CITY OF KINSLEY, KANSAS

Financial Statement With Independent Auditors' Report

For the Year Ended December 31, 2023

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For the Year Ended December 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the City Commission
City of Kinsley, Kansas
Kinsley, 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 Kinsley, Kansas**, as of and for the year ended December 31, 2023 and the related notes to the financial statement.

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

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2023, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the 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 Kinsley, Kansas' basic financial statement for the year ended December 31, 2022 (not presented herein), was audited by VonFeldt, Bauer & VonFeldt, Chtd. who merged with AdamsBrown, LLC as of November 1, 2023, whose report dated July 31, 2023, expressed an unmodified opinion on the basic financial statement. The 2022 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 July 31, 2023, stated that the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2022 was subjected to the auditing procedures applied in the audit of the 2022 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 basic financial statement or to the 2022 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America 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, 2022, on the basis of accounting described in Note 1.

AdamsBrown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Larned, Kansas

August 19, 2024

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	**Ending Unencumbered Cash Balance**	Add Encumbrances and Accounts Payable	**Ending Cash Balance**
Regulatory Basis Fund Types							
General Fund	$ 940,076	-	1,157,200	1,479,711	**617,565**	14,659	**632,224**
Special Purpose Funds							
Library Fund	16,153	-	94,956	95,545	**15,564**	-	**15,564**
Library Employee Benefits Fund	2,627	-	15,827	15,827	**2,627**	-	**2,627**
Special Highway Fund	144,762	-	28,170	2,129	**170,803**	-	**170,803**
Special Parks and Recreation Fund	64,204	-	14,429	-	**78,633**	-	**78,633**
Diversion Fund	10,197	-	175	1,300	**9,072**	-	**9,072**
Capital Improvements Fund	(14,375)	-	266,887	252,512	**-**	-	**-**
Business Funds							
Water Fund	353,039	-	297,584	466,376	**184,247**	8,614	**192,861**
Sewer Fund	276,549	-	228,359	223,921	**280,987**	6,140	**287,127**
Sanitation Fund	47,646	-	128,062	173,454	**2,254**	5,131	**7,385**
Sanitation Reserve Fund	1,622	-	-	-	**1,622**	-	**1,622**
Total Reporting Entity	$ 1,842,500	-	2,231,649	2,710,775	**1,363,374**	34,544	**1,397,918**

Composition of Cash	Checking Accounts	$ **223,302**
	Savings Accounts	**457,367**
	Petty Cash	**1,000**
	Certificates of Deposit	**703,529**
	Total Primary Government	**1,385,198**
	Agency Funds per Sch 3	**12,720**
	Total Reporting Entity (Excluding Agency Funds)	$ **1,397,918**

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of Kinsley, 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 five-member commission. This financial statement does not include the related municipal entity shown below. A related municipal entity is an entity established to benefit the City and/or its constituents.

Public Library

The City's Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. The Board members are appointed by the Mayor. The City substantially funds the Library's operations by levying tax dollars for the library.

Basis of Presentation – Fund Accounting

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

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

Regulatory Basis Fund Types

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

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

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

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

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no

future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

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

NOTE 2 – BUDGETARY INFORMATION

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

a. Preparation of the budget for the succeeding calendar year on or before August 1st.
b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
d. Adoption of the final budget on or before August 25th.

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

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

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements 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 fund: Capital Improvements 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 Kinsley, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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

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

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

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

At December 31, 2023, the City's carrying amount of deposits was $1,385,198 and the bank balance was $1,402,099. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance, and $1,152,099 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. The City had no investments at December 31, 2023.

NOTE 4 – LITIGATION

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

NOTE 5 – RISK MANAGEMENT

City of Kinsley, 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 workers' 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 (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for 177 participating members.

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

Settled claims resulting from these risks have not exceeded commercial coverage in any of the three preceding years.

NOTE 6 – GRANTS AND SHARED REVENUES

City of Kinsley, 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 7 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

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

Contributions
K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and

KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.43% for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were $47,830 for the year ended December 31, 2023.

Net Pension Liability

At December 31, 2023, the City's proportionate share of the collective net pension liability reported by KPERS was $510,064. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 8 – OTHER POST EMPLOYMENT BENEFITS

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

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

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

NOTE 9 – COMPENSATED ABSENCES

Vacation
Full-time employees earn vacation time at the rate of 6.67 hours per month and may accumulate no more than 120 such hours. Part-time employees who work at least 20 hours per week earn vacation time at the rate of 4 hours per month worked and may accumulate no more than 80 such hours. Employees who

have worked for the City at least one year are entitled to be paid for unused vacation leave when two weeks notice is given in the event of separation.

Sick Leave
Full-time employees earn 8 hours of sick leave per month. Part-time employees earn 4 hours of sick leave per month. Employees may accumulate 1,040 hours of sick leave. Employees who retire from City employment and who provide a minimum of two weeks notice of their retirement shall be paid for 1/4 of their accrued but unused sick leave, paid at their regular rate of pay based on the last day of service.

NOTE 10 – LONG-TERM DEBT

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

KDHE Revolving Loans
The City entered into a loan agreement effective as of December 5, 2011, with the Kansas Department of Health and Environment, acting on the behalf of the State of Kansas. The loan is in the amount of $703,064 to pay all or a portion of the water line replacement project. The City shall impose and collect such rates, fees and charges for the use and service furnished by or through the Water System as a dedicated source of revenue for repayment of the loan.

The City entered into a loan agreement effective as of September 24, 2019, with the Kansas Department of Health and Environment, acting on the behalf of the State of Kansas. The loan is in the amount of $424,493 to pay all or a portion of the rehabilitation of the sanitary sewer main outfall to the lagoons. The City shall impose and collect such rates, fees and charges for the use and service furnished by or through the Sewer System as a dedicated source of revenue for repayment of the loan.

Finance Lease
The City has entered into lease agreements for equipment. The leases contain a fiscal funding clause.

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	**Balance End of Year**	Interest Paid
KDHE Loans									
KPWSLF Project #2752	2.43%	12/5/2011	$ 703,064	8/1/2033	$ 405,633	-	32,586	**373,047**	8,269
KWPCRF Project #C20 2074 01	2.01%	9/24/2019	424,493	9/1/2040	389,108	-	18,140	**370,968**	961
Finance Leases									
Street Sweeper	2.33%	11/2/2021	242,351	11/2/2026	196,089	-	47,341	**148,748**	4,571
2024 International Truck & Equipment	5.04%	8/16/2023	100,000	8/16/2028	-	100,000	-	**100,000**	-
Total Contractual Indebtedness					$ 990,830	100,000	98,067	**992,763**	13,801

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

	YEAR								
	2024	2025	2026	2027	2028	2029 - 2033	2034 - 2038	2039 - 2040	**Total**
Principal									
KDHE Loans	$ 51,888	53,078	54,296	55,542	56,816	304,252	117,677	50,466	**744,015**
Finance Leases	66,517	68,571	70,685	20,961	22,014	-	-	-	**248,748**
Total Principal	**118,405**	**121,649**	**124,981**	**76,503**	**78,830**	**304,252**	**117,677**	**50,466**	**992,763**
Interest									
KDHE Loans	8,503	13,009	11,959	10,885	9,787	31,545	10,222	1,116	**97,026**
Finance Leases	8,522	6,467	4,354	2,166	1,113	-	-	-	**22,622**
Total Interest	**17,025**	**19,476**	**16,313**	**13,051**	**10,900**	**31,545**	**10,222**	**1,116**	**119,648**
Total Principal and Interest	$ **135,430**	**141,125**	**141,294**	**89,554**	**89,730**	**335,797**	**127,899**	**51,582**	**1,112,411**

CITY OF KINSLEY, KANSAS

Regulatory-Required Supplementary Information

Schedule 1

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

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	**Expenditures Chargeable to Current Year**	Variance Over (Under)
Regulatory Basis Fund Types					
General Fund	$ 1,905,716	-	1,905,716	**1,479,711**	(426,005)
Special Purpose Funds					
Library Fund	108,000	-	108,000	**95,545**	(12,455)
Library Employee Benefits Fund	19,000	-	19,000	**15,827**	(3,173)
Special Highway Fund	157,745	-	157,745	**2,129**	(155,616)
Special Parks and Recreation Fund	67,773	-	67,773	**-**	(67,773)
Diversion Fund	17,725	-	17,725	**1,300**	(16,425)
Business Funds					
Water Fund	636,669	-	636,669	**466,376**	(170,293)
Sewer Fund	483,687	-	483,687	**223,921**	(259,766)
Sanitation Fund	175,967	-	175,967	**173,454**	(2,513)

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

	Prior Year Actual	Current Year **Actual**	Current Year Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	$ 392,900	**405,263**	424,379	(19,116)
Delinquent	29,300	**10,258**	5,000	5,258
Motor Vehicle / 16/20M Vehicle	78,654	**75,493**	79,227	(3,734)
Recreational Vehicle	1,301	**1,213**	1,185	28
Commercial Vehicle Tax	2,639	**2,736**	3,419	(683)
Watercraft Tax	-	**-**	174	(174)
In Lieu of Taxes	1,841	**1,830**	-	1,830
Special Assessments	5,555	**-**	-	-
Sales Tax	352,996	**375,938**	300,000	75,938
Franchise Tax	138,111	**137,942**	125,000	12,942
Local Alcoholic Liquor Tax	1,309	**5,314**	632	4,682
Licenses, Fines and Permits	7,775	**2,891**	6,000	(3,109)
Charges for Services	17,442	**21,558**	17,000	4,558
Rental Income	22,675	**23,825**	22,000	1,825
Reimbursed Expenses	10,068	**15,194**	-	15,194
Airport Contracts	5,617	**5,820**	5,887	(67)
Fire Protection Contracts	24,575	**25,978**	23,000	2,978
Federal Aid	-	**12,781**	-	12,781
Interest	8,977	**25,887**	2,000	23,887
Other	5,612	**7,279**	-	7,279
Total Receipts	1,107,347	**1,157,200**	1,014,903	142,297
Expenditures				
City Commission				
Personal Services	4,790	**3,628**	4,100	(472)
Contractual Services	4,775	**7,772**	5,000	2,772
Other	36,725	**62,100**	40,000	22,100
Municipal Court				
Personal Services	9,331	**10,095**	10,300	(205)
Contractual Services	1,312	**1,296**	50	1,246
Legal Services				
Personal Services	32,491	**44,878**	32,400	12,478
Contractual Services	6,378	**6,043**	7,000	(957)
City Administration/Admin. Support				
Personal Services	208,911	**195,419**	280,500	(85,081)
Contractual Services	55,507	**62,511**	38,775	23,736
Commodities	11,468	**13,051**	10,550	2,501
Capital Outlay	2,781	**42,561**	-	42,561
Other	-	**155**	-	155
Municipal Building				
Contractual Services	17,176	**20,591**	67,775	(47,184)
Commodities	345	**4,650**	-	4,650
Capital Outlay	1,806	**959**	-	959

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Police Patrol				
Contractual Services	160,210	**160,268**	160,000	268
Fire Department				
Personal Services	4,900	**4,966**	5,275	(309)
Contractual Services	33,794	**39,316**	29,875	9,441
Commodities	9,298	**9,690**	5,550	4,140
Capital Outlay	85,786	**56,729**	-	56,729
Other	4,653	**10,984**	5,000	5,984
Code Enforcement				
Contractual Services	2,013	**45,758**	40,000	5,758
Commodities	2,787	**570**	75	495
Street Department				
Personal Services	93,165	**129,114**	91,025	38,089
Contractual Services	49,056	**116,354**	51,475	64,879
Commodities	9,889	**12,972**	4,825	8,147
Capital Outlay	-	**-**	20,000	(20,000)
Street Sweeper Lease Payment	51,912	**52,386**	51,913	473
Airport				
Contractual Services	11,108	**7,803**	4,125	3,678
Commodities	1,121	**166**	2,300	(2,134)
Capital Outlay	4,933	**-**	-	-
Other	5	**5**	-	5
Service Center				
Contractual Services	32,321	**32,058**	49,225	(17,167)
Commodities	29,285	**25,395**	48,075	(22,680)
Parks Department				
Personal Services	27,872	**29,762**	18,175	11,587
Contractual Services	13,840	**29,889**	14,925	14,964
Commodities	19,439	**23,468**	24,475	(1,007)
Capital Outlay	12,758	**-**	-	-
Non-Departmental				
Unemployment Insurance	207	**277**	1,000	(723)
Community Center	12,879	**11,675**	10,000	1,675
Library	355	**3**	5,000	(4,997)
Contractual Services	-	**104,246**	5,000	99,246
Capital Outlay	-	**100,148**	50,000	50,148
Cash Forward	-	**-**	711,953	(711,953)
Total Expenditures	1,067,382	**1,479,711**	1,905,716	(426,005)
Receipts Over (Under) Expenditures	39,965	**(322,511)**		
Unencumbered Cash - Beginning	900,111	**940,076**		
Unencumbered Cash - Ending	$ 940,076	**617,565**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	$ 75,096	**77,462**	81,067	(3,605)
Delinquent	5,452	**1,960**	3,000	(1,040)
Motor Vehicle / 16/20M Vehicle	15,033	**14,429**	15,143	(714)
Recreational Vehicle	249	**232**	227	5
Commercial Vehicle Tax	504	**523**	653	(130)
Watercraft Tax	-	**-**	33	(33)
In Lieu of Taxes	352	**350**	-	350
Total Receipts	96,686	**94,956**	100,123	(5,167)
Expenditures				
Appropriation	92,758	**95,545**	108,000	(12,455)
Receipts Over (Under) Expenditures	3,928	**(589)**		
Unencumbered Cash - Beginning	12,225	**16,153**		
Unencumbered Cash - Ending	$ 16,153	**15,564**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property	$ 12,516	**12,911**	13,514	(603)
Delinquent	933	**327**	750	(423)
Motor Vehicle / 16/20M Vehicle	2,506	**2,405**	2,524	(119)
Recreational Vehicle	41	**39**	38	1
Commercial Vehicle Tax	84	**87**	109	(22)
Watercraft Tax	-	**-**	6	(6)
In Lieu of Taxes	59	**58**	-	58
Total Receipts	16,139	**15,827**	16,941	(1,114)
Expenditures				
Appropriation	15,485	**15,827**	19,000	(3,173)
Receipts Over (Under) Expenditures	654	**-**		
Unencumbered Cash - Beginning	1,973	**2,627**		
Unencumbered Cash - Ending	$ 2,627	**2,627**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
State Gas Tax	$ 37,169	**28,170**	37,620	(9,450)
Expenditures				
Contractual Services	529	**574**	1,000	(426)
Commodities	2,972	**1,555**	40,000	(38,445)
Capital Outlay	-	**-**	10,000	(10,000)
Cash Forward	-	**-**	106,745	(106,745)
Total Expenditures	3,501	**2,129**	157,745	(155,616)
Receipts Over (Under) Expenditures	33,668	**26,041**		
Unencumbered Cash - Beginning	111,094	**144,762**		
Unencumbered Cash - Ending	$ 144,762	**170,803**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Local Alchoholic Liquor Tax	$ 1,309	**5,314**	632	4,682
Water Surcharge	9,260	**9,115**	9,000	115
Total Receipts	10,569	**14,429**	9,632	4,797
Expenditures				
Commodities	-	**-**	30,000	(30,000)
Capital Outlay	-	**-**	5,000	(5,000)
Cash Forward	-	**-**	32,773	(32,773)
Total Expenditures	-	**-**	67,773	(67,773)
Receipts Over (Under) Expenditures	10,569	**14,429**		
Unencumbered Cash - Beginning	53,635	**64,204**		
Unencumbered Cash - Ending	$ 64,204	**78,633**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Diversion Fees	$ 402	**-**	2,935	(2,935)
Interest	55	**175**	-	175
Total Receipts	457	**175**	2,935	(2,760)
Expenditures				
Contractual Services	3,550	**1,300**	5,000	(3,700)
Capital Outlay	-	**-**	5,000	(5,000)
Cash Forward	-	**-**	7,725	(7,725)
Total Expenditures	3,550	**1,300**	17,725	(16,425)
Receipts Over (Under) Expenditures	(3,093)	**(1,125)**		
Unencumbered Cash - Beginning	13,290	**10,197**		
Unencumbered Cash - Ending	$ 10,197	**9,072**		

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

		Prior Year Actual	**Current Year Actual**
Receipts			
State Aid	$	19,000	**266,887**
Expenditures			
Contractual Services		2,975	**252,512**
Receipts Over (Under) Expenditures		16,025	**14,375**
Unencumbered Cash - Beginning		(30,400)	**(14,375)**
Unencumbered Cash - Ending	$	(14,375)	**-**

Schedule 2-8

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

		Prior Year Actual	**Current Year Actual**
Receipts			
Interest	$	7	-
Expenditures			
Contractual Services		14,859	-
Receipts Over (Under) Expenditures		(14,852)	-
Unencumbered Cash - Beginning		14,852	-
Unencumbered Cash - Ending	$	-	-

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

		Prior Year Actual	**Current Year Actual**
Receipts			
Federal Aid	$	103,240	**-**
Expenditures		-	**-**
Receipts Over (Under) Expenditures		103,240	**-**
Unencumbered Cash - Beginning		(103,240)	**-**
Unencumbered Cash - Ending	$	-	**-**

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Customer Receipts	$ 293,133	**290,614**	275,000	15,614
Water Connection Fees	3,805	**6,375**	3,000	3,375
Other	906	**595**	-	595
Total Receipts	297,844	**297,584**	278,000	19,584
Expenditures				
Production & Distribution				
Personal Services	186,547	**253,196**	195,725	57,471
Contractual Services	62,507	**77,955**	85,625	(7,670)
Commodities	27,587	**14,239**	18,050	(3,811)
Capital Outlay	25,100	**61,871**	5,000	56,871
Other	2,448	**920**	5,000	(4,080)
General & Administration				
Personal Services	4,920	**2,944**	4,325	(1,381)
Contractual Services	13,785	**11,769**	10,150	1,619
Commodities	238	**-**	1,000	(1,000)
Capital Outlay	-	**-**	1,000	(1,000)
Other	1,236	**1,236**	2,000	(764)
KPWSLF Loan Principal	31,808	**32,586**	32,586	-
KPWSLF Loan Interest	8,934	**8,269**	8,269	-
KPWSLF Loan Fees	1,504	**1,391**	1,392	(1)
Cash Forward	-	**-**	266,547	(266,547)
Total Expenditures	366,614	**466,376**	636,669	(170,293)
Receipts Over (Under) Expenditures	(68,770)	**(168,792)**		
Unencumbered Cash - Beginning	421,809	**353,039**		
Unencumbered Cash - Ending	$ 353,039	**184,247**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Customer Receipts	$ 230,126	**228,359**	220,000	8,359
Expenditures				
Collection & Treatment				
Personal Services	52,155	**69,797**	50,150	19,647
Contractual Services	15,024	**10,237**	16,725	(6,488)
Commodities	2,558	**1,685**	2,925	(1,240)
Capital Outlay	235	**4,567**	10,000	(5,433)
General & Administration				
Personal Services	45,564	**105,554**	56,275	49,279
Contractual Services	6,608	**6,189**	5,125	1,064
Commodities	-	**-**	1,000	(1,000)
Capital Outlay	-	**-**	1,000	(1,000)
Other	22	**22**	100	(78)
KPWSLF Loan Principal	17,781	**18,140**	18,140	-
KPWSLF Loan Interest	1,006	**961**	962	(1)
KPWSLF Loan Fees	7,084	**6,769**	6,769	-
Cash Forward	-	**-**	314,516	(314,516)
Total Expenditures	148,037	**223,921**	483,687	(259,766)
Receipts Over (Under) Expenditures	82,089	**4,438**		
Unencumbered Cash - Beginning	194,460	**276,549**		
Unencumbered Cash - Ending	$ 276,549	**280,987**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Customer Receipts	$ 126,267	**128,062**	125,000	3,062
Expenditures				
Collection & Disposal				
Personal Services	104,221	**141,211**	112,825	28,386
Contractual Services	15,027	**5,126**	7,900	(2,774)
Commodities	6,528	**12,741**	13,925	(1,184)
Capital Outlay	-	**4,567**	5,000	(433)
General & Administration				
Personal Services	5,587	**3,620**	100	3,520
Contractual Services	6,363	**6,189**	5,125	1,064
Cash Forward	-	**-**	31,092	(31,092)
Total Expenditures	137,726	**173,454**	175,967	(2,513)
Receipts Over (Under) Expenditures	(11,459)	**(45,392)**		
Unencumbered Cash - Beginning	59,105	**47,646**		
Unencumbered Cash - Ending	$ 47,646	**2,254**		

Schedule 2-13

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

		Prior Year Actual	**Current Year Actual**
Receipts	$	-	**-**
Expenditures		-	**-**
Receipts Over (Under) Expenditures		-	**-**
Unencumbered Cash - Beginning		1,622	**1,622**
Unencumbered Cash - Ending	$	1,622	**1,622**

Schedule 3

CITY OF KINSLEY, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2023

Fund	Beginning Cash Balance	Receipts	Disbursements	**Ending Cash Balance**
Payroll Clearing Fund	$ -	-	16,740	**(16,740)**
Municipal Court	1,952	3,074	1,006	**4,020**
Total	$ 1,952	3,074	17,746	**(12,720)**