CITY OF AUGUSTA, KANSAS

Financial Statements

For the Year Ended December 31, 2022

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CITY OF AUGUSTA, KANSAS
Financial Statements
For the Year Ended December 31, 2022

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GORDONCPA
AUDITING
ACCOUNTING
CONSULTING

4205 W 6th St Ste C
Lawrence, KS 66049

(785) 371-4847
cpagordon.com

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Augusta, Kansas

Report on the Audit of the Financial Statement

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of 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 the changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

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

Basis for Adverse and Unmodified Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States 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 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.

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget and summary of receipts and disbursements-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for 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*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) *Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* and is not a required part of the basic financial statement. 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 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated June 23, 2023, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of

that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Other Matters

The 2021 actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2021 (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.

We previously audited, in accordance with auditing standards generally accepted in the United State of America, the basic financial statement of the City for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated April 15, 2022, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link http://www.admin.ks.gov/offices/chief financial-officer/municipal-services. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2022 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information 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. In our opinion, the 2021 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, 2021, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

June 23, 2023

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

Funds	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	$ 1,426,183	$ -	$ 7,030,980	$ 7,120,961	$ 1,336,202	$ 127,899	$ 1,464,101
Special Purpose Funds:							
Industrial Development	188,425	-	100,106	-	288,531	-	288,531
Library Employee Benefits	9,657	-	90,176	90,176	9,657	-	9,657
Library	11,696	-	312,909	312,909	11,696	-	11,696
Cemetery Endowment	82,102	-	14,768	9,587	87,283	-	87,283
Employee Benefits	111,328	-	1,531,114	1,671,360	[28,918]	28,918	-
Special City-County Highway	290,240	-	304,913	320,749	274,404	4,448	278,852
Special Alcohol	19,231	-	11,190	18,040	12,381	-	12,381
Convention and Visitors Bureau	72,393	-	22,139	9,677	84,855	-	84,855
Emergency Communications	20,082	-	-	1,227	18,855	-	18,855
Emergency Communications 2012	106,634	-	50,539	49,485	107,688	-	107,688
Special Park	141,686	-	97,185	86,634	152,237	-	152,237
Street Sales Tax	1,520,213	-	2,500,158	2,137,205	1,883,166	-	1,883,166
Water Sales Tax	6,776,001	-	1,481,734	373,800	7,883,935	-	7,883,935
Capital Improvements	460,268	-	648,190	647,335	461,123	-	461,123
Equipment Reserve	280,787	-	155,200	71,628	364,359	-	364,359
Employee Insurance	15,317	-	48,673	48,974	15,016	-	15,016
Health Insurance Reserve	1,094,261	-	1,631,825	1,435,267	1,290,819	68,378	1,359,197
Drug Reimbursement	649	-	-	-	649	-	649
E-Comm/Augusta Progress Inc. Loan	305	-	12,813	12,813	305	-	305
Dalton Palmer Park	72	-	-	-	72	-	72
ARPA	713,171	-	713,499	-	1,426,670	-	1,426,670
Skate Park	12,401	-	21,960	-	34,361	-	34,361
Opioid Settlement	-	-	2,285	-	2,285	-	2,285
Interest	-	-	92,991	92,991	-	-	-
Bond Interest Fund:							
Bond and Interest	75,746	-	6,230,862	6,264,938	41,670	-	41,670
Capital Project Funds:							
Dam Spillway	74,795	-	-	-	74,795	-	74,795
Marsh Donation - ADOPS	2,462	-	-	-	2,462	-	2,462
Corp Levee	5,770	-	11,397	17,167	-	-	-
FAA Land Acquisitions	[21,517]	-	-	-	[21,517]	-	[21,517]
Sales Tax Waterline Improvements	3,586,917	-	-	5,785	3,581,132	-	3,581,132
Lions Club Project	3,040	-	-	3,040	-	-	-
Entrance Sign Project	20,000	-	-	-	20,000	-	20,000
Disc Golf Project	645	-	-	-	645	-	645
Pride and Progress	1,490,446	-	827,145	844,602	1,472,989	-	1,472,989
Sewer CDBG Project	3,500	-	-	-	3,500	-	3,500
Scattering Garden Project	7,500	-	-	-	7,500	-	7,500
Wayfinding Signs Project	12,300	-	-	242	12,058	-	12,058
Storm Water Project	4,500	-	20,000	-	24,500	-	24,500
APPCON Temporary Note Project	740	-	-	-	740	-	740
Airport Improvement Project	50,000	-	-	50,000	-	-	-
SPARKS Funding Project	-	-	2,000,379	985,658	1,014,721	3,000	1,017,721
KDHE Water Loan	[200,245]	-	465,713	452,853	[187,385]	-	[187,385]
Downtown Projects	[1,754]	-	2,154	-	400	-	400

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

CITY OF AUGUSTA, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash (Continued)
Regulatory Basis
For the Year Ended December 31, 2022

	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
Business Funds:							
Electric Utility	$ 2,036,177	$ -	$ 11,098,957	$ 12,510,078	$ 625,056	$ 90,506	$ 715,562
Water Utility	895,793	-	2,259,554	2,297,268	858,079	19,004	877,083
Refuse	954,485	-	1,037,412	1,022,822	969,075	17,812	986,887
Wastewater Treatment	603,615	-	839,493	884,650	558,458	20,463	578,921
Wastewater Treatment Plant	451,927	-	575,818	253,879	773,866	-	773,866
Airport	327,666	-	597,750	654,085	271,331	5,035	276,366
Electric Principal & Interest	757	-	3	-	760	-	760
Electric Reserve	850,786	-	1,184,630	159,631	1,875,785	-	1,875,785
Water Bonds Principal & Interest	43,095	-	628,446	596,538	75,003	-	75,003
Water Revenue Bond Depreciation & Replacement Reserve	25,000	-	-	-	25,000	-	25,000
Wastewater Reserve	89,172	-	25,000	8,285	105,887	-	105,887
Sanitation Bond & Interest	8,147	-	130,000	126,900	11,247	-	11,247
Total Reporting Entity (Excluding Agency Funds)	$ 24,754,567	$ -	$ 44,810,060	$ 41,649,239	$ 27,915,388	$ 385,463	$ 28,300,851

COMPOSITION OF CASH:

Emprise Bank	
Checking	$ 17,269,725
Certificates of Deposit	601,935
Checking - Court	60,215
Bank of the West	
Certificates of Deposit	3,074,496
Kansas Municipal Investment Pool	7,379,214
Cash on Hand	700
Total Cash	28,386,285
Agency Funds per Schedule 3	[85,434]
Total Reporting Entity (Excluding Agency Funds)	$ 28,300,851

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

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Augusta (the City) is a municipal corporation governed by a mayor, eight-member council and manager. These financial statements present the City (the primary government) and any related municipal entities of which the City is considered to be financially accountable. However, the City's financial statement does not include the following related municipal entities:

1. Augusta Public Library, 1609 State Street, Augusta, Kansas 67010
2. Augusta Housing Authority, 620 Osage Street, Augusta, Kansas 67010
3. Augusta Public Building Commissions, 113 E 6th Avenue, Augusta, Kansas 67010

Financial statements of the related municipal entities can be obtained by contacting management at the address listed above.

Basis of Accounting

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

The 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.

Regulatory Basis Fund Types

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

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 regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

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

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

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

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information

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

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The Special Alcohol, Special Park, Capital Improvements, Electric and Airport funds were amended for the year ended December 31, 2022.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the 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, utility reserve funds and the following special purpose funds: Employee Insurance, Health Insurance Reserve, Drug Reimbursement, State Seizure, E-Comm/Augusta Progress Inc Loan, Dalton Palmer Park, ARPA, Skate Park, Opioid Settlement, and Interest.

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 City Council.

NOTE 2 - Deposits and Investments

Deposits. 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.

NOTE 2 - Deposits and Investments (Continued)

Investments. 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.

Some of the City's investments are of bond proceeds invested pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 12-1675 or include other investments such as the KMIP, direct obligations of the U.S. government or any agency thereof, and various other investments as specified in K.S.A. 10-131.

As of December 31, 2022, the City has the following investments:

Investment Type	Fair Value	Rating
Kansas Municipal Investment Pool	$ 7,379,214	N/A

The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City's allocation of investments as of December 31, 2022, is as follows:

Investments	Percentage of Investments
Kansas Municipal Investment Pool	100%

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has no designated "peak periods." The City's deposits were fully secured at December 31, 2022.

At December 31, 2022, the City's carrying amount of deposits was $28,386,285 and the bank balance was $29,855,479. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $750,000 was covered by federal depository insurance and $29,105,479 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

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

NOTE 3 - Defined Benefit Pension Plan

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

NOTE 3 - Defined Benefit Pension Plan (Continued)

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.90% for KPERS and 22.99% for KP&F for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City of Augusta were $362,254 for KPERS and $335,277 for KP&F for the year ended December 31, 2022.

Net Pension Liability. As of December 31, 2022, the City's proportionate share of the collective net pension liability reported by KPERS was $4,162,846 and $3,377,520 for KP&F. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 4 - Long-Term Debt

Changes in Long-term Debt. During the year ended December 31, 2022, the following changes occurred in long-term debt:

	Beginning Principal Outstanding	Additions to Principal	Subtractions from Principal	Ending Principal Outstanding	Interest Paid
General Obligation Bonds	$ 13,390,000	$ 8,090,000	$ 6,720,000	$ 14,760,000	$ 373,970
Temporary Notes	820,000	-	405,000	415,000	8,200
Revolving Loans	1,225,894	465,713	58,112	1,633,494	22,104
Totals	$ 15,435,894	$ 8,555,713	$ 7,183,112	$ 16,808,494	$ 404,274

NOTE 4 - Long-Term Debt (Continued)

General Obligation Bonds. Following is a detailed listing of the City's outstanding general obligation debt:

Issue	Interest Rate	Original Amount	Amount Outstanding at December 31, 2022	Date of Issue	Final Maturity
Series 2008A	2.50 - 4.60%	$ 655,000	$ 40,000	04/15/08	09/01/23
Series 2012B	1.35 - 3.30%	455,000	260,000	08/01/12	09/01/32
Series 2013	1.63 - 3.13%	970,000	595,000	04/18/13	09/01/33
Series 2014A	2.00 - 3.75%	3,090,000	2,030,000	09/10/14	09/01/34
Series 2015A	2.00 - 3.75%	7,050,000	285,000	05/21/15	09/01/45
Series 2016A	2.00%	4,305,000	1,825,000	08/17/16	09/01/26
Series 2019	2.00 - 3.00%	2,415,000	1,660,000	06/06/19	09/01/34
Series 2022A	2.25 - 3.05%	5,765,000	5,740,000	03/02/22	09/01/44
Series 2022B	2.00 - 2.25%	2,325,000	2,325,000	05/05/22	09/01/26
			$ 14,760,000		

On March 2, 2022, the City issued Taxable General Obligation Refunding Bonds, Series 2022-A, in the amount of $5,765,000. Proceeds from the bonds will be used to refund a portion of Series 2015-A Bonds. The Series 2022-A bonds carry interest rates ranging from 2.25% to 3.05% and are scheduled to mature on September 1, 2044.

On May 5, 2022, the City issued General Obligation Sales Tax Bonds, Series 2022-B, in the amount of $2,325,000. Proceeds from the bonds will be used to fund street capital improvements and electric system improvements within the City. The bonds carry interest rates ranging from 2.00% to 2.25% and are scheduled to mature on September 1, 2026.

Annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending December 31,	Principal	Interest	Total
2023	$ 1,435,000	$ 542,111	$ 1,977,111
2024	1,985,000	354,181	2,339,181
2025	1,950,000	309,549	2,259,549
2026	1,860,000	264,836	2,124,836
2027	675,000	221,536	896,536
2028 - 2032	2,990,000	824,193	3,814,193
2033 - 2037	1,835,000	446,249	2,281,249
2038 - 2042	1,570,000	214,300	1,784,300
2043 - 2044	460,000	17,538	477,538
	$14,760,000	$ 3,194,493	$17,954,493

General Obligation Temporary Notes. Following is a detailed listing of the City's outstanding general obligation temporary notes debt:

NOTE 4 - Long-Term Debt (Continued)

Issue	Interest Rate	Original Amount	Amount Outstanding at December 31, 2022	Date of Issue	Final Maturity
Series 2020-1	1.00%	$1,205,000	$ 415,000	07/01/20	09/01/23

Annual debt service requirements to maturity for the general obligation temporary notes are as follows:

Year Ending December 31,	Principal	Interest	Total
2023	$ 415,000	$ 4,150	$ 419,150

Revolving Loans. Following is a detailed listing of the City's outstanding revolving loan debt:

Issue	Interest Rate	Original Amount	Amount Outstanding at December 31, 2022	Date of Issue	Final Maturity
Water Pollution Control	1.81%	$1,290,871	$ 1,048,492	11/25/16	03/01/38
Public Water Supply	1.30%	1,221,000	585,003	02/01/21	02/01/42
			$ 1,633,494		

On February 1, 2021, the City entered into an agreement with the Kansas Department of Health and Environment for a Public Water Supply Loan up to the amount of $1,221,000 with a gross interest rate of 1.30%. As of December 31, 2022, the City has drawn $585,003 on the loan. The purpose of the loan is to fund improvements to the City's drinking water supply system, including the rehabilitation of a water tower and installation of 3,500 automated water meters. Annual debt service requirements to maturity are not yet available as the loan has not been finalized.

Annual debt service requirements to maturity for the water pollution control revolving loan is as follows:

Year Ending December 31,	Principal	Interest	Total
2023	$ 59,169	$ 18,711	$ 77,880
2024	60,245	17,635	77,880
2025	61,340	16,540	77,880
2026	62,456	15,425	77,880
2027	63,591	14,289	77,880
2028 - 2032	335,725	53,676	389,401
2033 - 2037	367,375	22,026	389,401
2038	38,591	349	38,940
	$ 1,048,492	$ 158,652	$ 1,207,143

NOTE 5 - Compensated Absences

The City does not permit employees to accumulate earned but unused vacation and sick pay benefits.

Vacation - Employees earn vacation leave at the rate of 3.08 hours for each bi-weekly pay period during the first five years of service. 4.62 hours after five years of continuous service and 6.16 hours after fifteen years of continuous service. Accumulated vacation hours may not exceed 200 hours; 260 hours for those with over ten years of continuous service. At termination, employees are compensated for accumulated vacation pay.

Sick Leave - Employees earn 4.62 hours of sick leave for each bi-weekly pay period employed. Each employee may accumulate a maximum of 960 hours. Any hours above 960 shall be compensated at the rate of one hour of regular pay for every four hours above the maximum. No sick leave is paid upon termination of employment unless the employee qualifies upon retirement.

It is the City's policy to recognize the costs of compensated absences when actually paid.

NOTE 6 - Medical Self Insurance Plan

The City has established a program to pay medical claims of covered current and former City employees and additional health insurance premiums. Liabilities are reported when it is probable that claims have been incurred and the amount of the liability can be reasonably estimated. An excess coverage insurance policy covers individual claims over a certain amount. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated by the plan administrator and are expected to be liquidated with expendable available financial resources.

The below table summarizes activity for the years ended December 31, 2021 and 2022, respectively:

	2021	2022
Unpaid claims, January 1	$ 23,976	$ 26,998
Incurred claims (including IBNRs)	1,037,834	906,440
Claim payments	[1,034,812]	[872,656]
Unpaid claims, December 31	$ 26,998	$ 60,782

Unpaid claims at year end are expensed in the following fiscal year.

NOTE 7 - Interfund Transfers

Operating transfers during the year ended December 31, 2022, were as follows:

From	To	Amount	Regulatory Authority
General	Equipment Reserve	$ 150,000	KSA 12-1,117
General	Airport	50,000	KSA 3-113
General	Street Sales Tax	823,185	KSA 12-197
General	Capital Improvements	329,274	KSA 12-1,118
General	Water Sales Tax	1,481,734	KSA 12-197
Capital Improvements	Pride & Progress	481,000	KSA 12-1,118
Refuse	General	36,800	KSA 12-825d
Refuse	Sanitation Bond & Interest	130,000	KSA 12-825d
Water Utility	Water Bonds Principal & Interest	270,000	KSA 12-825d
Water Sales Tax	Water Bonds Principal & Interest	350,000	KSA 12-197
Electric Utility	General	651,800	KSA 12-825d
Health Insurance Reserve	Employee Benefits	59,526	KSA 12-16,102
Electric Utility	Special Park	15,000	KSA 12-825d
Electric Utility	Employee Benefits	50,000	KSA 12-825d
Electric Utility	Electric Reserve	536,000	KSA 12-825d
Electric Utility	Capital Improvements	280,000	KSA 12-825d
Wastewater Treatment Plant	Wastewater Reserve	25,000	KSA 12-825d
		$5,719,319	

NOTE 8 - Capital Projects

	Project Authorization	Expenditures To Date
Inspection of Augusta City Lake Dam	$ 7,500	$ 7,500
North Ohio Street Reconstrcution Project	1,872,776	1,278,533
Lakeside and Simmons Lift Station Rehabilitation	692,000	56,981
Drainage Study at 4141 N Ohio Street	8,940	8,940
Tree Removal in Garvin Park	16,600	16,600
Engineering Services Agreement for Lakeside & Simmons Liftstation	30,720	30,720
N Ohio Construction Administration and Observation	330,020	272,250
Airport Main Hangar Repair	59,440	59,440
Electric Distribution Shop roof repair	15,400	15,400
Asphalt Street Maintenance	54,902	46,083
Micro Surphacing project	45,860	45,860
Cooling Tower Replacement	172,089	-
Stormwater Drainage Study of Industrial Park Drainage Basin	24,600	19,680
City Lake Dam Repair Engineering	68,000	23,800
Public Works Campus Development Engineering Services	60,020	23,242
Remove Single-Family Structures at 510 E 5th and 508 N Grove	10,000	10,000
Surveying & Concept Phase for Redbud Trail Pedestrian Bridge	49,500	49,500

NOTE 9 - Contractual Obligations

The City purchases its water supply from the City of El Dorado, Kansas. A forty-year contract, effective January 1, 1990, obliges the City of Augusta to purchase a minimum of five hundred million gallons annually from the City of El Dorado at a specified price. The contract allows the two cities to review and modify the price per thousand gallons every five years, under a specified formula set out in the contract.

NOTE 10 - Commitments and Contingencies

The City receives significant financial assistance from numerous deferral and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the City as of December 31, 2022.

NOTE 11 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the City carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 12 - Related Party Transactions

The City paid $3,779 during the year ended December 31, 2022, for electrical repair services to a company owned by the mayor.

NOTE 13 - Other Long-Term Obligations from Operations

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

NOTE 14 - Other Long-Term Obligations from Operations (Continued)

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.

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

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

	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over [Under]
Governmental Type Funds:					
General Funds:					
General	$ 7,207,065	$ -	$ 7,207,065	$ 7,120,961	$ [86,104]
Special Purpose Funds:					
Industrial Development	180,000	-	180,000	-	[180,000]
Library Employee Benefits	91,350	-	91,350	90,176	[1,174]
Library	329,400	-	329,400	312,909	[16,491]
Cemetery Endowment	24,000	-	24,000	9,587	[14,413]
Employee Benefits	1,722,200	-	1,722,200	1,671,360	[50,840]
Special City-County Highway	390,450	-	390,450	320,749	[69,701]
Special Alcohol	24,000	-	24,000	18,040	[5,960]
Convention and Visitors Bureau	25,000	-	25,000	9,677	[15,323]
Emergency Communications	20,082	-	20,082	1,227	[18,855]
Emergency Communications 2012	49,500	-	49,500	49,485	[15]
Special Park	89,700	-	89,700	86,634	[3,066]
Street Sales Tax	2,753,500	-	2,753,500	2,137,205	[616,295]
Water Sales Tax	950,000	-	950,000	373,800	[576,200]
Capital Improvements	723,500	-	723,500	647,335	[76,165]
Equipment Reserve	656,000	-	656,000	71,628	[584,372]
Bond and Interest Fund:					
Bond and Interest	419,200	5,851,270	6,270,470	6,264,938	[5,532]
Business Funds:					
Electric Utility	13,425,420	-	13,425,420	12,510,078	[915,342]
Water Utility	2,352,975	-	2,352,975	2,297,268	[55,707]
Refuse	1,189,800	-	1,189,800	1,022,822	[166,978]
Wastewater Treatment	884,650	-	884,650	884,650	-
Wastewater Treatment Plant	390,000	-	390,000	253,879	[136,121]
Airport	656,000	-	656,000	654,085	[1,915]

CITY OF AUGUSTA, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Property taxes	$ 1,578,852	$ 1,731,377	$ 1,840,360	$ [108,983]
Delinquent property taxes	51,453	35,613	33,000	2,613
Motor vehicle taxes	230,020	197,804	206,500	[8,696]
Franchise fees	227,740	261,410	215,250	46,160
Airport sales	3,315	3,195	-	3,195
Alcoholic beverages	20,544	13,115	-	13,115
Licenses and permits	97,295	84,925	81,650	3,275
Highway-streets	35,815	35,840	21,500	14,340
Fines and forfeitures	163,037	181,637	150,000	31,637
Reimbursed expenditures	11,795	3,804	-	3,804
County fire contribution	46,182	84,659	65,000	19,659
Local sales tax	2,994,889	3,292,741	2,380,000	912,741
Cemetery sales and services	58,295	61,765	37,000	24,765
Lakes, boating and camping	315,280	293,504	190,000	103,504
Swimming pool	21,857	41,694	40,000	1,694
COPS FAST grant	40,427	-	-	-
Animal control	1,290	1,075	-	1,075
Miscellaneous	3,544	7,222	29,000	[21,778]
Interest income	4,000	11,000	4,000	7,000
Transfers from other funds	688,600	688,600	688,600	-
Total Receipts	6,594,230	7,030,980	$ 5,981,860	$ 1,049,120
Expenditures				
Administration	409,773	463,049	$ 1,344,985	$ [881,936]
City clerk	141,778	145,567	157,650	[12,083]
Police and fire	1,858,331	2,055,389	2,093,400	[38,011]
Community development	351,420	374,152	374,870	[718]
Public works	191,976	210,209	219,975	[9,766]
Court	110,062	118,378	140,260	[21,882]
Parks	303,264	338,693	345,990	[7,297]
Santa Fe lake	217,924	265,622	264,215	1,407
Swimming pool	106,534	112,630	140,000	[27,370]
Cemetery	105,903	118,404	141,220	[22,816]
Animal control	69,564	80,175	80,500	[325]
Other	4,500	4,500	-	4,500
Transfers to other funds	2,575,911	2,834,193	1,904,000	930,193
Total Expenditures	6,446,940	7,120,961	$ 7,207,065	$ [86,104]
Receipts Over [Under] Expenditures	147,290	[89,981]		
Unencumbered Cash, Beginning	1,278,893	1,426,183		
Unencumbered Cash, Ending	$ 1,426,183	$ 1,336,202		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Industrial Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
CDBG loan repayments	$ 158,499	$ 100,106	$ 106,000	$ [5,894]
Total Receipts	158,499	100,106	$ 106,000	$ [5,894]
Expenditures				
CDBG loans	-	-	$ 180,000	$ [180,000]
Total Expenditures	-	-	$ 180,000	$ [180,000]
Receipts Over [Under] Expenditures	158,499	100,106		
Unencumbered Cash, Beginning	29,926	188,425		
Unencumbered Cash, Ending	$ 188,425	$ 288,531		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Library Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Property taxes	$ 79,253	$ 78,410	$ 82,810	$ [4,400]
Delinquent property taxes	2,679	1,812	1,000	812
Motor vehicle taxes	12,399	9,954	3,000	6,954
Total Receipts	94,331	90,176	$ 86,810	$ 3,366
Expenditures				
Appropriations	87,300	90,176	$ 91,350	$ [1,174]
Total Expenditures	87,300	90,176	$ 91,350	$ [1,174]
Receipts Over [Under] Expenditures	7,031	-		
Unencumbered Cash, Beginning	2,626	9,657		
Unencumbered Cash, Ending	$ 9,657	$ 9,657		

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

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Property taxes	$ 270,271	$ 272,760	$ 288,000	$ [15,240]
Delinquent property taxes	9,054	6,205	2,280	3,925
Motor vehicle taxes	42,305	33,944	32,000	1,944
Total Receipts	321,630	312,909	$ 322,280	$ [9,371]
Expenditures				
Appropriations	314,500	312,909	$ 329,400	$ [16,491]
Total Expenditures	314,500	312,909	$ 329,400	$ [16,491]
Receipts Over [Under] Expenditures	7,130	-		
Unencumbered Cash, Beginning	4,566	11,696		
Unencumbered Cash, Ending	$ 11,696	$ 11,696		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Cemetery Endowment Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Endowment	$ 13,800	$ 13,800	$ 5,000	$ 8,800
Interest income	17	968	-	968
Total Receipts	13,817	14,768	$ 5,000	$ 9,768
Expenditures				
Capital outlay	-	9,587	$ 24,000	$ [14,413]
Total Expenditures	-	9,587	$ 24,000	$ [14,413]
Receipts Over [Under] Expenditures	13,817	5,181		
Unencumbered Cash, Beginning	68,285	82,102		
Unencumbered Cash, Ending	$ 82,102	$ 87,283		

CITY OF AUGUSTA, KANSAS
Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Property taxes	$ 1,177,589	$ 1,245,178	$ 1,314,700	$ [69,522]
Delinquent property taxes	40,044	27,749	24,000	3,749
Motor vehicle taxes	189,861	148,041	154,000	[5,959]
Dividend income	10,000	-	10,000	[10,000]
Grants	21,989	-	12,000	[12,000]
Refund of expenditures	205	620	-	620
Transfers from other funds	50,000	109,526	50,000	59,526
Total Receipts	1,489,688	1,531,114	$ 1,564,700	$ [33,586]
Expenditures				
Employee benefits paid	1,545,929	1,671,360	$ 1,722,200	$ [50,840]
Total Expenditures	1,545,929	1,671,360	$ 1,722,200	$ [50,840]
Receipts Over [Under] Expenditures	[56,241]	[140,246]		
Unencumbered Cash, Beginning	167,569	111,328		
Unencumbered Cash, Ending	$ 111,328	$ [28,918]		

CITY OF AUGUSTA, KANSAS
Special City - County Highway Fund
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Special gasoline tax	$ 270,593	$ 251,056	$ 240,000	$ 11,056
Gasoline tax - county	42,991	39,773	38,000	1,773
Interest income	5,000	5,000	5,000	-
Sale of property	120	-	-	-
Reimbursed expenditures	23,917	9,084	2,000	7,084
Total Receipts	342,621	304,913	$ 285,000	$ 19,913
Expenditures				
Personnel services	158,644	155,540	$ 154,725	$ 815
Contractual services	25,585	40,587	50,425	[9,838]
Commodities	111,689	104,921	115,300	[10,379]
Capital outlay	6,159	19,701	70,000	[50,299]
Total Expenditures	302,077	320,749	$ 390,450	$ [69,701]
Receipts Over [Under] Expenditures	40,544	[15,836]		
Unencumbered Cash, Beginning	249,696	290,240		
Unencumbered Cash, Ending	$ 290,240	$ 274,404		

CITY OF AUGUSTA, KANSAS
Special Alcohol Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Liquor tax	$ 18,994	$ 11,190	$ 10,800	$ 390
Reimbursed expenditures	58	-	-	-
Total Receipts	19,052	11,190	$ 10,800	$ 390
Expenditures				
Contractual services	3,000	3,000	$ 8,500	$ [5,500]
Commodities	10,679	15,040	15,500	[460]
Total Expenditures	13,679	18,040	$ 24,000	$ [5,960]
Receipts Over [Under] Expenditures	5,373	[6,850]		
Unencumbered Cash, Beginning	13,858	19,231		
Unencumbered Cash, Ending	$ 19,231	$ 12,381		

CITY OF AUGUSTA, KANSAS
Convention and Visitors Bureau Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Guest tax	$ 14,182	$ 13,404	$ 10,000	$ 3,404
Building rent	7,510	8,735	6,000	2,735
Total Receipts	21,692	22,139	$ 16,000	$ 6,139
Expenditures				
Contractual services	10,286	9,677	$ 22,800	$ [13,123]
Commodities	-	-	2,200	[2,200]
Total Expenditures	10,286	9,677	$ 25,000	$ [15,323]
Receipts Over [Under] Expenditures	11,406	12,462		
Unencumbered Cash, Beginning	60,987	72,393		
Unencumbered Cash, Ending	$ 72,393	$ 84,855		

CITY OF AUGUSTA, KANSAS
Emergency Communications Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
911 wireless	$ -	$ -	$ -	$ -
Total Receipts	-	-	$ -	$ -
Expenditures				
Capital outlay	-	1,227	$ 20,082	$ [18,855]
Total Expenditures	-	1,227	$ 20,082	$ [18,855]
Receipts Over [Under] Expenditures	-	[1,227]		
Unencumbered Cash, Beginning	20,082	20,082		
Unencumbered Cash, Ending	$ 20,082	$ 18,855		

CITY OF AUGUSTA, KANSAS
Emergency Communications 2012 Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
E-911	$ 36,101	$ 50,539	$ 36,000	$ 14,539
Total Receipts	36,101	50,539	$ 36,000	$ 14,539
Expenditures				
Contractual services	27,824	49,485	$ 43,000	$ 6,485
Capital outlay	18,000	-	6,500	[6,500]
Total Expenditures	45,824	49,485	$ 49,500	$ [15]
Receipts Over [Under] Expenditures	[9,723]	1,054		
Unencumbered Cash, Beginning	116,357	106,634		
Unencumbered Cash, Ending	$ 106,634	$ 107,688		

CITY OF AUGUSTA, KANSAS
Special Park Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Liquor tax	$ 19,458	$ 11,833	$ 10,000	$ 1,833
Donations	4,780	-	-	-
Concessions	5,467	7,623	6,800	823
Fishing permits	12,185	10,920	12,000	[1,080]
Dividends	19,655	15,000	15,000	-
Interest	4,304	10,000	-	10,000
Building rent	85	155	-	155
Reimbursed expenditures	5,707	-	-	-
Miscellaneous	-	26,654	28,400	[1,746]
Transfers from other funds	15,000	15,000	15,000	-
Total Receipts	86,641	97,185	$ 87,200	$ 9,985
Expenditures				
Contractual	15,860	30,320	$ 32,200	$ [1,880]
Commodities	13,516	31,714	32,500	[786]
Capital outlay	12,312	24,600	25,000	[400]
Total Expenditures	41,688	86,634	$ 89,700	$ [3,066]
Receipts Over [Under] Expenditures	44,953	10,551		
Unencumbered Cash, Beginning	96,733	141,686		
Unencumbered Cash, Ending	$ 141,686	$ 152,237		

CITY OF AUGUSTA, 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 Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Bond proceeds	$ -	$ 1,676,973	$ 1,840,000	$ [163,027]
Transfers from other funds	841,696	823,185	595,000	228,185
Total Receipts	841,696	2,500,158	$ 2,435,000	$ 65,158
Expenditures				
Cost of issuance	91	36,758	$ -	$ 36,758
Engineering fees	99,611	272,250	-	272,250
Construction	52,615	1,295,070	2,340,000	[1,044,930]
Street maintenance	21,670	119,927	-	119,927
Debt service:				
Principal	385,000	405,000	413,500	[8,500]
Interest	14,058	8,200	-	8,200
Total Expenditures	573,045	2,137,205	$ 2,753,500	$ [616,295]
Receipts Over [Under] Expenditures	268,651	362,953		
Unencumbered Cash, Beginning	1,206,494	1,520,213		
Prior Period Adjustment	45,068	-		
Unencumbered Cash, Beginning, Restated	1,251,562	1,520,213		
Unencumbered Cash, Ending	$ 1,520,213	$ 1,883,166		

CITY OF AUGUSTA, KANSAS
Water Sales Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Transfers from other funds	$ 1,347,700	$ 1,481,734	$ 1,071,000	$ 410,734
Total Receipts	1,347,700	1,481,734	$ 1,071,000	$ 410,734
Expenditures				
Engineering fees	-	23,800	$ 600,000	$ [576,200]
Transfers to other funds	350,000	350,000	350,000	-
Total Expenditures	350,000	373,800	$ 950,000	$ [576,200]
Receipts Over [Under] Expenditures	997,700	1,107,934		
Unencumbered Cash, Beginning	5,726,370	6,776,001		
Prior Period Adjustment	51,931	-		
Unencumbered Cash, Beginning, Restated	5,778,301	6,776,001		
Unencumbered Cash, Ending	$ 6,776,001	$ 7,883,935		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Capital Improvements Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Dividends	$ -	$ 13,916	$ 13,915	$ 1
Interest	-	25,000	-	25,000
Reimbursed expenditures	13,975	-	-	-
Transfers from other funds	609,489	609,274	610,000	[726]
Total Receipts	623,464	648,190	$ 623,915	$ 24,275
Expenditures				
Capital outlay	12,127	166,335	$ 242,500	$ [76,165]
Transfers to other funds	479,700	481,000	481,000	-
Total Expenditures	491,827	647,335	$ 723,500	$ [76,165]
Receipts Over [Under] Expenditures	131,637	855		
Unencumbered Cash, Beginning	328,631	460,268		
Unencumbered Cash, Ending	$ 460,268	$ 461,123		

CITY OF AUGUSTA, KANSAS
Equipment Reserve Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Miscellaneous	$ -	$ 4,200	$ -	$ 4,200
Donations	1,200	1,000	250,000	[249,000]
Transfers from other funds	150,000	150,000	150,000	-
Total Receipts	151,200	155,200	$ 400,000	$ [244,800]
Expenditures				
Commodities	55,556	48,631	$ -	$ 48,631
Capital outlay	69,094	22,997	656,000	[633,003]
Total Expenditures	124,650	71,628	$ 656,000	$ [584,372]
Receipts Over [Under] Expenditures	26,550	83,572		
Unencumbered Cash, Beginning	254,237	280,787		
Unencumbered Cash, Ending	$ 280,787	$ 364,359		

CITY OF AUGUSTA, KANSAS
Non-Budgeted Special Purpose Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Employee Insurance	Health Insurance Reserve	Drug Reimbursement	E-Comm/Augusta Progress Inc Loan
Receipts				
Flex plan	$ 48,673	$ -	$ -	$ -
Employee premiums	-	153,428	-	-
Employer premiums	-	1,478,397	-	-
Miscellaneous	-	-	-	-
Donations	-	-	-	-
Grants	-	-	-	-
Interest	-	-	-	-
Loan payments	-	-	-	12,813
Total Receipts	48,673	1,631,825	-	12,813
Expenditures				
Health insurance	48,814	1,375,741	-	-
Health insurance administration fee	160	-	-	-
Contractual	-	-	-	-
Commodities	-	-	-	-
Distribution	-	-	-	12,813
Interest transfer	-	-	-	-
Transfers to other funds	-	59,526	-	-
Total Expenditures	48,974	1,435,267	-	12,813
Receipts Over [Under] Expenditures	[301]	196,558	-	-
Unencumbered Cash, Beginning	15,317	1,094,261	649	305
Unencumbered Cash, Ending	$ 15,016	$ 1,290,819	$ 649	$ 305

* These funds are not required to be budgeted.

Dalton Palmer Park	ARPA	Skate Park	Opioid Settlement	Interest	For the Year Ended December 31, 2022	2021
$ -	$ -	$ -	$ -	$ -	$ 48,673	$ 54,943
-	-	-	-	-	153,428	136,157
-	-	-	-	-	1,478,397	1,212,273
-	433	-	2,285	-	2,718	105
-	-	21,947	-	-	21,947	12,398
-	713,066	-	-	-	713,066	723,066
-	-	13	-	92,991	93,004	6,346
-	-	-	-	-	12,813	28,083
-	713,499	21,960	2,285	92,991	2,524,046	2,173,371
-	-	-	-	-	1,424,555	1,363,588
-	-	-	-	-	160	139
-	-	-	-	-	-	76
-	-	-	-	-	-	179
-	-	-	-	-	12,813	38,083
-	-	-	-	92,991	92,991	6,343
-	-	-	-	-	59,526	-
-	-	-	-	92,991	1,590,045	1,408,408
-	713,499	21,960	2,285	-	934,001	764,963
72	713,171	12,401	-	-	1,836,176	1,071,213
$ 72	$ 1,426,670	$ 34,361	$ 2,285	$ -	$ 2,770,177	$ 1,836,176

CITY OF AUGUSTA, 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 Amounts For the Year Ended December 31, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Property taxes	$ 258,510	$ 249,127	$ 263,000	$ [13,873]
Delinquent taxes	9,601	6,228	4,000	2,228
Motor vehicle taxes	42,399	32,513	34,000	[1,487]
Special assessments	192,047	91,724	58,000	33,724
Bond proceeds	-	5,851,270	-	5,851,270
Total Receipts	502,557	6,230,862	$ 359,000	$ 5,871,862
Expenditures				
Contractual services	-	177,500	$ 5,200	$ 172,300
Debt service:				
Principal	415,000	5,983,769	414,000	5,569,769
Interest	112,985	103,669	-	103,669
Adjustment for qualifying budget credits	-	-	5,851,270	[5,851,270]
Total Expenditures	527,985	6,264,938	$ 6,270,470	$ [5,532]
Receipts Over [Under] Expenditures	[25,428]	[34,076]		
Unencumbered Cash, Beginning	101,174	75,746		
Unencumbered Cash, Ending	$ 75,746	$ 41,670		

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CITY OF AUGUSTA, KANSAS
Non-Budgeted Capital Project Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Dam Spillway	Marsh Donations ADOPS	Corp Levee	FAA Land Acquisitions	Sales Tax Waterline Improvement	Lions Club Project	Entrance Sign Project	Disc Golf Project	Pride and Progress
Receipts									
Reimbursed expenditures	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Grants	-	-	-	-	-	-	-	-	346,145
KDHE water loan	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-	-
Interest	-	-	11,397	-	-	-	-	-	-
Transfers from other funds	-	-	-	-	-	-	-	-	481,000
Total Receipts	-	-	11,397	-	-	-	-	-	827,145
Expenditures									
Professional services	-	-	5,443	-	5,785	3,040	-	-	-
Contractual services	-	-	-	-	-	-	-	-	-
Commodities	-	-	4,318	-	-	-	-	-	-
Capital outlay	-	-	7,406	-	-	-	-	-	364,402
Capital projects	-	-	-	-	-	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	-	-	-	435,000
Interest	-	-	-	-	-	-	-	-	45,200
Transfers to other funds	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	17,167	-	5,785	3,040	-	-	844,602
Receipts Over [Under] Expenditures	-	-	[5,770]	-	[5,785]	[3,040]	-	-	[17,457]
Unencumbered Cash, Beginning	74,795	2,462	5,770	[21,517]	3,586,917	3,040	20,000	645	1,490,446
Prior Period Adjustment	-	-	-	-	-	-	-	-	-
Unencumbered Cash, Beginning, Restated	74,795	2,462	5,770	[21,517]	3,586,917	3,040	20,000	645	1,490,446
Unencumbered Cash, Ending	$ 74,795	$ 2,462	$ -	$ [21,517]	$ 3,581,132	$ -	$ 20,000	$ 645	$ 1,472,989

* These funds are not required to be budgeted.

Sewer CDBG Project	Scattering Garden Project	Wayfinding Signs Project	Storm Water Project	Appcon Temp Note Project	Airport Improvement Project	SPARKS Funding Project	KDHE Water Loan	Downtown Projects	For the Year Ended December 31, 2022	2021
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 39,130
-	-	-	-	-	-	2,000,379	-	-	2,346,524	1,492,477
-	-	-	-	-	-	-	465,713	-	465,713	119,290
-	-	-	-	-	-	-	-	2,154	2,154	29,476
-	-	-	20,000	-	-	-	-	-	31,397	-
-	-	-	-	-	-	-	-	-	481,000	479,700
-	-	-	20,000	-	-	2,000,379	465,713	2,154	3,326,788	2,160,073
-	-	242	-	-	-	-	47,610	-	62,120	27,480
-	-	-	-	-	-	-	-	-	-	341
-	-	-	-	-	-	-	-	-	4,318	-
-	-	-	-	-	50,000	-	404,488	-	826,296	1,292,214
-	-	-	-	-	-	985,658	-	-	985,658	10,000
-	-	-	-	-	-	-	-	-	435,000	425,000
-	-	-	-	-	-	-	755	-	45,955	53,945
-	-	-	-	-	-	-	-	-	-	92,974
-	-	242	-	-	50,000	985,658	452,853	-	2,359,347	1,901,954
-	-	[242]	20,000	-	[50,000]	1,014,721	12,860	2,154	967,441	258,119
3,500	7,500	12,300	4,500	740	50,000	-	[200,245]	[1,754]	5,039,099	4,733,630
-	-	-	-	-	-	-	-	-	-	47,350
3,500	7,500	12,300	4,500	740	50,000	-	[200,245]	[1,754]	5,039,099	4,780,980
$ 3,500	$ 7,500	$ 12,058	$ 24,500	$ 740	$ -	$ 1,014,721	$ [187,385]	$ 400	$ 6,006,540	$ 5,039,099

CITY OF AUGUSTA, KANSAS
Electric Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over [Under]
Receipts				
Sales and fees	$ 8,754,899	$ 9,037,877	$ 8,876,000	$ 161,877
Refunds and miscellaneous	544,081	456,125	340,300	115,825
Electric fuel adjustment	922,486	1,604,955	1,355,000	249,955
Grants	500	-	1,000,000	[1,000,000]
Total Receipts	10,221,966	11,098,957	$ 11,571,300	$ [472,343]
Expenditures				
Personnel services	1,558,986	1,876,870	$ 2,102,770	$ [225,900]
Contractual services	7,054,917	8,470,279	8,889,400	[419,121]
Commodities	441,287	430,428	414,450	15,978
Capital outlay	3,931	199,701	466,000	[266,299]
Transfers to other fund	1,502,800	1,532,800	1,552,800	[20,000]
Total Expenditures	10,561,921	12,510,078	$ 13,425,420	$ [915,342]
Receipts Over [Under] Expenditures	[339,955]	[1,411,121]		
Unencumbered Cash, Beginning	2,376,132	2,036,177		
Unencumbered Cash, Ending	$ 2,036,177	$ 625,056		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Water Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Water sales	$ 2,107,566	$ 2,229,274	$ 2,094,000	$ 135,274
Installation fees	6,465	10,825	6,000	4,825
Reimbursed expenditures	25,993	1,635	750	885
Dividends	10,000	10,000	10,000	-
Miscellaneous	9,576	7,820	2,000	5,820
Total Receipts	2,159,600	2,259,554	$ 2,112,750	$ 146,804
Expenditures				
Personnel services	605,332	714,020	$ 761,150	$ [47,130]
Contractual services	603,169	685,095	709,675	[24,580]
Commodities	232,642	272,060	284,150	[12,090]
Capital outlay	131,925	356,093	328,000	28,093
Transfers to other fund	235,000	270,000	270,000	-
Total Expenditures	1,808,068	2,297,268	$ 2,352,975	$ [55,707]
Receipts Over [Under] Expenditures	351,532	[37,714]		
Unencumbered Cash, Beginning	544,261	895,793		
Unencumbered Cash, Ending	$ 895,793	$ 858,079		

CITY OF AUGUSTA, KANSAS
Refuse Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Service fees	$ 718,193	$ 745,157	$ 705,000	$ 40,157
Dumpster rental	269,792	273,287	258,000	15,287
Refuse trash bags	1,261	922	1,000	[78]
Reimbursed expenditures	15,749	1,182	1,000	182
Commercial compost payment	716	891	500	391
Sale of scrap	7,539	15,895	1,000	14,895
Sales tax	107	78	100	[22]
Total Receipts	1,013,357	1,037,412	$ 966,600	$ 70,812
Expenditures				
Personnel services	322,847	461,859	$ 567,200	$ [105,341]
Contractual services	227,279	222,414	267,300	[44,886]
Commodities	64,325	115,092	85,500	29,592
Capital outlay	10,817	56,657	103,000	[46,343]
Transfers to other fund	166,800	166,800	166,800	-
Total Expenditures	792,068	1,022,822	$ 1,189,800	$ [166,978]
Receipts Over [Under] Expenditures	221,289	14,590		
Unencumbered Cash, Beginning	733,196	954,485		
Unencumbered Cash, Ending	$ 954,485	$ 969,075		

CITY OF AUGUSTA, KANSAS
Wastewater Treatment Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Service fees	$ 613,518	$ 838,430	$ 595,500	$ 242,930
Reimbursed expenditures	-	63	-	63
Interest	1,000	1,000	1,000	-
Miscellaneous	-	-	100	[100]
Total Receipts	614,518	839,493	$ 596,600	$ 242,893
Expenditures				
Personnel services	335,052	453,860	$ 487,250	$ [33,390]
Contractual services	199,571	365,227	157,800	207,427
Commodities	28,085	59,922	93,600	[33,678]
Capital outlay	18,302	5,641	146,000	[140,359]
Total Expenditures	581,010	884,650	$ 884,650	$ -
Receipts Over [Under] Expenditures	33,508	[45,157]		
Unencumbered Cash, Beginning	570,107	603,615		
Unencumbered Cash, Ending	$ 603,615	$ 558,458		

See independent auditor's report on the financial statements.

CITY OF AUGUSTA, KANSAS
Wastewater Treatment Plant Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over [Under]
Receipts				
Service fees	$ 769,041	$ 575,818	$ 745,000	$ [169,182]
Total Receipts	769,041	575,818	$ 745,000	$ [169,182]
Expenditures				
Contractual services	74,101	39,647	$ 287,000	$ [247,353]
Capital outlay	9,114	111,352	-	111,352
Debt service:				
Principal	332,075	58,112	78,000	[19,888]
Interest	26,305	19,768	-	19,768
Transfers to other funds	-	25,000	25,000	-
Total Expenditures	441,595	253,879	$ 390,000	$ [136,121]
Receipts Over [Under] Expenditures	327,446	321,939		
Unencumbered Cash, Beginning	124,481	451,927		
Unencumbered Cash, Ending	$ 451,927	$ 773,866		

CITY OF AUGUSTA, KANSAS
Airport Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over [Under]
Receipts				
Fuel sales	$ 223,549	$ 293,541	$ 285,200	$ 8,341
Rental fees	194,945	217,505	203,000	14,505
Dividends	5,000	22,556	5,000	17,556
Miscellaneous	3,804	10,473	1,500	8,973
Reimbursed expenditures	19,500	3,675	-	3,675
Transfers from other funds	30,000	50,000	50,000	-
Total Receipts	476,798	597,750	$ 544,700	$ 53,050
Expenditures				
Personnel services	163,115	222,371	$ 256,750	$ [34,379]
Contractual services	117,343	134,437	199,200	[64,763]
Commodities	162,472	278,961	190,050	88,911
Capital outlay	2,804	18,316	10,000	8,316
Total Expenditures	445,734	654,085	$ 656,000	$ [1,915]
Receipts Over [Under] Expenditures	31,064	[56,335]		
Unencumbered Cash, Beginning	296,602	327,666		
Unencumbered Cash, Ending	$ 327,666	$ 271,331		

CITY OF AUGUSTA, KANSAS
Non-Budgeted Business Funds
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For the Year Ended December 31, 2021)

	Electric Principal and Interest	Electric Reserve	Water Bonds Principal and Interest	Water Revenue Bond Depreciation Replacement Reserve	Wastewater Reserve	Sanitation Bond and Interest	For the Year Ended December 31, 2022	2021
Receipts								
Interest	$ 3	$ -	$ 1,500	$ -	$ -	$ -	$ 1,503	$ 1,513
Miscellaneous	-	-	6,946	-	-	-	6,946	-
Bond proceeds	-	648,630	-	-	-	-	648,630	-
Transfers from other funds	-	536,000	620,000	-	25,000	130,000	1,311,000	1,191,000
Total Receipts	3	1,184,630	628,446	-	25,000	130,000	1,968,079	1,192,513
Expenditures								
Contractual services	-	10,690	1,000	-	-	-	11,690	280,208
Capital outlay	-	148,941	-	-	8,285	-	157,226	280,208
Debt Service:								
Principal	-	-	380,000	-	-	115,000	495,000	980,000
Interest	-	-	215,538	-	-	11,900	227,438	263,150
Total Expenditures	-	159,631	596,538	-	8,285	126,900	891,354	1,803,566
Receipts Over [Under] Expenditures	3	1,024,999	31,908	-	16,715	3,100	1,076,725	[611,053]
Unencumbered Cash, Beginning	757	850,786	43,095	25,000	89,172	8,147	736,749	1,312,401
Prior Period Adjustment	-	-	-	-	-	-	-	35,401
Unencumbered Cash, Beginning, Restated	757	850,786	43,095	25,000	89,172	8,147	736,749	1,347,802
Unencumbered Cash, Ending	$ 760	$ 1,875,785	$ 75,003	$ 25,000	$ 105,887	$ 11,247	$ 1,813,474	$ 736,749

* These funds are not required to be budgeted.

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

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Sales tax	$ 15,811	$ 335,400	335,025	$ 16,186
CID guest tax	4,985	116,715	116,104	5,596
Donations	-	426	426	-
Payroll clearing	509	1,354,122	1,354,631	-
Mausoleum	3,432	5	-	3,437
Court bond	31,174	231,855	202,814	60,215
Total Agency Funds	$ 55,911	$ 2,038,523	$ 2,009,000	$ 85,434

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

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures
U.S. Department of Justice		
Passed Through Crime Victims Compensation Board:		
Equitable Sharing Program	16.922	$ 200
Total U.S. Department of Justice		200
U.S. Department of the Treasury		
Passed Through Kansas Governor's Office:		
Coronavirus State and Local Fiscal Recovery Funds	21.027	985,658
Total U.S. Department of the Treasury		985,658
U.S. Department of Transportation		
Airport Improvement Program	20.600	341,145
Total U.S. Department of Transportation		341,145
Total Expenditures of Federal Awards		$ 1,327,003

The accompanying notes are an integral part of this schedule.

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

1. Organization

The City of Augusta, Kansas, (the City), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements. The City elected not to use the 10% de minimis indirect cost rate.

3. Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the City's grant programs for economy and efficiency and program results that may result in disallowed costs to the City. However, management does not believe such audits would result in any disallowed costs that would be material to the City's financial position as of December 31, 2022.

5. Outstanding Loans

The City did not have any outstanding loans under any federal grants as of December 31, 2022.

6. Pass Through Numbers

Pass through numbers have not been assigned to pass through grants on the Schedule of Expenditures of Federal Awards.

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified (Regulatory Basis) Adverse (GAAP)			
Internal control over financial reporting:				
Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?		Yes	X	None reported
Noncompliance material to financial statements noted?		Yes	X	No

Federal Awards

Internal control over major programs:				
Material weakness(es) identified?		Yes	X	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?		Yes	X	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Uniform Guidance?		Yes	X	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs:	$750,000			
Auditee qualified as low-risk auditee?		Yes	X	No

Section II - Financial Statement Findings

Current Year Findings

None Noted.

Prior Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Current Year Findings

None Noted.

Prior Year Findings

None Noted.

GORDONCPA
AUDITING
ACCOUNTING
CONSULTING

4205 W 6th St Ste C
Lawrence, KS 66049

(785) 371-4847
cpagordon.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"

Mayor and City Council
City of Augusta, Kansas

We have audited, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*, the financial statements of the City of Augusta, Kansas (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 23, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charge with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

June 23, 2023

GORDONCPA
AUDITING
ACCOUNTING
CONSULTING

4205 W 6th St Ste C
Lawrence, KS 66049

(785) 371-4847
cpagordon.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

Mayor and City Council
City of Augusta, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of the City of Augusta, Kansas (the City), with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2022. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirement referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grants agreements applicable to the City's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion of the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgement and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Example Entity's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies, and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in the internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the City as of and for the year ended December 31, 2022, and have issued our report thereon dated June 23, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

June 23, 2023