CITY OF NEODESHA, KANSAS

Independent Auditor's Report and
Financial Statement with
Supplementary Information

For the Year Ended December 31, 2023

CITY OF NEODESHA, KANSAS

For the Year Ended December 31, 2023

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CITY OF NEODESHA, KANSAS

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commission
City of Neodesha, Kansas

Adverse and Unmodified Opinions
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Neodesha, 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 matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Neodesha, Kansas 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 of Neodesha, Kansas 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 of Neodesha , Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

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

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

In performing an audit in accordance with GAAS, we:

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

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

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

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Neodesha, Kansas as of and for the year ended December 31, 2022 (not presented herein), and have issued our report thereon dated May 16, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2023 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2022 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 basic financial statement or to the 2022 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2022, on the basis of accounting described in Note 1.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

May 8, 2024
Chanute, Kansas

CITY OF NEODESHA, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
For the Year Ended December 31, 2023

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Cash Balance December 31, 2023
General	$ 11,578.55	$ 4,029,086.40	$ 3,831,796.34	$ 208,868.61	$ 90,684.43	$ 299,553.04
Special Purpose Funds:						
Industrial Development	174.42	38,763.20	18,813.31	20,124.31	8,750.00	28,874.31
Library	8,873.32	84,189.82	84,189.82	8,873.32	-	8,873.32
Tort Liability	43,815.75	-	-	43,815.75	-	43,815.75
Employee Benefits	53,422.20	721,490.72	713,969.85	60,943.07	-	60,943.07
Special Highway	126,247.97	61,045.39	29,224.91	158,068.45	-	158,068.45
Special Parks and Recreation	59,834.51	5,882.76	-	65,717.27	-	65,717.27
Special Infrastructure Sales Tax	419,213.43	354,365.18	110,199.50	663,379.11	3,228.50	666,607.61
Equipment Reserve	119,873.92	502.23	-	120,376.15	-	120,376.15
American Rescue Plan Act Grant	20,792.58	-	20,792.58	-	-	-
Other Grants	53,713.35	70,798.29	64,415.00	60,096.64	-	60,096.64
Bond and Interest Funds:						
Wilson Medical Center Bond Payment	5,250.14	78,262.41	78,262.50	5,250.05	-	5,250.05
Swimming Pool Bond and Interest	107,915.84	-	2,454.13	105,461.71	-	105,461.71
Capital Projects Funds:						
Raw Water Project	25,779.32	2,817,537.99	1,062,931.65	1,780,385.66	-	1,780,385.66
Police Building Project	6,252.75	-	-	6,252.75	-	6,252.75
Business Funds:						
Electric Utility	702,068.87	4,379,183.67	4,728,250.03	353,002.51	98,319.26	451,321.77
Electric Utility Reserve	175,000.00	150,000.00	-	325,000.00	-	325,000.00
Gas Utility	775,942.48	2,973,439.30	3,254,125.32	495,256.46	131,465.00	626,721.46
Gas Utility Reserve	200,000.00	300,000.00	-	500,000.00	-	500,000.00
Water Utility	346,941.22	887,846.65	992,834.81	241,953.06	16,750.59	258,703.65
Water Utility Reserve	20,924.00	25,000.00	-	45,924.00	-	45,924.00
Sewer Utility	422,066.06	469,130.18	764,036.78	127,159.46	12,646.17	139,805.63
Sewer Utility Reserve	45,559.57	50,000.00	-	95,559.57	-	95,559.57
Solid Waste Utility	84,713.99	214,390.00	242,981.75	56,122.24	2,792.13	58,914.37
Solid Waste Utility Reserve	73,259.00	15,000.00	-	88,259.00	-	88,259.00
Storm Water Utility	105,698.45	43,527.65	66,472.07	82,754.03	-	82,754.03
Storm Water Utility Reserve	49,891.00	20,000.00	-	69,891.00	-	69,891.00
Total Reporting Entity (Excluding Agency Funds)	$ 4,064,802.69	$ 17,789,441.84	$ 16,065,750.35	$ 5,788,494.18	$ 364,636.08	$ 6,153,130.26

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

CITY OF NEODESHA, KANSAS

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

Total Cash to be accounted for:	$	6,153,130.26
Composition of Cash:		
Cash on Hand	$	500.00
Checking and Savings Accounts		
Bank of Commerce		
Petty Cash		54.41
Flexi-Vest Account		3,382,793.90
Operating Checking Account		349,384.76
Fire Insurance Proceeds Account		4,493.16
Raw Water Project Bond Account		1,780,385.66
Museum Account		5,613.85
Employee Benefits Account		60,943.07
Emergency Equipment Reserve Account		100,995.34
Certificates of Deposit		
Equity Bank		102,319.32
Bank of Commerce		200,000.00
Community National Bank & Trust		200,001.10
Total Cash		6,187,484.57
Less: Agency Funds Per Schedule 3		(34,354.31)
Total Reporting Entity (Excluding Agency Funds)	$	6,153,130.26

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity
The City of Neodesha, Kansas, is a municipal corporation governed by an elected three-member commission. This financial statement presents the City of Neodesha.

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

Neodesha Public Library
The City of Neodesha Library Board operates the City's public library. Acquisition or disposition of real property or bond issuances must be approved by the City. Separate financial statements are not prepared.

The Housing Authority of the City of Neodesha, Kansas
The Housing Authority of the City of Neodesha, Kansas operates the City's housing projects with a March 31st year end. The Housing Authority can sue and be sued, and can buy, sell, or lease real property. Bond ordinances must be approved by the City. The Housing Authority's financial statements should be included with the City's financial statements. However, the statements are omitted in an apparent departure from generally accepted accounting principles. A copy of the financial statements can be obtained from the Housing Authority.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the City of Neodesha, Kansas, for the year of 2023:

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.

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

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.

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.).

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

Pension Plan

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

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Property Taxes

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

Reimbursed Expenses

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

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 municipality 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 not 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 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 ten days after publication the hearing may be held and the governing body may amend the budget at that time. During the year ended December 31, 2023 the City amended the Electric Utility Fund and the Solid Waste Utility Fund.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

- Employee Benefits Fund
- Equipment Reserve Fund
- American Rescue Plan Act Grant Fund
- Other Grants Fund

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

3. DEPOSITS AND INVESTMENTS

K.S.A 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main branch or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the 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. The rating of the City's investments is noted above.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2023.

3. DEPOSITS AND INVESTMENTS (Continued)

Deposits: At year-end, the City's carrying amount of deposits was $6,186,984.57 and the bank balance was $6,472,746.04. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $802,320.42 was covered by FDIC insurance, $4,170,425.62 was collateralized with securities held by the pledging financial institutions' agents in the City's name, and $1,500,000.00 were covered by a letter of credit.

4. RIGHT TO USE CONTRACTS

The City has entered into several contracts for various equipment. Rent expense for the year ended December 31, 2023, was $11,554.24. Under the current agreements, the future minimum payments are as follows:

2024	$ 11,577.52
2025	11,577.52
2026	11,577.52
2027	3,077.52
2028	1,538.76

5. FINANCE LEASES

The City has entered into a finance lease agreement dated August 5, 2021 to finance the purchase of two 2020 ambulances at a cost of $530,146.00. The City agreed to make annual payments of interest and annual payments of principal, including imputed interest at 2.49%. Final maturity of the lease is August 5, 2028. Future minimum lease payments are as follows:

Year Ended December 31,	Totals
2024	$ 81,398.95
2025	81,398.95
2026	81,398.95
2027	81,398.95
2028	81,398.97
Total Net Minimum Lease Payments	406,994.77
Less: Imputed Interest	(21,504.08)
Net Present Value	385,490.69
Less: Current Maturities	(74,305.28)
Long-Term Finance Lease Obligations	$ 311,185.41

6. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Paid with Tax Levies and Utility Receipts									
General Improvement									
Bonds, Series 2008 - A	3.00% to 4.35%	September 2, 2008	$ 870,000.00	October 1, 2023	$ 75,000.00	$ -	$ 75,000.00	$ -	$ 3,262.50
Bonds, Series 2020	1.50%	September 28, 2020	7,000,000.00	September 28, 2060	6,740,044.85	-	132,909.33	6,607,135.52	101,100.67
2022-A - Gas Improvements	2.125%	February 25, 2022	1,766,000.00	February 25, 2062	1,737,531.50	-	29,073.46	1,708,458.04	36,922.54
2022-B - Police Station	2.90%	August 30, 2022	631,000.00	September 1, 2032	631,000.00	-	55,000.00	576,000.00	18,349.84
2023 - A - Water Improvements	1.75%	June 27, 2023	998,000.00	June 27, 2063	-	998,000.00	-	998,000.00	-
Temporary Notes									
2021B - Water Improvements	2.73%	December 1, 2021	998,000.00	July 1, 2023	998,000.00	-	998,000.00	-	47,246.98
2023 - Water Improvements	6.97%	December 21, 2023	1,772,000.00	December 1, 2025	-	1,772,000.00	-	1,772,000.00	-
Revolving Loan									
Low Interest Energy Loan	0.00% to 2.68%	March 9, 2021	825,000.00	January 1, 2024	275,543.96	-	275,543.96	-	5,550.72
Finance Leases									
2020 Trash Truck	2.51%	January 24, 2020	111,035.00	January 24, 2023	37,935.43	-	37,935.43	-	930.43
2018 Street Sweeper	2.95%	September 12, 2018	167,070.00	May 15, 2023	35,087.20	-	35,087.20	-	992.02
2 - 2020 Ambulances	2.49%	August 5, 2021	530,146.00	August 5, 2028	458,475.97	-	72,985.28	385,490.69	8,413.67
Total Contractual Indebtedness					$ 10,988,618.91	$ 2,770,000.00	$ 1,711,534.66	$ 12,047,084.25	$ 222,769.37

6. LONG-TERM DEBT (Continued)

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

Issue	2024	2025	2026	2027	2028	2029-2033	2034-2038	2039-2043
Principal								
General Obligation Bonds								
Paid with Tax Levies and Utility Receipts								
General Improvement								
Bonds, Series 2020	$ 134,631.44	$ 136,922.44	$ 138,976.28	$ 141,060.92	$ 142,927.98	$ 748,503.13	$ 806,373.34	$ 868,718.37
2022-A - Gas Improvements	-	29,591.80	30,320.09	30,964.39	31,622.39	168,296.74	187,061.82	207,807.89
2022-B - Police Station	57,000.00	59,000.00	60,000.00	62,000.00	64,000.00	274,000.00		-
2023- A - Raw Water Improvement	17,446.00	17,751.30	18,061.95	18,378.04	18,699.65	98,522.97	107,450.78	117,187.61
Temporary Notes								
2023-A - Water Improvements	-	1,772,000.00	-	-	-	-	-	-
Finance Leases								
2 - 2020 Ambulances	74,305.28	75,688.27	77,077.25	78,491.73	79,928.16	-	-	-
Total Principal Payments	283,382.72	2,090,953.81	324,435.57	330,895.08	337,178.18	1,289,322.84	1,100,885.94	1,193,713.87
Interest								
General Obligation Bonds								
Paid with Tax Levies and Utility Receipts								
General Improvement								
Bonds, Series 2020	101,100.67	99,378.56	97,087.56	97,087.56	95,033.72	443,526.72	387,555.72	326,818.31
2022-A - Gas Improvements	-	36,404.20	35,675.91	35,031.61	34,373.61	161,683.26	142,918.18	122,172.11
2022-B - Police Station	16,704.00	15,051.00	13,340.00	11,600.00	9,802.00	20,097.00	-	-
2023- A - Raw Water Improvement	17,465.00	17,159.70	16,849.05	16,532.96	16,211.35	76,032.03	67,104.22	57,367.39
Temporary Notes								
2023-A - Water Improvements	-	240,155.22	-	-	-	-	-	-
Revolving Loan								
Low Interest Energy Loan	172.32	-	-	-	-	-	-	-
Finance Leases								
2 - 2020 Ambulances	7,093.67	5,710.68	4,321.70	2,907.22	1,470.81	-	-	-
Total Interest Payments	142,535.66	413,859.36	167,274.22	163,159.35	156,891.49	701,339.01	597,578.12	506,357.81
Total Principal and Interest	$ 425,918.38	$ 2,504,813.17	$ 491,709.79	$ 494,054.43	$ 494,069.67	$ 1,990,661.85	$ 1,698,464.06	$ 1,700,071.68

6. LONG-TERM DEBT (Continued)

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

Issue	2044-2048	2049-2053	2054-2058	2059-2063	Total
Principal					
General Obligation Bonds					
Paid with Tax Levies and Utility Receipts					
General Improvement					
Bonds, Series 2020	$ 935,771.39	$ 1,008,274.95	$ 1,086,232.69	$ 458,742.59	$ 6,607,135.52
2022-A - Gas Improvements	230,855.18	256,424.63	284,915.07	250,598.04	1,708,458.04
2022-B - Police Station	-	-	-	-	576,000.00
2023- A - Raw Water Improvement	127,806.75	139,388.15	152,019.03	165,287.77	998,000.00
Temporary Notes					
2023-A - Water Improvements	-	-	-	-	1,772,000.00
Finance Leases					
2 - 2020 Ambulances	-	-	-	-	385,490.69
Total Principal Payments	1,294,433.32	1,404,087.73	1,523,166.79	874,628.40	12,047,084.25
Interest					
General Obligation Bonds					
Paid with Tax Levies and Utility Receipts					
General Improvement					
Bonds, Series 2020	261,622.96	191,386.37	115,764.73	34,147.28	2,250,510.16
2022-A - Gas Improvements	99,124.82	73,555.37	45,064.93	13,385.96	799,389.96
2022-B - Police Station	-	-	-	-	86,594.00
2023- A - Raw Water Improvement	46,748.25	35,166.85	22,535.97	8,760.53	397,933.30
Temporary Notes					
2023-A - Water Improvements	-	-	-	-	240,155.22
Finance Leases					
2 - 2020 Ambulances	-	-	-	-	21,504.08
Total Interest Payments	407,496.03	300,108.59	183,365.63	56,293.77	3,796,086.72
Total Principal and Interest	$ 1,701,929.35	$ 1,704,196.32	$ 1,706,532.42	$ 930,922.17	$ 15,843,170.97

7. INDUSTRIAL REVENUE BONDS

The City has entered into various agreements to induce businesses to locate or expand operations in Neodesha, Kansas. In connection therewith, the City has issued industrial revenue bonds (IRB's) which require the businesses to make lease payments to trust accounts sufficient to pay debt service on the IRB's. The City is under no obligation to pay the IRB debt, which is to be paid from the lease payments made by the related businesses. At December 31, 2023, there were two industrial revenue bond issues with principal balances due totaling $3,600,000.00

8. DEFINED BENEFIT PENSION PLAN

General Information about the 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 or by writing to KPERS (611 South 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, 2017. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.43% for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were $274,731.73 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 $2,609,689.00. 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 nonemployer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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.

9. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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

Compensated Absences:
Regular full-time employees earn and accumulate vacation leave as follows:

Years of Continuous Service	Hours Per Pay Period	Hours Per Year (Maximum)
1 to 10 Years of Service	3.7	96
21 to 15 Years of Service	4.6	6.15
16 to 20 Years of Service	6.15	160
21 to 25 Years of Service	7.69	200
26 + Years of Service	9.23	240

An employee may accrue up to a maximum of 240 hours. After that they will not accrue any more hours until they have used some of their balances.

Regular part-time employees working at least twenty hours a week shall accrue vacation at the rate of one-half the accrual rate of regular full-time employees. Non-regular part-time employees, seasonal employees and temporary employees shall not earn vacation leave.

Regular full-time employees and regular part-time employees working at least twenty (20) hours or more a week, earn and accumulate sick leave from the beginning of employment at the rate of 3.7 hours for regular full-time and 1.85 for regular part-time. Sick leave may be accumulated to a maximum 720 hours. Any unused sick leave at date of termination is lost except as provided in the case of an employees retiring under the Kansas Public Employees Retirement System (KPERS). KPERS retirees will be paid for on-half (1/2) of all unused sick leave not to exceed the accumulated maximum of 720 hours.

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

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

In accordance with the above criteria, the City has estimated a liability for annual leave which has been earned, but not taken, by City employees. The estimated liability for accrued annual leave at December 31, 2023, was $139,985.95 . The City has not estimated a liability for sick leave earned, but not taken, by City employees, as the amounts cannot be reasonably estimated.

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

9. 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. There is no cost the City under this program.

10. CAPITAL PROJECTS

The following is a summary of capital project authorizations and expenditures to date:

PROJECT NAME	AUTHORIZED	EXPENDED THRU 12/31/23	ESTIMATED COMPLETION
Raw Water Treatment Plant	$ 11,044,000.00	$ 9,165,610.52	2024

11. RISK MANAGEMENT

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

12. INTERFUND TRANSFERS

Operating transfers were as follows:

From Fund:	To Fund:	Statutory Authority	Amount
General	Employee Benefits	K.S.A. 12-16,102	$ 5,000.00
Gas Utility	Employee Benefits	K.S.A. 12-16,102	3,000.00
Electric Utility	General	K.S.A. 12-825d	600,000.00
Electric Utility	Electric Utility Reserve	K.S.A. 12-825d	150,000.00
Gas Utility	General	K.S.A. 12-825d	970,000.00
Sewer Utility	General	K.S.A. 12-825d	190,000.00
Sewer Utility	Raw Water Project	K.S.A. 12-825d	47,249.48
Sewer Utility	Sewer Utility Reserve	K.S.A. 12-825d	50,000.00
Gas Utility	Gas Utility Reserve	K.S.A. 12-825d	300,000.00
Water Utility	Water Utility	K.S.A. 12-825d	25,000.00
Solid Waste Utility	Solid Waste Utility Reserve	K.S.A. 12-825d	15,000.00
Storm Water Utility	Storm Water Utility Reserve	K.S.A. 12-825d	20,000.00

13. SUBSEQUENT EVENTS

The City evaluated events and transactions occurring subsequent year end, and there were no subsequent events requiring recognition in the financial statement. However, the City approved to issue a finance lease up to $88,072.36 for 6 years at an interest rate of 6.97% to purchase a 2024 custom pumper fire truck.

SUPPLEMENTARY INFORMATION

Schedule 1

CITY OF NEODESHA, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2023

Funds	Total Budget for Comparison	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General	$ 4,126,050.00	$ 3,831,796.34	$ (294,253.66)
Special Purpose Funds:			
Industrial Development	145,000.00	18,813.31	(126,186.69)
Library	112,000.00	84,189.82	(27,810.18)
Special Highway	72,000.00	29,224.91	(42,775.09)
Special Infrastructure Sales Tax	240,000.00	110,199.50	(129,800.50)
Bond and Interest Funds:			
Wilson Medical Center Bond Payment	81,500.00	78,262.50	(3,237.50)
Swimming Pool Bond and Interest	48,816.00	2,454.13	(46,361.87)
Business Funds:			
Electric Utility	5,452,700.00	4,728,250.03	(724,449.97)
Gas Utility	3,258,750.00	3,254,125.32	(4,624.68)
Water Utility	1,003,000.00	992,834.81	(10,165.19)
Sewer Utility	865,100.00	764,036.78	(101,063.22)
Solid Waste Utility	312,850.00	242,981.75	(69,868.25)
Storm Water Utility	104,000.00	66,472.07	(37,527.93)

CITY OF NEODESHA, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipt				
Ad Valorem Property Tax	$ 483,440.24	$ 391,635.36	$ 433,423.00	$ (41,787.64)
Delinquent Tax	44,583.16	21,189.21	50,000.00	(28,810.79)
Motor Vehicle Tax	93,288.56	88,592.90	82,097.00	6,495.90
Recreational Vehicle Tax	1,904.22	1,831.64	1,581.00	250.64
16/20M Vehicle Tax	555.01	662.08	644.00	18.08
Commercial Vehicle Tax	3,155.09	1,520.06	1,951.00	(430.94)
Mineral ProductionTax	-	17.51	-	17.51
Neighborhood Revitalization Rebate	(14,602.60)	(16,549.94)	-	(16,549.94)
Sales Tax	336,684.13	354,365.21	310,000.00	44,365.21
911 Tax	999.97	481.65	1,500.00	(1,018.35)
Sales Tax-Wilson Co. Hospital	336,684.06	354,365.18	310,000.00	44,365.18
Sales Tax-Wilson Co. EMS	-	264,245.11	-	264,245.11
Weeds & Demolition Tax	3,582.24	4,462.50	4,000.00	462.50
Local Alcoholic Liquor Tax	4,485.48	5,882.79	3,500.00	2,382.79
Ambulance Tax Levy	199,837.00	222,750.00	165,000.00	57,750.00
Intergovernmental				
Federal Grants	-	51,090.07	-	51,090.07
Click-It or Ticket Grant	3,493.36	4,651.32	-	4,651.32
State Grants	18,613.49	1,146.94	-	1,146.94
Fines, Forfeitures, and Penalties	54,662.41	87,737.32	60,000.00	27,737.32
Charges for Services				
Ambulance Fees	276,060.79	189,969.62	250,000.00	(60,030.38)
Fire Department Fees	16,571.81	16,531.52	16,000.00	531.52
Cemetery Fees	8,500.00	8,085.00	7,000.00	1,085.00
Utility Transfer Fees	1,270.00	925.00	2,000.00	(1,075.00)
Swimming Pool	49,489.72	48,380.52	40,000.00	8,380.52
Licenses and Permits				
Dog Tags	1,140.00	1,665.00	2,500.00	(835.00)
Franchises & Licenses	17,779.15	30,517.61	20,000.00	10,517.61
Use of Money and Property				
Interest Income	1,144.05	4,891.60	1,000.00	3,891.60
Oil Royalties	7,265.79	7,546.01	7,000.00	546.01
Rental Income	25,858.50	40,292.25	35,600.00	4,692.25
Sale of Property	33,602.50	12,170.00	20,000.00	(7,830.00)
Other Receipts				
Donations	22,085.85	-	-	-
Miscellaneous	34,254.85	68,035.36	-	68,035.36
Operating Transfers from:				
CDBG Gas Project Fund	5,532.22	-	-	-
Electric Utility Fund	250,000.00	600,000.00	600,000.00	-
Sewer Utility Fund	100,000.00	190,000.00	190,000.00	-
Gas Utility Fund	600,000.00	970,000.00	970,000.00	-
Total Receipts	3,021,921.05	4,029,086.40	$ 3,584,796.00	$ 444,290.40

CITY OF NEODESHA, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Expenditures				
General Administration				
Personal Services	$ 22,831.64	$ 17,129.58	$ 24,000.00	$ (6,870.42)
Contractual Services	30,469.63	86,743.27	128,100.00	(41,356.73)
Commodities	12,491.96	10,774.48	12,000.00	(1,225.52)
Capital Outlay	15,506.11	11,196.43	33,000.00	(21,803.57)
Police				
Personal Services	585,605.84	644,734.33	782,300.00	(137,565.67)
Contractual Services	54,217.13	43,105.86	66,700.00	(23,594.14)
Commodities	67,101.21	58,744.54	84,000.00	(25,255.46)
Capital Outlay	97,797.89	47,659.46	68,000.00	(20,340.54)
Debt Service				
Principal	-	55,000.00	55,000.00	-
Interest	-	18,349.84	-	18,349.84
Swimming Pool				
Personal Services	-	69,289.09	33,000.00	36,289.09
Contractual Services	200.06	6,038.78	56,900.00	(50,861.22)
Commodities	781.00	29,237.60	30,500.00	(1,262.40)
Fire				
Personal Services	313,500.37	413,283.45	271,000.00	142,283.45
Contractual Services	37,452.52	61,058.70	101,000.00	(39,941.30)
Commodities	15,520.46	44,424.26	66,000.00	(21,575.74)
Capital Outlay	6,874.77	147,499.00	136,500.00	10,999.00
Finance Lease - Ambulances				
Principal	-	35,326.54	40,000.00	(4,673.46)
Interest	-	4,072.41	-	4,072.41
Street				
Personal Services	289,468.63	285,189.47	283,600.00	1,589.47
Contractual Services	44,515.84	46,152.38	71,500.00	(25,347.62)
Commodities	45,766.41	45,345.77	68,500.00	(23,154.23)
Capital Outlay	25,594.01	14,514.99	19,000.00	(4,485.01)
Airport				
Contractual Services	4,420.08	1,600.00	5,200.00	(3,600.00)
Commodities	19,953.37	10,713.28	22,500.00	(11,786.72)
Capital Outlay	-	14,565.45	-	14,565.45
Ambulance				
Personal Services	465,097.41	764,532.27	608,500.00	156,032.27
Contractual Services	33,184.03	39,072.98	86,900.00	(47,827.02)
Commodities	46,730.05	50,737.57	63,900.00	(13,162.43)
Capital Outlay	47,669.78	117,885.00	127,000.00	(9,115.00)
Finance Lease - Ambulances				
Principal	-	37,658.74	42,000.00	(4,341.26)
Interest	-	4,341.26	-	4,341.26
Municipal Court				
Personal Services	11,626.20	11,626.20	12,600.00	(973.80)
Contractual Services	-	-	500.00	(500.00)
Commodities	114.00	144.00	500.00	(356.00)

CITY OF NEODESHA, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Expenditures (Continued)				
Parks & Facilities				
Personal Services	$ 87,363.98	$ 78,087.54	$ 120,450.00	$ (42,362.46)
Contractual Services	57,044.33	76,824.34	134,000.00	(57,175.66)
Commodities	35,167.09	25,871.24	79,700.00	(53,828.76)
Capital Outlay	48,518.34	-	-	-
Neodesha Historical Museum				
Personal Services	6,627.75	10,674.56	7,500.00	3,174.56
Contractual Services	789.47	1,628.44	4,200.00	(2,571.56)
Commodities	1,096.12	2,080.63	1,500.00	580.63
Service Improvements				
Personal Services	-	-	8,500.00	(8,500.00)
Contractual Services	37,330.00	29,517.44	60,000.00	(30,482.56)
Wilson Medical Center				
Contractual Services	336,684.07	354,365.17	310,000.00	44,365.17
Ladder Truck				
Finance Lease Payments	5,260.93	-	-	-
Debt Service				
Principal	71,670.03	-	-	-
Interest	9,828.92	-	-	-
Operating Transfers to				
Employee Benefits Fund	44,611.28	5,000.00	-	5,000.00
Total Expenditures	3,036,482.71	3,831,796.34	$ 4,126,050.00	$ (294,253.66)
Receipts Over(Under) Expenditures	(14,561.66)	197,290.06		
Unencumbered Cash, Beginning	26,140.21	11,578.55		
Unencumbered Cash, Ending	$ 11,578.55	$ 208,868.61		

CITY OF NEODESHA, KANSAS
INDUSTRIAL DEVELOPMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 29,229.92	$ 28,208.53	$ 101,382.00	$ (73,173.47)
Delinquent Tax	2,950.48	1,477.56	-	1,477.56
Motor Vehicle Tax	4,606.91	9,858.69	22,262.00	(12,403.31)
Recreational Vehicle Tax	94.04	203.82	429.00	(225.18)
16/20M Vehicle Tax	61.75	35.95	175.00	(139.05)
Commercial Vehicle Tax	155.80	169.15	529.00	(359.85)
Mineral Production Tax	-	1.27	-	1.27
Neighborhood Revitalization Rebate	(882.85)	(1,191.77)	-	(1,191.77)
Total Receipts	36,216.05	38,763.20	$ 124,777.00	$ (86,013.80)
Expenditures				
General Government				
Personal Services	35,282.57	-	$ 70,000.00	$ (70,000.00)
Contractual Services	2,475.68	1,594.95	-	1,594.95
Economic Development	18,773.75	17,218.36	75,000.00	(57,781.64)
Total Expenditures	56,532.00	18,813.31	$ 145,000.00	$ (126,186.69)
Receipts Over(Under) Expenditures	(20,315.95)	19,949.89		
Unencumbered Cash, Beginning	20,490.37	174.42		
Unencumbered Cash, Ending	$ 174.42	$ 20,124.31		

CITY OF NEODESHA, KANSAS
LIBRARY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Ad Valorem Property Tax	$ 73,761.33	$ 71,190.28	$ 90,235.00	$ (19,044.72)
Delinquent Tax	6,013.13	3,152.99	-	3,152.99
Motor Vehicle Tax	11,627.26	12,302.30	12,762.00	(459.70)
Recreational Vehicle Tax	237.32	254.35	246.00	8.35
16/20M Vehicle Tax	77.05	83.28	100.00	(16.72)
Mineral Production Tax	-	3.18	-	3.18
Commercial Vehicle Tax	393.25	211.08	303.00	(91.92)
Neighborhood Revitalization Rebate	(2,227.85)	(3,007.64)	-	(3,007.64)
Total Receipts	89,881.49	84,189.82	$ 103,646.00	$ (19,456.18)
Expenditures				
Culture and Recreation				
Appropriation to Library Board	89,881.49	84,189.82	$ 112,000.00	$ (27,810.18)
Total Expenditures	89,881.49	84,189.82	$ 112,000.00	$ (27,810.18)
Receipts Over(Under) Expenditures	-	-		
Unencumbered Cash, Beginning	8,873.32	8,873.32		
Unencumbered Cash, Ending	$ 8,873.32	$ 8,873.32		

CITY OF NEODESHA, KANSAS
TORT LIABILITY FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Other Revenues		
Miscellaneous	$ -	$ -
Total Cash Receipts	-	-
Expenditures		
General Government		
Contractual Services	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	43,815.75	43,815.75
Unencumbered Cash, Ending	$ 43,815.75	$ 43,815.75

CITY OF NEODESHA, KANSAS
EMPLOYEE BENEFITS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Other Revenues		
Internal Service Charges	$ 610,251.36	$ 713,490.72
Operating Transfers from:		
General Fund	44,611.28	5,000.00
Gas Utility Fund	-	3,000.00
Total Cash Receipts	654,862.64	721,490.72
Expenditures		
General Government		
Personal Services	622,918.31	713,969.85
Commodities	66.64	-
Total Expenditures	622,984.95	713,969.85
Receipts Over(Under) Expenditures	31,877.69	7,520.87
Unencumbered Cash, Beginning	21,544.51	53,422.20
Unencumbered Cash, Ending	$ 53,422.20	$ 60,943.07

CITY OF NEODESHA, KANSAS
SPECIAL HIGHWAY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Special Highway Tax	$ 60,277.59	$ 61,045.39	$ 61,940.00	$ (894.61)
Total Receipts	60,277.59	61,045.39	$ 61,940.00	$ (894.61)
Expenditures				
Highways and Streets				
Contractual Services	72,000.00	29,224.91	$ 72,000.00	$ (42,775.09)
Total Expenditures	72,000.00	29,224.91	$ 72,000.00	$ (42,775.09)
Receipts Over(Under) Expenditures	(11,722.41)	31,820.48		
Unencumbered Cash, Beginning	137,970.38	126,247.97		
Unencumbered Cash, Ending	$ 126,247.97	$ 158,068.45		

CITY OF NEODESHA, 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 Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Local Alcoholic Liquor Tax	$ 4,485.46	$ 5,882.76	$ 5,700.00	$ 182.76
Total Receipts	4,485.46	5,882.76	$ 5,700.00	$ 182.76
Expenditures				
Culture and Recreation				
Capital Outlay	-	-	$ -	$ -
Total Expenditures	-	-	$ -	$ -
Receipts Over(Under) Expenditures	4,485.46	5,882.76		
Unencumbered Cash, Beginning	55,349.05	59,834.51		
Unencumbered Cash, Ending	$ 59,834.51	$ 65,717.27		

CITY OF NEODESHA, KANSAS
SPECIAL INFRASTRUCTURE SALES TAX FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Sales Tax-Infrastructure	$ 336,684.10	$ 354,365.18	$ 310,000.00	$ 44,365.18
Total Receipts	336,684.10	354,365.18	$ 310,000.00	$ 44,365.18
Expenditures				
General Government				
Contractual Services	57,034.70	41,596.59	$ 200,000.00	$ (158,403.41)
Commodities	15,680.51	-	40,000.00	(40,000.00)
Capital Outlay	65,865.00	68,602.91	-	68,602.91
Total Expenditures	138,580.21	110,199.50	$ 240,000.00	$ (129,800.50)
Receipts Over(Under) Expenditures	198,103.89	244,165.68		
Unencumbered Cash, Beginning	221,109.54	419,213.43		
Unencumbered Cash, Ending	$ 419,213.43	$ 663,379.11		

CITY OF NEODESHA, KANSAS
EQUIPMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest Income	$ 183.04	$ 502.23
Total Receipts	183.04	502.23
Expenditures		
General Government		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	183.04	502.23
Unencumbered Cash, Beginning	119,690.88	119,873.92
Unencumbered Cash, Ending	$ 119,873.92	$ 120,376.15

CITY OF NEODESHA, KANSAS
AMERICAN RESCUE PLAN ACT GRANT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
Federal Grant	$ 172,600.95	$ -
Total Receipts	172,600.95	-
Expenditures		
Capital Improvements		
Contractual Services	1,875.00	20,792.58
Capital Outlay	278,734.32	-
Total Expenditures	280,609.32	20,792.58
Receipts Over(Under) Expenditures	(108,008.37)	(20,792.58)
Unencumbered Cash, Beginning	128,800.95	20,792.58
Unencumbered Cash, Ending	$ 20,792.58	$ -

CITY OF NEODESHA, KANSAS
OTHER GRANTS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
State Grants	$ -	$ 6,171.29
Local Grants	50,543.35	48,850.00
Other Receipts		
Donations	3,170.00	15,777.00
Total Receipts	53,713.35	70,798.29
Expenditures		
Capital Improvements		
Capital Outlay	-	64,415.00
Total Expenditures	-	64,415.00
Receipts Over(Under) Expenditures	53,713.35	6,383.29
Unencumbered Cash, Beginning	-	53,713.35
Unencumbered Cash, Ending	$ 53,713.35	$ 60,096.64

CITY OF NEODESHA, KANSAS
WILSON MEDICAL CENTER BOND PAYMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Special Assessment	$ 81,525.00	$ 78,262.41	$ 85,000.00	$ (6,737.59)
Total Receipts	81,525.00	78,262.41	$ 85,000.00	$ (6,737.59)
Expenditures				
Debt Service				
Principal	75,000.00	75,000.00	$ 75,000.00	$ -
Interest	6,525.00	3,262.50	6,500.00	(3,237.50)
Total Expenditures	81,525.00	78,262.50	$ 81,500.00	$ (3,237.50)
Receipts Over(Under) Expenditures	-	(0.09)		
Unencumbered Cash, Beginning	5,250.14	5,250.14		
Unencumbered Cash, Ending	$ 5,250.14	$ 5,250.05		

CITY OF NEODESHA, KANSAS
SWIMMING POOL BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes and Shared Receipts				
Sales Tax	$ -	$ -	$ -	$ -
Total Receipts	-	-	$ -	$ -
Expenditures				
Capital Improvements				
Personal Services	64,049.01	1,935.00	$ 48,816.00	$ (46,881.00)
Contractual Services	9,975.07	519.13	-	519.13
Commodities	23,326.16	-	-	-
Total Expenditures	97,350.24	2,454.13	$ 48,816.00	$ (46,361.87)
Receipts Over(Under) Expenditures	(97,350.24)	(2,454.13)		
Unencumbered Cash, Beginning	205,266.08	107,915.84		
Unencumbered Cash, Ending	$ 107,915.84	$ 105,461.71		

CITY OF NEODESHA, KANSAS
RAW WATER PROJECT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Bond Proceeds	$ -	$ 2,770,000.00
Interest Income	62.55	288.51
Operating Transfers from		
Sewer Utility Fund	-	47,249.48
Total Receipts	62.55	2,817,537.99
Expenditures		
Capital Improvements		
Contractual Services	-	17,684.67
Capital Outlay	42,394.36	-
Debt Service		
Principal	-	998,000.00
Interest	-	47,246.98
Total Expenditures	42,394.36	1,062,931.65
Receipts Over(Under) Expenditures	(42,331.81)	1,754,606.34
Unencumbered Cash, Beginning	68,111.13	25,779.32
Unencumbered Cash, Ending	$ 25,779.32	$ 1,780,385.66

CITY OF NEODESHA, KANSAS
CDBG GAS PROJECT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
CDBG Grant	$ 1,562.71	$ -
Use of Money and Property		
Bond Proceeds	1,766,000.00	-
Interest Income	11.91	-
Other Receipts		
Miscellaneous	145.22	-
Total Receipts	1,767,719.84	-
Expenditures		
Capital Improvements		
Contractual Services	27,952.50	-
Debt Service		
Principal	1,766,000.00	-
Interest	19,968.11	-
Operating Transfers to		
General Fund	5,532.22	-
Total Expenditures	1,819,452.83	-
Receipts Over(Under) Expenditures	(51,732.99)	-
Unencumbered Cash, Beginning	51,732.99	-
Unencumbered Cash, Ending	$ -	$ -

CITY OF NEODESHA, KANSAS
POLICE BUILDING PROJECT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Bond Proceeds	$ 631,000.00	$ -
Total Receipts	631,000.00	-
Expenditures		
Capital Improvements		
Contractual Services	16,218.86	-
Capital Outlay	403,209.89	-
Debt Service		
Principal	600,000.00	-
Interest	16,403.50	-
Total Expenditures	1,035,832.25	-
Receipts Over(Under) Expenditures	(404,832.25)	-
Unencumbered Cash, Beginning	411,085.00	6,252.75
Unencumbered Cash, Ending	$ 6,252.75	$ 6,252.75

CITY OF NEODESHA, KANSAS
ELECTRIC UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Electric Sales	$ 4,790,171.04	$ 4,316,284.37	$ 4,700,000.00	$ (383,715.63)
Connection Fees	8,316.46	8,060.45	11,000.00	(2,939.55)
Service Fees	7,901.85	6,453.69	7,500.00	(1,046.31)
Penalties	42,889.51	37,023.40	43,000.00	(5,976.60)
Use of Money and Property				
Interest Income	1,115.98	8,056.29	500.00	7,556.29
Other Receipts				
Miscellaneous	3,470.87	3,305.47	-	3,305.47
Total Receipts	4,853,865.71	4,379,183.67	$ 4,762,000.00	$ (382,816.33)
Expenditures				
Administration				
Personal Services	200,600.19	236,933.70	$ 284,800.00	$ (47,866.30)
Contractual Services	62,465.55	114,071.14	115,900.00	(1,828.86)
Commodities	24,877.69	14,446.61	24,000.00	(9,553.39)
Capital Outlay	-	13,836.00	15,000.00	(1,164.00)
Distribution				
Personal Services	319,540.01	305,298.37	396,500.00	(91,201.63)
Contractual Services	109,050.62	63,699.47	51,000.00	12,699.47
Commodities	91,266.47	171,744.43	349,500.00	(177,755.57)
Capital Outlay	299,788.38	135,015.39	140,000.00	(4,984.61)
Production				
Contractual Services	3,114,300.31	2,642,110.24	3,000,000.00	(357,889.76)
Debt Service				
Principal	274,856.42	275,543.96	276,000.00	(456.04)
Interest	1,204.32	5,550.72	-	5,550.72
Operating Transfers to:				
General Fund	250,000.00	600,000.00	600,000.00	-
Electric Utility Reserve Fund	-	150,000.00	200,000.00	(50,000.00)
Total Expenditures	4,747,949.96	4,728,250.03	$ 5,452,700.00	$ (724,449.97)
Receipts Over(Under) Expenditures	105,915.75	(349,066.36)		
Unencumbered Cash, Beginning	596,153.12	702,068.87		
Unencumbered Cash, Ending	$ 702,068.87	$ 353,002.51		

CITY OF NEODESHA, KANSAS
ELECTRIC UTILITY RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from Electric Utility Fund	$ -	$ 150,000.00
Total Receipts	-	150,000.00
Expenditures		
Operating Transfers to General Fund	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	150,000.00
Unencumbered Cash, Beginning	175,000.00	175,000.00
Unencumbered Cash, Ending	$ 175,000.00	$ 325,000.00

CITY OF NEODESHA, KANSAS
GAS UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Customer Sales	$ 2,946,865.56	$ 2,887,835.66	$ 3,000,000.00	$ (112,164.34)
Connection Fees	7,446.77	7,212.28	10,000.00	(2,787.72)
Penalties	15,810.24	17,960.48	15,000.00	2,960.48
Use of Money and Property				
Interest Income	8,369.93	60,422.09	5,000.00	55,422.09
Other Receipts				
Miscellaneous	76,142.65	8.79	-	8.79
Total Receipts	3,054,635.15	2,973,439.30	$ 3,030,000.00	$ (56,560.70)
Expenditures				
Administration				
Personal Services	217,130.97	241,966.43	$ 250,000.00	$ (8,033.57)
Contractual Services	64,338.80	97,635.64	114,600.00	(16,964.36)
Commodities	21,303.80	13,128.98	20,200.00	(7,071.02)
Capital Outlay	-	10,784.50	15,000.00	(4,215.50)
Distribution				
Personal Services	251,235.25	281,175.05	312,950.00	(31,774.95)
Contractual Services	84,583.10	17,604.23	30,000.00	(12,395.77)
Commodities	46,575.36	91,836.09	86,500.00	5,336.09
Capital Outlay	48,500.00	57,733.85	64,000.00	(6,266.15)
Production				
Commodities	1,487,068.03	1,083,264.55	1,000,000.00	83,264.55
Debt Services				
Finance Lease Payments	20,000.00	20,000.00	95,500.00	(75,500.00)
Principal	28,468.50	29,073.46	-	29,073.46
Interest	37,527.50	36,922.54	-	36,922.54
Operating Transfers to:				
General Fund	600,000.00	970,000.00	970,000.00	-
Employee Benefits Fund	-	3,000.00	-	3,000.00
Gas Utility Reserve Fund	-	300,000.00	300,000.00	-
Total Expenditures	2,906,731.31	3,254,125.32	$ 3,258,750.00	$ (4,624.68)
Receipts Over(Under) Expenditures	147,903.84	(280,686.02)		
Unencumbered Cash, Beginning	628,038.64	775,942.48		
Unencumbered Cash, Ending	$ 775,942.48	$ 495,256.46		

CITY OF NEODESHA, KANSAS
GAS UTILITY RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from Gas Utility Fund	$ -	$ 300,000.00
Total Receipts	-	300,000.00
Expenditures		
Operating Transfers to Gas Utility Fund	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	300,000.00
Unencumbered Cash, Beginning	200,000.00	200,000.00
Unencumbered Cash, Ending	$ 200,000.00	$ 500,000.00

CITY OF NEODESHA, KANSAS
WATER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
Customer Sales	$ 880,756.08	$ 855,120.21	$ 900,000.00	$ (44,879.79)
Connection Fee	7,396.77	7,312.27	10,000.00	(2,687.73)
Penalties	10,768.10	9,491.19	12,000.00	(2,508.81)
Tank Sales	-	4,081.50	2,500.00	1,581.50
Use of Money and Property				
Interest Income	1,115.98	8,056.29	600.00	7,456.29
Other Receipts				
Miscellaneous	2,537.75	3,785.19	500.00	3,285.19
Total Receipts	902,574.68	887,846.65	$ 925,600.00	$ (37,753.35)
Expenditures				
Administration				
Personal Services	20,062.11	1,548.73	$ -	$ 1,548.73
Contractual Services	10,631.21	27,452.85	12,400.00	15,052.85
Commodities	72,567.65	3,504.21	4,300.00	(795.79)
Distribution				
Personal Services	169,605.46	112,979.71	103,300.00	9,679.71
Contractual Services	10,119.50	2,124.50	13,400.00	(11,275.50)
Commodities	38,994.41	36,394.67	154,500.00	(118,105.33)
Capital Outlay	-	136,762.42	40,000.00	96,762.42
Production				
Personal Services	187,679.56	222,979.50	246,600.00	(23,620.50)
Contractual Services	90,581.23	152,493.18	107,700.00	44,793.18
Commodities	67,972.49	87,685.04	86,300.00	1,385.04
Capital Outlay	18,000.00	19,900.00	20,000.00	(100.00)
Debt Service				
Principal	92,049.39	93,151.83	164,500.00	(71,348.17)
Interest	72,450.61	70,858.17	-	70,858.17
Operating Transfers to				
Water Utility Reserve Fund	-	25,000.00	50,000.00	(25,000.00)
Total Expenditures	850,713.62	992,834.81	$ 1,003,000.00	$ (10,165.19)
Receipts Over(Under) Expenditures	51,861.06	(104,988.16)		
Unencumbered Cash, Beginning	295,080.16	346,941.22		
Unencumbered Cash, Ending	$ 346,941.22	$ 241,953.06		

CITY OF NEODESHA, KANSAS
WATER UTILITY RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from Water Utility Fund	$ -	$ 25,000.00
Total Receipts	-	25,000.00
Expenditures		
Capital Improvements Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	25,000.00
Unencumbered Cash, Beginning	20,924.00	20,924.00
Unencumbered Cash, Ending	$ 20,924.00	$ 45,924.00

CITY OF NEODESHA, KANSAS
SEWER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
User Fees	$ 458,238.22	$ 460,693.97	$ 500,000.00	$ (39,306.03)
Penalties	6,196.82	6,019.34	7,500.00	(1,480.66)
Use of Money and Property				
Interest Income	334.78	2,416.87	300.00	2,116.87
Total Receipts	464,769.82	469,130.18	$ 507,800.00	$ (38,669.82)
Expenditures				
Sewer System				
Personal Services	94,005.33	119,209.62	$ 157,150.00	$ (37,940.38)
Contractual Services	8,071.52	4,863.99	21,000.00	(16,136.01)
Commodities	43,836.24	18,454.13	39,000.00	(20,545.87)
Capital Outlay	14,000.00	7,769.57	64,000.00	(56,230.43)
Lagoons				
Personal Services	20,834.18	64,545.75	56,000.00	8,545.75
Contractual Services	8,151.90	6,173.27	20,500.00	(14,326.73)
Commodities	1,436.25	4,467.48	6,400.00	(1,932.52)
Capital Outlay	-	20,000.00	20,000.00	-
Administration				
Personal Services	98,687.60	88,643.63	86,850.00	1,793.63
Contractual Services	32,365.27	49,195.14	57,200.00	(8,004.86)
Commodities	9,031.41	8,464.72	11,500.00	(3,035.28)
Capital Outlay	-	15,000.00	15,000.00	-
Debt Service				
Principal	38,895.76	39,757.50	70,500.00	(30,742.50)
Interest	30,614.24	30,242.50	-	30,242.50
Operating Transfers to:				
General Fund	100,000.00	190,000.00	190,000.00	-
Raw Water Project Fund	-	47,249.48	-	47,249.48
Sewer Utility Reserve Fund	-	50,000.00	50,000.00	-
Total Expenditures	499,929.70	764,036.78	$ 865,100.00	$ (101,063.22)
Receipts Over(Under) Expenditures	(35,159.88)	(294,906.60)		
Unencumbered Cash, Beginning	457,225.94	422,066.06		
Unencumbered Cash, Ending	$ 422,066.06	$ 127,159.46		

CITY OF NEODESHA, KANSAS
SEWER UTILITY RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from Sewer Utility Fund	$ -	$ 50,000.00
Total Receipts	-	50,000.00
Expenditures		
Capital Improvements		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	50,000.00
Unencumbered Cash, Beginning	45,559.57	45,559.57
Unencumbered Cash, Ending	$ 45,559.57	$ 95,559.57

CITY OF NEODESHA, KANSAS
SOLID WASTE UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
User Fees	$ 210,979.03	$ 211,690.07	$ 270,000.00	$ (58,309.93)
Penalties	2,828.83	2,699.93	3,500.00	(800.07)
Total Receipts	213,807.86	214,390.00	$ 273,500.00	$ (59,110.00)
Expenditures				
Collections				
Personal Services	127,856.58	142,134.92	$ 159,650.00	$ (17,515.08)
Contractual Services	31,433.56	23,394.90	42,800.00	(19,405.10)
Commodities	22,619.85	21,146.08	51,400.00	(30,253.92)
Capital Outlay	-	2,439.99	4,000.00	(1,560.01)
Debt Service				
Finance Lease Payments	38,887.61	38,865.86	40,000.00	(1,134.14)
Operating Transfers to				
Solid Waste Utility Reserve Fund	-	15,000.00	15,000.00	-
Total Expenditures	220,797.60	242,981.75	$ 312,850.00	$ (69,868.25)
Receipts Over(Under) Expenditures	(6,989.74)	(28,591.75)		
Unencumbered Cash, Beginning	91,703.73	84,713.99		
Unencumbered Cash, Ending	$ 84,713.99	$ 56,122.24		

CITY OF NEODESHA, KANSAS
SOLID WASTE UTILITY RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from Solid Waste Utility Fund	$ -	$ 15,000.00
Total Receipts	-	15,000.00
Expenditures		
Capital Improvements Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	15,000.00
Unencumbered Cash, Beginning	73,259.00	73,259.00
Unencumbered Cash, Ending	$ 73,259.00	$ 88,259.00

CITY OF NEODESHA, KANSAS
STORM WATER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Charges for Services				
User Fees	$ 43,182.14	$ 42,943.91	$ 42,000.00	$ 943.91
Penalties	578.70	583.74	600.00	(16.26)
Total Receipts	43,760.84	43,527.65	$ 42,600.00	$ 927.65
Expenditures				
Collections				
Contractual Services	589.87	39.32	$ 4,000.00	$ (3,960.68)
Commodities	4,012.90	9,563.53	16,000.00	(6,436.47)
Capital Outlay	-	20,790.00	44,000.00	(23,210.00)
Debt Service				
Finance Lease Payments	16,087.48	16,079.22	20,000.00	(3,920.78)
Operating Transfers to Storm Water Utility Reserve Fund	20,000.00	20,000.00	20,000.00	-
Total Expenditures	40,690.25	66,472.07	$ 104,000.00	$ (37,527.93)
Receipts Over(Under) Expenditures	3,070.59	(22,944.42)		
Unencumbered Cash, Beginning	102,627.86	105,698.45		
Unencumbered Cash, Ending	$ 105,698.45	$ 82,754.03		

CITY OF NEODESHA, KANSAS
STORM WATER UTILITY RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Amounts for the Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers from Storm Water Utility Fund	$ 20,000.00	$ 20,000.00
Total Receipts	20,000.00	20,000.00
Expenditures		
Capital Improvements		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	20,000.00	20,000.00
Unencumbered Cash, Beginning	29,891.00	49,891.00
Unencumbered Cash, Ending	$ 49,891.00	$ 69,891.00

CITY OF NEODESHA, KANSAS
AGENCY FUNDS
Schedule of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2023

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Fire Insurance Proceeds	$ 4,470.82	$ 22.34	$ -	$ 4,493.16
Land Bank	39,750.00	-	626.00	39,124.00
Tax Seizure	2,831.16	-	-	2,831.16
Petty Cash	592.41	-	38.00	554.41
Police Substation	6,138.08	10,397.71	5,485.09	11,050.70
Sales Tax Fund	(598.69)	250,176.86	273,277.29	(23,699.12)
Total Agency Funds	$ 53,183.78	$ 260,596.91	$ 279,426.38	$ 34,354.31

Jarred Gilmore Phillips

The Honorable Mayor and City Commission
City of Neodesha, Kansas

In planning and performing our audit of the financial statement of the City of Neodesha, Kansas as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered City of Neodesha, Kansas' system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of City of Neodesha, Kansas' internal control. Accordingly, we do not express an opinion on the effectiveness of City of Neodesha, Kansas' internal control.

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in internal control to be material weaknesses:

Preparation of Financial Statement

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

Segregation of Duties

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

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

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

Chanute, Kansas
May 8, 2024