-	-	1,250,000	1,094,351	155,649	281,521	437,170
Business Funds							
Water Utility Fund	392,741	3,750	977,173	991,363	382,301	3,608	385,909
Sewer Utility Fund	1,058,147	-	1,133,276	1,051,936	1,139,487	10,070	1,149,557
Water Reserve Fund	44,171	-	25,000	15,000	54,171	-	54,171
Sewer Reserve Fund	206,161	-	50,000	-	256,161	-	256,161
Total Primary Government	3,954,228	13,125	7,411,109	6,464,798	4,913,664	444,272	5,357,936
Related Municipal Entities							
Rose Hill Public Library	175,563	-	158,445	155,798	178,210	4,276	182,486
City of Rose Hill, Kansas Public Building Commission	-	-	101,175	101,175	-	-	-
Total Reporting Entity (Excluding Agency Funds)	\$ 4,129,791	13,125	7,670,729	6,721,771	5,091,874	448,548	5,540,422
			Composition of Cash				
				Certificates of Deposit		\$ 1,125,757	
				Checking Accounts		4,236,993	
				Cash on Hand		699	
				Total Primary Government		5,363,449	
				Total Related Municipal Entities		182,486	
				Agency Funds per Schedule 3		(5,513)	
				Total Reporting Entity (Excluding Agency Funds)		\$ 5,540,422	

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

CITY OF ROSE HILL, KANSAS
Notes to Financial Statement
December 31, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of Rose Hill, 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 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.

Rose Hill Public Library

A seven-member board appointed by the City Council governs the Rose Hill Public Library Board. The Rose Hill Public Library Board operates the public library in the City. The Library Board may not purchase or lease a site or erect a building for use of the library without the approval of the City Council. The Library Board taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. These taxes are accounted for in the Library special purpose fund of the City. The Library Board also receives funding through state assistance programs and donations from the public.

City of Rose Hill, Kansas Public Building Commission

A six-member board appointed by the City Council governs the City of Rose Hill, Kansas Public Building Commission. Although it is legally separate from the City, the City of Rose Hill, Kansas Public Building Commission is reported as a related municipal entity because its sole purpose is to finance and construct the City's public buildings.

Basis of Presentation – Fund Accounting

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

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

Regulatory Basis Fund Types

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

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

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

CITY OF ROSE HILL, KANSAS

Notes to Financial Statement

December 31, 2022

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

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

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

Basis of Accounting

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

CITY OF ROSE HILL, KANSAS

Notes to Financial Statement

December 31, 2022

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 was a budget amendment for this year for the Street Sales Tax Fund.

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, Capital Improvement Fund, CDBG Grant Fund, and Stimulus (SCLFRF) 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 Rose Hill, 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

CITY OF ROSE HILL, KANSAS

Notes to Financial Statement

December 31, 2022

during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were not legally secured at December 31, 2022.

At December 31, 2022, the City's carrying amount of deposits was \$5,363,449 and the bank balance was \$5,307,147. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$500,000 was covered by federal depository insurance, \$4,557,147 was collateralized with securities held by the pledging financial institutions' agents in the City's name, and \$250,000 was unsecured.

At December 31, 2022, the Library's carrying amount of deposits was \$182,486 and the bank balance was \$216,427. The bank balance was held by one bank resulting in a concentration of credit risk. The bank 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, 2022.

NOTE 4 – INTERFUND TRANSFERS

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

From	To	Regulatory Authority	Amount
General Fund	Equipment Reserve Fund	K.S.A. 12-1,117	\$ 50,000
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	150,000
Water Utility Fund	General Fund	K.S.A. 12-825d	30,000
Water Utility Fund	Water Reserve Fund	K.S.A. 12-825d	25,000
Sewer Utility Fund	General Fund	K.S.A. 12-825d	40,000
Sewer Utility Fund	Sewer Reserve Fund	K.S.A. 12-825d	50,000
CDBG Grant Fund	Bond and Interest Fund	Closed Fund	33,078
Street Improvement Project Fund	Bond and Interest Fund	Closed Fund	151,733

NOTE 5 – CAPITAL PROJECTS

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

	Project Authorization	Expenditures to Date
CDBG Grant – Street Improvements	\$ 748,890	\$ 557,812
Sunrise Addition Project	1,239,450	1,083,801

NOTE 6 – LITIGATION

City of Rose Hill, 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.

CITY OF ROSE HILL, KANSAS
Notes to Financial Statement
December 31, 2022

NOTE 7 – RISK MANAGEMENT

City of Rose Hill, Kansas is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has been unable to obtain worker's compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Municipal Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 173 participating members.

The City pays an annual premium to Kansas Municipal Insurance Trust for its worker's compensation insurance coverage. The agreement to participate provides that the Kansas Municipal Insurance Trust 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 Kansas Municipal Insurance Trust management.

The City has been unable to obtain health insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other City's in the State to participate in the KMIT Association Health Plan (KAHP), a public entity risk pool currently operating as a common risk management and insurance program for 13 participating member cities.

The City pays monthly premiums to the KAHP for its health insurance coverage. The agreement to participate provides that the KAHP will be self-sustaining through member premiums and will not reinsure through commercial companies. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KAHP management.

Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three calendar years.

NOTE 8 – GRANTS AND SHARED REVENUES

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

NOTE 9 – PURCHASE COMMITMENTS

In July 1981, **City of Rose Hill, Kansas** entered into a forty-year agreement to purchase its water supply from the City of Wichita, Kansas. The agreement was extended for an additional twenty years in April 2021.

NOTE 10 – DEFERRED COMPENSATION PLAN

City of Rose Hill, 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.

CITY OF ROSE HILL, KANSAS

Notes to Financial Statement

December 31, 2022

NOTE 11 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description

City of Rose Hill, 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 8.90% for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City and Public Library were \$111,779 for the year ended December 31, 2022.

Net Pension Liability

At December 31, 2022, the City and Public Library's proportionate share of the collective net pension liability reported by KPERS was \$1,203,980. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **City of Rose Hill, Kansas** allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually,

CITY OF ROSE HILL, KANSAS
Notes to Financial Statement
December 31, 2022

the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

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

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

NOTE 13 – COMPENSATED ABSENCES

Vacation

The City's policy regarding vacation for all regular full-time employees is as follows:

Years Worked	Amount Earned
0-5	6.67 hours/month
6-10	8.00 hours/month
10 and over	12.00 hours/month

Employees can only carry over to a new year only that amount of vacation leave that was accumulated during the year. Employees are paid for all accumulated vacation leave, at the current wage rate, upon termination of employment.

Sick Leave

The City's policy for sick leave permits all full-time employees to earn sick leave at the rate of eight working hours per month. Sick leave can be accumulated up to 720 hours.

Upon voluntary termination of employment, with two weeks' notice given, or layoff, an employee with at least three years of continuous service will be compensated for one-fourth of their accrued sick leave balance up to 50 hours of credited sick leave.

Upon retirement an employee who provides six months' notice and has at least five years on continuous service will be compensated for one-half of their accrued sick leave balance up to 100 credited hours of sick leave. An employee who provides six months' notice and has at least ten years on continuous service will be compensated for one-half of their accrued sick leave balance up to 200 credited hours of sick leave.

NOTE 14 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The City's deposits were not adequately secured as of December 31, 2022. This is in violation of K.S.A. 9-1402.

NOTE 15 – CITY OF ROSE HILL, KANSAS PUBLIC BUILDING COMMISSION

Lease Receivable

City of Rose Hill, Kansas Public Building Commission entered into a lease agreement with **City of Rose Hill, Kansas** for the lease of the city hall and police department buildings. The City is obligated to make payments to the Commission equivalent to the debt that the Commission has assumed and to pay its

CITY OF ROSE HILL, KANSAS

Notes to Financial Statement

December 31, 2022

outstanding revenue bonds. The term of the lease obligations shall commence on May 1, 2003 and end on October 1, 2023. Total payments receivable are as follows:

<u>Years Ending December 31</u>	<u>Total</u>
2023	\$ 98,230

Long-Term Debt

City of Rose Hill, Kansas Public Building Commission has the following type of long-term debt.

Revenue Bonds

On August 15, 2013, the Commission issued \$840,000 in Series 2013 Refunding Revenue Bonds for the purpose of providing funds for refunding \$840,000 in Series 2003 Revenue Bonds. The bonds will mature on October 1, 2023 with semiannual payments and an interest rate of 0.90 - 3.40%.

NOTE 16 – CONDUIT DEBT

From time to time, **City of Rose Hill, Kansas** has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are generally payable from and secured by the project financed and if needed, additional assets or revenues of the private-sector entities serviced by the bond issuance. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

Accordingly, the bonds are not reported as liabilities in the accompanying financial statement. As of December 31, 2022, there was one industrial revenue bonds outstanding. It is for a manufacturing facility. The principal amount payable at December 31, 2022 was \$12,104,314.

NOTE 17 – DEBT RESTRICTIONS AND COVENANTS

KDHE Water Pollution Control Revolving Loans

City of Rose Hill, Kansas entered into a loan agreement with the Kansas Department of Health and Environment to fund improvements to the wastewater collection and treatment facility in the amount of \$392,248. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2022 as it is providing dedicated funds through user fees generated by the Sewer Utility Fund.

NOTE 18 – LONG-TERM DEBT

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

General Obligation Bonds

On December 1, 2009, the City issued \$460,000 in Series 2009-3 Taxable General Obligation bonds for the purpose of providing funds for wastewater improvements for the Rose Hill Industrial Park.

On November 1, 2010, the City issued \$956,000 in Series 2010 General Obligation bonds for the purpose of providing funds for improvements to the Rockwood Falls Addition.

On March 1, 2012, the City issued \$460,000 in Series 2012 General Obligation bonds for the purpose of providing funds for street improvements to Berlin and School Streets.

CITY OF ROSE HILL, KANSAS

Notes to Financial Statement

December 31, 2022

On December 1, 2014, the City issued \$280,000 in Series 2014 General Obligation bonds for the purpose of providing funds for street improvements to Tanglewood and Orange Court Streets.

On December 1, 2015, the City issued \$1,133,000 in Series 2015 General Obligation bonds for the purpose of providing funds for Phase I of the improvement to the Sunrise Addition.

On December 16, 2020, the City issued \$4,060,000 in Series 2020 General Obligation Refunding and Improvement bonds for the purpose of providing funds for Phase II, Phase III, and Phase V of the Sienna Ranch Addition.

Temporary Notes

On April 21, 2021, the City issued \$1,690,000 in Series 2021-1 General Obligation Temporary Notes for the purpose of providing funds for street improvements.

On October 5, 2022, the City issued \$1,250,000 in Series 2022-1 General Obligation Temporary Notes for the purpose of providing funds for Phase II of the improvement to the Sunrise Addition.

KDHE Loan

The City entered into a \$392,248 revolving loan agreement on July 16, 2018 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance improvements to the wastewater collection and treatment facility. The City will use user fees generated by the Sewer Utility Fund for loan repayment, which began March 1, 2019.

Lease Obligations

The City entered into a lease agreement with the City of Rose Hill, Kansas Public Building Commission for an amount necessary to meet the debt service requirement on the outstanding revenue bonds for the use of the administration and police facility.

The City has entered into additional leases for equipment. The leases contain a fiscal funding clause.

CITY OF ROSE HILL, KANSAS
Notes to Financial Statement
December 31, 2022

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Series 2009-3	5.75 - 6.75%	12/1/2009	\$ 460,000	10/1/2030	\$ 270,000	-	25,000	245,000	18,225
Series 2010	2.75 - 5.25%	11/1/2010	956,000	10/1/2031	595,000	-	50,000	545,000	22,613
Series 2012	2.00 - 5.00%	3/1/2012	460,000	10/1/2032	305,000	-	25,000	280,000	10,138
Series 2014	2.25 - 4.00%	12/1/2014	280,000	10/1/2030	195,000	-	20,000	175,000	5,738
Series 2015	1.90 - 4.00%	12/1/2015	1,133,000	10/1/2036	930,000	-	50,000	880,000	27,920
Series 2020	1.00 - 3.00%	12/16/2020	4,060,000	10/1/2029	3,475,000	-	605,000	2,870,000	82,725
Temporary Notes									
Series 2021-1	0.40%	4/21/2021	1,690,000	10/1/2024	1,690,000	-	-	1,690,000	6,760
Series 2022-1	3.00%	10/5/2022	1,250,000	10/1/2025	-	1,250,000	-	1,250,000	-
KDHE Loan									
KWPCRF Project No. C20-2023-01	1.88%	7/16/2018	392,248	9/1/2038	343,465	-	16,962	326,503	7,226
Finance Leases									
Series 2013 Public Building Commission	0.90 - 3.40%	8/15/2013	840,000	10/1/2023	190,000	-	95,000	95,000	6,175
2019 Ford F250	3.75%	3/29/2019	33,247	3/29/2023	13,531	-	6,641	6,890	507
2019 Ford F250	3.75%	3/29/2019	35,187	3/29/2023	14,320	-	7,028	7,292	537
2019 Dodge Charger	3.69%	5/7/2019	27,411	5/7/2023	11,153	-	5,476	5,677	412
2019 Dodge Charger	3.69%	5/7/2019	26,566	5/7/2023	10,809	-	5,307	5,502	399
2020 Dodge Ram	3.35%	1/22/2020	32,081	1/23/2024	19,236	-	6,202	13,034	644
Total Contractual Indebtedness - City					8,062,514	1,250,000	917,616	8,394,898	190,019
Related Municipal Entity Debt									
General Obligation Bond									
Series 2013 Public Building Commission	0.90 - 3.40%	8/15/2013	840,000	10/1/2023	190,000	-	95,000	95,000	6,175
Total Contractual Indebtedness					\$ 8,252,514	1,250,000	1,012,616	8,489,898	196,194

CITY OF ROSE HILL, KANSAS
Notes to Financial Statement
December 31, 2022

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

	YEAR								Total
	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038	
City Debt									
Principal									
General Obligation Bonds	\$ 790,000	730,000	580,000	590,000	555,000	1,460,000	290,000	-	4,995,000
Temporary Notes	-	1,690,000	1,250,000	-	-	-	-	-	2,940,000
KDHE Loan	17,325	17,697	18,075	18,462	18,858	100,522	111,756	23,808	326,503
Finance Leases	126,771	6,624	-	-	-	-	-	-	133,395
Total Principal	934,096	2,444,321	1,848,075	608,462	573,858	1,560,522	401,756	23,808	8,394,898
Interest									
General Obligation Bonds	143,345	119,183	96,615	82,063	67,000	154,700	27,037	-	689,943
Temporary Notes	43,843	44,260	37,500	-	-	-	-	-	125,603
KDHE Loan	6,863	6,492	6,113	5,726	5,330	20,419	9,186	380	60,509
Finance Leases	4,611	222	-	-	-	-	-	-	4,833
Total Interest	198,662	170,157	140,228	87,789	72,330	175,119	36,223	380	880,888
Total Principal and Interest - City	1,132,758	2,614,478	1,988,303	696,251	646,188	1,735,641	437,979	24,188	9,275,786
Related Municipal Entity Debt									
Principal									
General Obligation Bond	95,000	-	-	-	-	-	-	-	95,000
Interest									
General Obligation Bond	3,230	-	-	-	-	-	-	-	3,230
Total Principal and Interest - RME	98,230	-	-	-	-	-	-	-	98,230
Total Principal and Interest	\$ 1,230,988	2,614,478	1,988,303	696,251	646,188	1,735,641	437,979	24,188	9,374,016

CITY OF ROSE HILL, KANSAS

Regulatory-Required Supplementary Information

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

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Regulatory Basis Fund Types					
General Fund	\$ 2,473,209	-	2,473,209	2,181,721	(291,488)
Special Purpose Funds					
Library Fund	145,000	-	145,000	145,000	-
Special Streets and Highway Fund	187,075	-	187,075	50,656	(136,419)
Special Parks and Recreation Fund	4,000	-	4,000	-	(4,000)
Street Sales Tax Fund	438,931	-	438,931	384,706	(54,225)
Bond and Interest Fund					
Bond and Interest Fund	375,358	-	375,358	333,583	(41,775)
Business Funds					
Water Utility Fund	1,012,588	-	1,012,588	991,363	(21,225)
Sewer Utility Fund	1,159,489	-	1,159,489	1,051,936	(107,553)

CITY OF ROSE HILL, KANSAS
General Fund

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Property Taxes	\$ 1,154,503	1,220,531	1,253,632	1,220,531
Delinquent Property Taxes	3,276	32,333	11,400	20,933
Motor Vehicle Taxes	232,292	172,903	167,015	5,888
Franchise Fees	271,187	335,632	255,000	80,632
Court Costs	15,658	30,260	15,200	15,060
Licenses, Permits and Fees	132,127	107,628	50,000	57,628
Fines and Forfeitures	35,332	58,383	39,700	18,683
Rents	42,759	21,317	37,100	(15,783)
Interest Income	10,529	47,026	10,000	37,026
Reimbursed Expenses	18,863	17,534	32,800	(15,266)
Grants	-	22,720	-	22,720
Miscellaneous	18,996	22,777	40,865	(18,088)
Transfers In	35,000	70,000	70,000	-
Total Receipts	\$ 1,970,522	2,159,044	<u>1,982,712</u>	<u>1,429,964</u>
Expenditures				
Administration	\$ 409,605	399,025	483,700	(84,675)
Police	784,405	937,321	899,465	37,856
Courts	74,489	80,681	89,830	(9,149)
Streets	158,830	249,881	261,196	(11,315)
Parks	241,572	227,997	235,003	(7,006)
Planning	500	204	25,300	(25,096)
Building/Code Enforcement	44,194	44,621	49,215	(4,594)
Other	43,370	41,991	229,500	(187,509)
Transfers Out	160,000	200,000	200,000	-
Total Expenditures	1,916,965	2,181,721	<u>2,473,209</u>	<u>(291,488)</u>
Receipts Over (Under) Expenditures	53,557	(22,677)		
Unencumbered Cash - Beginning	711,705	765,262		
Prior Year Cancelled Encumbrances	-	9,375		
Unencumbered Cash - Ending	\$ <u>765,262</u>	<u>751,960</u>		

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Property Taxes	\$ 120,627	128,673	132,070	(3,397)
Delinquent Property Taxes	407	3,445	75	3,370
Motor Vehicle Taxes	23,409	18,391	17,808	583
Miscellaneous	4,739	1,571	-	1,571
Total Receipts	149,182	152,080	<u>149,953</u>	<u>2,127</u>
Expenditures				
Library Appropriations	140,000	145,000	<u>145,000</u>	<u>-</u>
Receipts Over (Under) Expenditures	9,182	7,080		
Unencumbered Cash - Beginning	<u>2,532</u>	<u>11,714</u>		
Unencumbered Cash - Ending	\$ <u>11,714</u>	<u>18,794</u>		

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Special Gasoline Tax	\$ 115,323	111,614	102,040	9,574
Gasoline Tax - County	18,254	17,017	15,081	1,936
Miscellaneous	-	-	2,499	(2,499)
Total Receipts	<u>133,577</u>	<u>128,631</u>	<u>119,620</u>	<u>9,011</u>
Expenditures				
Personal Services	9,654	23,023	57,135	(34,112)
Contractual Services	10,352	27,633	50,130	(22,497)
Commodities	-	-	45,250	(45,250)
Capital Outlay	641	-	34,560	(34,560)
Debt Service	5,817	-	-	-
Total Expenditures	<u>26,464</u>	<u>50,656</u>	<u>187,075</u>	<u>(136,419)</u>
Receipts Over (Under) Expenditures	107,113	77,975		
Unencumbered Cash - Beginning	97,232	214,540		
Prior Year Cancelled Encumbrances	<u>10,195</u>	<u>-</u>		
Unencumbered Cash - Ending	\$ <u>214,540</u>	<u>292,515</u>		

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Donations	\$ -	-	<u>100</u>	<u>(100)</u>
Expenditures				
Capital Outlay	-	-	<u>4,000</u>	<u>(4,000)</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash - Beginning	<u>9,553</u>	<u>9,553</u>		
Unencumbered Cash - Ending	\$ <u>9,553</u>	<u>9,553</u>		

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Sales Tax	\$ 398,143	424,881	358,170	66,711
Expenditures				
Contractual Services	77,947	235,466	25,000	210,466
Capital Outlay	65,044	6,735	272,000	(265,265)
Debt Service	135,726	142,505	141,931	574
Total Expenditures	278,717	384,706	438,931	(54,225)
Receipts Over (Under) Expenditures	119,426	40,175		
Unencumbered Cash - Beginning	151,197	280,818		
Prior Year Cancelled Encumbrances	10,195	-		
Unencumbered Cash - Ending	\$ 280,818	320,993		

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

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 60,000	50,000
Expenditures		
Capital Outlay	19,465	27,556
Receipts Over (Under) Expenditures	40,535	22,444
Unencumbered Cash - Beginning	130,300	170,835
Unencumbered Cash - Ending	\$ 170,835	193,279

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

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 100,000	150,000
Expenditures	-	-
Receipts Over (Under) Expenditures	100,000	150,000
Unencumbered Cash - Beginning	28,579	128,579
Unencumbered Cash - Ending	<u>\$ 128,579</u>	<u>278,579</u>

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

	Prior Year Actual	Current Year Actual
Receipts		
Debt Proceeds	\$ 502,260	-
Federal Aid	56,261	63,400
Total Receipts	558,521	63,400
Expenditures		
Contractual Services	9,301	1,529
Capital Outlay	505,067	-
Transfers Out	-	33,078
Total Expenditures	514,368	34,607
Receipts Over (Under) Expenditures	44,153	28,793
Unencumbered Cash - Beginning	(72,946)	(28,793)
Unencumbered Cash - Ending	\$ (28,793)	-

CITY OF ROSE HILL, KANSAS
CDBG - COVID 19 Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Miscellaneous	\$ 2,000	-
Expenditures	-	-
Receipts Over (Under) Expenditures	2,000	-
Unencumbered Cash - Beginning	(2,000)	-
Unencumbered Cash - Ending	\$ -	-

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

	Prior Year Actual	Current Year Actual
Receipts		
Federal Aid	\$ 302,777	302,776
Expenditures	-	-
Receipts Over (Under) Expenditures	302,777	302,776
Unencumbered Cash - Beginning	-	302,777
Unencumbered Cash - Ending	\$ 302,777	605,553

CITY OF ROSE HILL, KANSAS
Bond and Interest Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Property Taxes	\$ 16,461	25,195	25,452	(257)
Delinquent Property Taxes	97	1,184	945	239
Motor Vehicle Taxes	22,631	5,116	5,057	59
Special Assessments	316,882	328,542	232,000	96,542
Transfers In	-	184,811	-	184,811
Total Receipts	<u>356,071</u>	<u>544,848</u>	<u>263,454</u>	<u>281,394</u>
Expenditures				
Principal Payments	290,600	258,300	295,000	(36,700)
Interest Payments	79,143	75,283	79,758	(4,475)
Miscellaneous	-	-	600	(600)
Total Expenditures	<u>369,743</u>	<u>333,583</u>	<u>375,358</u>	<u>(41,775)</u>
Receipts Over (Under) Expenditures	(13,672)	211,265		
Unencumbered Cash - Beginning	<u>257,076</u>	<u>243,404</u>		
Unencumbered Cash - Ending	\$ <u>243,404</u>	<u>454,669</u>		

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

	Prior Year Actual	Current Year Actual
Receipts		
Debt Proceeds	\$ 1,183,532	-
Expenditures		
Capital Outlay	47,850	2,586
Transfers Out	-	151,733
Total Expenditures	47,850	154,319
Receipts Over (Under) Expenditures	1,135,682	(154,319)
Unencumbered Cash - Beginning	(981,363)	154,319
Unencumbered Cash - Ending	\$ 154,319	-

CITY OF ROSE HILL, KANSAS
Sunrise Addition Project Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Debt Proceeds	\$ -	1,250,000
Expenditures		
Cost of Issuance	-	10,550
Personal Services	-	14,760
Contractual Services	-	112,953
Capital Outlay	-	956,088
Total Expenditures	-	1,094,351
Receipts Over (Under) Expenditures	-	155,649
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	155,649

CITY OF ROSE HILL, KANSAS
Water Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Charges for Services	\$ 900,980	960,323	876,290	84,033
Connection and Setup Fees	6,550	5,800	7,000	(1,200)
Miscellaneous	8,520	11,050	5,000	6,050
Total Receipts	<u>916,050</u>	<u>977,173</u>	<u>888,290</u>	<u>88,883</u>
Expenditures				
Personal Services	219,766	177,850	197,230	(19,380)
Contractual Services	166,613	175,885	658,900	(483,015)
Commodities	52,791	73,366	36,900	36,466
Capital Outlay	9,084	52,978	40,000	12,978
Water Purchases	335,585	438,114	-	438,114
Debt Service	11,207	18,170	24,558	(6,388)
Transfers Out	20,000	55,000	55,000	-
Total Expenditures	<u>815,046</u>	<u>991,363</u>	<u>1,012,588</u>	<u>(21,225)</u>
Receipts Over (Under) Expenditures	101,004	(14,190)		
Unencumbered Cash - Beginning	291,737	392,741		
Prior Year Cancelled Encumbrances	<u>-</u>	<u>3,750</u>		
Unencumbered Cash - Ending	\$ <u>392,741</u>	<u>382,301</u>		

CITY OF ROSE HILL, KANSAS
Sewer Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Charges for Services	\$ 572,278	575,710	560,000	15,710
Sewer Improvement Fees	532,070	537,445	523,000	14,445
Penalty	21,910	20,121	15,000	5,121
Miscellaneous	-	-	8,010	(8,010)
Total Receipts	<u>1,126,258</u>	<u>1,133,276</u>	<u>1,106,010</u>	<u>27,266</u>
Expenditures				
Personal Services	163,271	194,628	187,615	7,013
Contractual Services	246,472	210,186	306,280	(96,094)
Commodities	25,884	31,604	-	31,604
Capital Outlay	16,627	13,510	65,000	(51,490)
Miscellaneous	-	-	10,350	(10,350)
Debt Service	499,655	512,008	500,244	11,764
Transfers Out	45,000	90,000	90,000	-
Total Expenditures	<u>996,909</u>	<u>1,051,936</u>	<u>1,159,489</u>	<u>(107,553)</u>
Receipts Over (Under) Expenditures	129,349	81,340		
Unencumbered Cash - Beginning	<u>928,798</u>	<u>1,058,147</u>		
Unencumbered Cash - Ending	\$ <u>1,058,147</u>	<u>1,139,487</u>		

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

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 5,000	25,000
Expenditures		
Capital Outlay	-	15,000
Receipts Over (Under) Expenditures	5,000	10,000
Unencumbered Cash - Beginning	39,171	44,171
Unencumbered Cash - Ending	\$ 44,171	54,171

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

	Prior Year Actual	Current Year Actual
Receipts		
Transfers In	\$ 25,000	50,000
Expenditures	-	-
Receipts Over (Under) Expenditures	25,000	50,000
Unencumbered Cash - Beginning	181,161	206,161
Unencumbered Cash - Ending	<u>\$ 206,161</u>	<u>256,161</u>

CITY OF ROSE HILL, KANSAS
RELATED MUNICIPAL ENTITY
Rose Hill Public Library
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Distributions	\$ 140,000	145,000
Grants and donations	10,749	12,226
Interest	295	1,219
Total Receipts	<u>151,044</u>	<u>158,445</u>
Expenditures		
Personal Services	111,180	126,104
Contractual Services	17,601	16,168
Commodities	16,041	12,011
Capital Outlay	7,975	1,515
Total Expenditures	<u>152,797</u>	<u>155,798</u>
Receipts Over (Under) Expenditures	(1,753)	2,647
Unencumbered Cash - Beginning	<u>177,316</u>	<u>175,563</u>
Unencumbered Cash - Ending	<u>\$ 175,563</u>	<u>178,210</u>

CITY OF ROSE HILL, KANSAS
RELATED MUNICIPAL ENTITY
City of Rose Hill, Kansas Public Building Commission
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2022
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Lease Payments from City	\$ 98,695	101,175
Expenditures		
Principal	90,000	95,000
Interest	8,695	6,175
Total Expenditures	98,695	101,175
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	-	-
Unencumbered Cash - Ending	\$ -	-

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

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Payroll Withholding Fund	\$ 8,484	737,355	742,061	3,778
ADSAP/Seized Assets Fund	1,735	-	-	1,735
Total	\$ 10,219	737,355	742,061	5,513