CITY OF ROSSVILLE, KANSAS

Financial Statements for the
Year Ended December 31, 2022
And Independent Auditors' Report

CITY OF ROSSVILLE, KANSAS

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and City Council
City of Rossville, 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 Rossville, Kansas (City), as of and for the year ended December 31, 2022 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis 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 Rossville, Kansas as of December 31, 2022, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Rossville, Kansas as of December 31, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* (KMAAG) 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 Rossville, Kansas on the basis of the financial reporting provisions of the *Kanas 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and KMAAG will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and KMAAG, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and asses 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 scoped 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 (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, schedule of regulatory basis receipts and expenditures-agency funds, and Other Information, are presented for purposes of additional analysis and are not a required part of the 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 financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the 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 financial statement as a whole, on the basis of accounting described in Note 1.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The *"Other Information"* on page 31 is presented for purposes of additional analysis and is not a required part of the financial statement. Such information has not been subjected to the auditing procedures applied in the audit of the financial statement and, therefore, we express no opinion on it.

Stephen M. Connelly, CPA, PC

October 23, 2023

CITY OF ROSSVILLE

STATEMENT OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
YEAR ENDED DECEMBER 31, 2022

	Beginning Cash Balance	Cash Receipts	Expenditures	Ending Cash Balance
General Fund	$ 73,308	$ 767,724	$ 740,147	$ 100,886
Special Purpose Funds:				
Special Highway Fund	8,151	49,414	48,593	8,973
Special Street Improvement Fund	-			-
Special Lighting Fund	150	2,861	2,750	261
Special Park & Recreation Fund	1,269	1,905	2,270	904
Special Law Enforcement Trust Fund	55,897	1,173	7,707	49,363
Enterprise Funds:				
Water Fund	22,169	230,768	237,368	15,570
Water Reserve Fund	21,277			21,277
Meter Deposits	17,823	3,000	3,150	17,673
Sewer Fund	1,445	159,321	160,273	492
Solid Waste Fund	1,571	87,023	87,278	1,316
Capital Project Funds:				
Equipment Reserve Fund	13,038	3,525	7,266	9,298
Capital Improvement Fund	114,574	127,462	212,632	29,404
Special Project Fund	-	-	-	-
Agency Funds	35,455	43,627	44,581	34,502
Total Reporting Entity	$ 366,127	$ 1,477,804	$ 1,554,014	$ 289,919
Less Transfers		62,124	62,124	
Actual Receipts and Disbursments		$ 1,415,680	$ 1,491,890	

COMPOSITION OF CASH:	
Certificates of deposit	$ 105,305
Money market accounts	110,148
Operating bank account	39,793
Recreation and other accounts	16,158
Development committee accounts	18,344
Petty cash	170
	$ 289,919

See notes to financial statements.

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Presentation - Fund Accounting - The accounts of the City of Rossville, Kansas are organized on the basis of funds, each of which is considered a separate accounting entity. The financial statements includes accounts related to its legally separate component unit, the Rossville Public Building Commission. The following types of funds comprise the financial activities of the City for 2022:

Governmental funds:

General fund - to account for all unrestricted resources except those required to be accounted for in other funds or account groups.

Special revenue funds - to account for the proceeds of specific revenue sources or to finance specified activities as required by law or administrative regulation.

Capital project funds – to account for major capital expenditures not financed by other funds.

Debt service funds – to account for the payment of interest and principal on long-term general debt obligation.

Proprietary funds:

Enterprise funds - to account for operations that are financed and operated in a manner similar to business enterprises, where the stated intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability or other purposes.

b. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America – The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above. The City had no material encumbrances at December 31, 2022.

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.

c. Departure from Generally Accepted Accounting Principles - The basis of accounting described above results in a financial statement presentation, which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown non-cash assets such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under generally accepted accounting principles, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year-end did not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. General fixed assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements.

d. Budgetary Information - Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds and enterprise funds. 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 1.

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

3. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.

4. Adoption of the final budget on or before August 25.

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. A budget amendment was passed for the year ended December 31, 2022.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison 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 cash basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements 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. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital project funds.

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. DEPOSITS

At year-end the carrying amount of the City's deposits was $289,916 and the bank balance was $316,355. The difference between the carrying amount and the balance are outstanding checks and deposits in transit. At December 31, 2022, the City's deposits were covered by federal depository insurance or by collateral held by the City's agent in the City's name.

	2022	2021
Operating Account:		
US Bank - Checking Account	$ 39,793	$ 63,169
Money Market Account:		
US Bank - Money Market Account	123,948	123,948
Certficates of Deposit:		
Rossville State Bank	43,670	43,670
Rossville State Bank	21,277	21,277
Rossville State Bank	40,207	40,207
US Bank	-	38,230
	105,154	143,384
Community Development:		
Rossville State Bank	10,549	14,180
Rossville State Bank	7,795	7,783
	18,343	21,963
Other:		
US Bank	2,507	13,493
Petty Cash	170	170
	$ 289,916	$ 366,127

The state of Kansas under K.S.A. 12-1675 limits the investments of a City's idle funds, as a result, the above deposits are considered low risk. The differences between the carrying amount and the bank balances are outstanding checks and deposits in transit. 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 bank balance is covered by FDIC insurance and collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name.

3. TAXES

Property Taxes – The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statues, property taxes levied during the current year are a revenue source to be used to finance the budget of the following year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. One-half of the property taxes are due December 20, prior to the fiscal year for which they are budgeted, and second half is due the following May 10.

Motor Vehicle Taxes – Since 1981 most motor vehicles became subject to a special tax paid at the time of registration instead of the traditional property tax. In 1995, the legislature enacted a five-year phase down in the assessment rate on motor vehicles for 30% to 20% of market value.

In 2022, the City received the following from county and state taxes:

	General Fund	Special Highway Fund	Special Park and Recreation Fund	Special Lighting	Total
Property Taxes	$ 367,364	$	$	$ 2,495	$ 369,859
Motor Vehicle Taxes	44,682			366	45,048
Assessments		17,981			17,981
Sales Taxes	235,824				235,824
Local Alcohol	1,905		1,905		3,810
State Highway Aid		29,934			29,934
	$ 649,775	$ 47,914	$ 1,905	$ 2,861	$ 702,455

The mill levies for 2022 and 2021 are as follows:

	2022	2021
General Fund	47.669	38.261
Special Lighting	0.323	0.311
Total	47.992	38.572

The assessed valuation for 2022 and 2021 was $7,897,567 and $7,655,428, respectively.

4. UTILITIES

The City provides water, sewer, and solid waste services. The City reads the meters between the 5th and the 10th of each month and mails their utility bills on the 18th to 20th day of each month for the previous month's service. The utility bills are due by the 5th day of the following month. Payments received after the 5th are subject to a late charge of 10.0% on the current month's activity.

Amounts due to the City for utility services as of December 31, 2022 was $43,587 and the amount due to customers for utility deposits as of December 31, 2022 was $17,672.

Utility Rates as of December 31, 2022 are as follows:

Water Rates:

Residential:

Minimum charge	$26.00	includes 2,000 gallons
Next 20,000 gallons	$2.00	per 1,000 gallons
Excess of 20,000 gallons	$2.50	per 1,000 gallons

Commercial:

Commercial customers will be charged based on the gallons used from the preceding calendar year. Based on such purchases, commercial customers will be charged during each of the ensuing 12 months a monthly base rate with the majority of customers falling into these usage ranges:

Less then 10,000 gallons	$31.00
10,00 to 29,999 gallons	$31.00
30,000 to 89,999 gallons	$36.00
90,000 to 189,999 gallons	$41.00
190,000 to 229,999 gallons	$46.00
230,000 to 249,999 gallons	$51.00
250,000 to 289,999 gallons	$101.00

Sewer Charges:

Commercial & Residential	$18.00	Minimimum includes 2,000 gallons
Excess of 2,000	$2.00	Per 1,000 gallons rounded up to the next 1,000 gallons

Residentials are charged up to 18,000 gallons

Trash	$17.00	Monthly Charge

5. LONG TERM DEBT

The City's long-term debt is comprised of the following:

GO Bonds, Series 2020, bearing interest of 3.00% through maturity in 2029 (A)	248,000
GO Bonds, Series 2012, bearing interest of 3.50% through maturity in 2022 (B)	15,000
Kansas Water Pollution Control Revolving Fund, bearing interest of 2.69% through maturity in 2028 (C)	87,128
Revenue Refunding Bonds, Series 2012, bearing interest of 3.5% through maturity in January 2023. (D)	485,000
	$ 835,128

(A) In February 2020, the City issued general obligation bonds in the amount of $291,000 to finance downtown and water projects. The bonds mature on October 1 2029 at the stated interest rate of 4.0%. Total interest paid on these bonds in 2022 was $7,440.

(B) On April 15, 2012, the City issued general obligation bonds in the amount of $129,000 to finance certain transportation system improvements. The bonds mature from April 2013 to April 2022 at the stated interest rate of 3.5%. Total interest paid on these bonds in 2022 was $263.

(C) On February 20, 2003, the City issued a note with Kansas Department of Health and Environment in the amount of $600,000. The purpose of the note was to finance the construction of a new primary cell to the existing lagoon, and new piping and discharge structure. On September 1, 2004, The City began making semi-annual principal and interest payments of $19,947. Total interest paid on this note in 2022 was $2,116.

(D) In 2006, the City established the City of Rossville, Kansas Public Building Commission (PBC) for the primary purpose of building a swimming pool. The PBC issued Revenue Refunding Bonds, Series 2012 in the amount of $1,090,000 to refinance the original debt. The proceeds of these bonds are held in escrow until 2022 when the remaining 2006 bonds are paid off. The PBC will make annual principal, and semi-annual interest payments at rates ranging from 2.0% to 2.375%. Total interest paid on these bonds in 2022 was $11,056.

Maturities of long-term debt for years subsequent to December 31, 2022 are as follows:

	GO Bonds, Series 2020		
2023	$ 29,000	$ 6,600	$ 35,600
2024	29,000	5,730	34,730
2025	30,000	4,860	34,860
2026	32,000	3,960	35,960
2027	32,000	3,000	35,000
2028	34,000	2,040	36,040
2029	34,000	1,020	35,020
	$ 220,000	$ 27,210	$ 247,210

Kansas Water Pollution Control Revolving Loan Fund

	Principal	Interest	Total
2023	$ 53,038	$ 589	$ 53,627
	$ 53,038	$ 589	$ 53,627

Refunding Revenue Bonds Series 2012

2023	$ 95,000	$ 9,144	$ 104,144
2024	100,000	7,125	107,125
2025	100,000	4,750	104,750
2026	100,000	2,375	102,375
	$ 395,000	$ 23,394	$ 418,394

Changes in Long-Term Debt:

	1/1/2022	Advances	Payments	12/31/2022
KWPCRF	$ 87,128	$	$ 34,090	$ 53,038
Refunding Rev Bonds 2012	485,000		90,000	395,000
GO Series 2020	248,000		28,000	220,000
GO Series 2012	15,000		15,000	-
	$ 835,128	$ 0	$ 167,090	$ 668,038

6. LEASES

In 2007, the City entered into a long-term lease and management agreement with Shawnee County, KS for the lease and management of the new Rossville Community Swimming Pool. In exchange for an annual lease payment of $1 to the City, the County will promote, operate and manage the pool, including but not limited to, the hiring, supervision, evaluation and compensation of a sufficient number of staff for the safe operation of the pool. The County retains all revenues related to the operation of the pool.

In 2019, the City entered into a lease/purchase agreement with US Bank for a police vehicle in the amount of $29,671. The 3-year lease calls for annual payments of $10,351 in 2016, 2022 and 2022 at an implicit rate of interest of 2.29%. Total interest cost for the lease amounts to $1,384 over 3 years.

7. CONTRACTS

The City entered into a three year contract with Shawnee County (County) on August 26, 2013 to provide refuse service to the City. The contact is for a period of five years. The City will pay the County $16.00 per month per residential dwelling. The City agrees to provide billing services for the normal residential services and collects the monies to be paid for such service.

8. 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 KSA 74-4901, etc. 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. KSA 74-4919 and KSA 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, 205. Effective January 1, 2022, Kansas law established the KPERS member-employee contribution rate of 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 0.85% contribution rate for Death and Disability Program) and the statutory contribution rate was 8.90% for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were $20,312 for the year ended December 31, 2022.

Net Pension Liability

At December 31, 2022, the City's proportionate share of the collective net pension liability reported by KPERS was $226,120. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in 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. COMPENSATED ABSENCES FOR EMPLOYEES

Each employee earns vacation for the years that the employee has been employed. The employee earns one week the first year, two weeks in years two through fourteen and three weeks after fifteen years.

Each full time employee receives eight hours of sick leave each month. Sick leave is accumulated to a maximum of 720 hours.

10. DEFERRED COMPENSATION

Employees of the City may participate in a deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 (Deferred Compensation Plans with Respect to Service for State and Local Governments).

The deferred compensation plan is available to all employees of the City. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death or unforeseeable emergency. The City is not contributing to the plan.

The deferred compensation plan is administered by an unrelated financial institution. Under the terms of an IRC Section 457 deferred compensation plan, all deferred compensation and income attributable to the investment of the deferred compensation amounts held by the financial institution until paid or made available to the employees or beneficiaries, are the property of the City subject only to the claims of the City's general creditors. In addition, the participants in the plan have rights equal to those of the general creditors of the City, and each participant's rights are equal to his or her share of the fair market value of the plan assets. The City believes that it is unlikely that plan assets will be needed to satisfy claims of general creditors that might arise. As of the report date, the plan assets amounted to $49,268.

11. INTERFUND TRANSFERS

Fund	Transfer In	Transfer Out
General		15,888
Capital Improvement	58,599	
Equipment Reserve	3,525	
	$ 62,124	$ 15,888

12. CONCENTRATIONS OF CREDIT RISK

The City is engaged in the sale of water, sanitation, and trash to customers located in the City of Rossville, in Shawnee County in Kansas.

13. COMPLIANCE WITH KANSAS LAW

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Director of Accounts and Reports and interpretation by the County Attorney and legal representatives of the City. Except for the following, there were no apparent statutory violations during the year ended December 31, 2022 for the funds that were part of this audit.

14. RISK MANAGEMENT

The City has various risks including general liabilities, employees injured while working, automobile, etc. The City insures these risks through various insurance policies.

15. INFRASTRUCTURE

The City has elected not to comply with Government Accounting Standards Board 34 (GASB 34), which requires Cities to account for their infrastructure. The City does not account for their infrastructure or capital improvements and instead uses cash basis for their reporting of infrastructure and capital improvement expenditures.

16. PUBLIC BUILDING COMMISSION

In November 2006, the City established the City of Rossville, Kansas Public Building Commission (PBC) for the primary purpose of building a swimming pool. The PBC issued bonds in the amount of $1,275,000 to fund the construction of the swimming pool. The PBC is a separate entity, and is required to maintain separate accounts, however, as of December 31, 2022 these separate accounts had not yet been established. In addition, the PBC board is required to hold an annual business meeting; no such meeting took place in 2022.

17. LITIGATION

The City did not have any litigation in 2022.

18. RELATED PARTY TRANSACTIONS

The City does business with a direct relative of an employee of the City. In 2022, total expenditures to this firm were $2,400.

19. SUBSEQUENT EVENTS

Management has evaluated subsequent events from the financial statement date through October 23, 2023, the date at which these financial statements were available to be issued, and determined there are no other items to disclose.

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CITY OF ROSSVILLE

SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2021

	Expenditures	Adjustment for Qualifying Budget Credit	Budget	Variance Favorable (Unfavorable)
General Fund	$ 740,147	$ -	$ 777,529	$ 37,382
Special Revenue Funds:				
Special Highway Fund	48,593	-	48,600	7
Special Lighting Fund	2,750	-	3,000	250
Special Park & Recreation Fund	2,270	-	4,000	1,730
Enterprise Funds:				
Water Fund	237,368	-	257,030	19,662
Water Reserve Fund		-	21,345	-
Sewer Fund	160,273	-	171,667	11,394
Meter Deposit Fund	3,150	-	8,000	4,850
Solid Waste Fund	87,278	-	90,000	2,722
Total budgeted funds	1,281,829	$	$ 1,381,170	$ 77,998
Non budgeted funds:				
Special Highway Improvement Fund				
Agency Funds	44,581			
Special Law Enforcement Trust Fund	7,707			
Capital Improvement Fund	212,632			
Total Reporting Entity	$ 1,554,014			

CITY OF ROSSVILLE

GENERAL FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual	2022 Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS:				
State and County Taxes	$ 556,989	$ 647,517	$ 629,074	$ 18,443
Interest	177	232	1,000	(768)
Utility Franchise Taxes	42,256	50,145	45,000	5,145
Licenses and permits	2,710	3,562	2,700	862
Fines, forfeitures and penalties	60,976	50,859	60,000	(9,141)
Grant		-	500	(500)
Donation		-	1,000	(1,000)
Miscellaneous and Community Development	11,352	15,409	6,500	8,909
Total Cash Receipts	674,461	767,724	$ 745,774	$ 21,950
EXPENDITURES:				
General Administration	124,373	142,396	$ 130,000	$ (12,396)
Public Safety	318,977	314,324	321,362	7,038
Street Lighting	19,653	20,354	20,000	(354)
Zoning	2,584	2,584	2,500	(84)
Park Department	50,794	68,384	49,000	(19,384)
Culture and Recreation	2,000	2,000	2,000	
Swimming Pool	109,256	106,572	110,057	3,485
Capital Outlay		-	50,000	50,000
Debt Service	20,890	21,410	21,410	
Transfer to Equipment Reserve	3,849	3,525	1,200	(2,325)
Transfer to Special Streets	12,039		70,000	70,000
Transfer to Capital Improvement		58,599		(58,599)
Total Expenditures	664,415	740,147	$ 777,529	$ 37,382
Receipts over (under) Expenditures	10,045	27,576		
Unencumbered cash, beginning balance	63,092	73,137		
Unencumbered cash, ending balance	$ 73,137	$ 100,714		

CITY OF ROSSVILLE

SPECIAL HIGHWAY FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual	2022 Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS:				
County and State taxes	$ 51,881	$ 47,914	$ 44,132	$ 3,782
Miscellaneous	1,915	1,500		1,500
Total Cash Receipts	53,796	49,414	$ 44,132	$ 5,282
EXPENDITURES:				
Personal Services	33,426	30,964	32,000	$ 1,036
Capital Outlay	424	-	-	
Commodities	9,976	10,493	9,600	(893)
Contractual Services	5,911	7,137	7,000	(137)
Transfer				
Total Expenditures	49,737	48,593	$ 48,600	$ 7
Receipts over (under) Expenditures	4,058	821		
Unencumbered cash, beginning balance	4,091	8,149		
Unencumbered cash, ending balance	$ 8,149	$ 8,970		

CITY OF ROSSVILLE

SPECIAL STREET IMPROVEMENT FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual
CASH RECEIPTS:		
Transfer	$ 12,039	$ -
Total Cash Receipts	12,039	-
EXPENDITURES:		
Capital Outlay	12,039	-
Total Expenditures	12,039	-
Receipts over (under) Expenditures	-	-
Unencumbered cash, beginning balance	-	-
Unencumbered cash, ending balance	$ -	$ -

CITY OF ROSSVILLE

SPECIAL LIGHTING FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual	2022 Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS:				
County and State Taxes	$ 2,797	$ 2,861	$ 2,807	54
Total Cash Receipts	2,797	2,861	2,807	$ 54
EXPENDITURES:				
Contractual Services	2,750	2,750	$ 3,000	$ 250
Total Expenditures	2,750	2,750	$ 3,000	$ 250
Receipts over (under) Expenditures	47	111		
Unencumbered cash, beginning balance	104	150		
Unencumbered cash, ending balance	$ 150	$ 261		

CITY OF ROSSVILLE

SPECIAL PARKS AND RECREATION FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual	2022 Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS:				
County and State Taxes	$ 2,332	$ 1,905	$ 2,087	$ (182)
Transfer		-	-	
Total Cash Receipts	2,332	1,905	$ 2,087	$ (182)
EXPENDITURES:				
Capital Outlay	1,596	2,270	$ 4,000	$ 1,730
Total Expenditures	1,596	2,270	$ 4,000	$ 1,730
Receipts over (under) Expenditures	736	(365)		
Unencumbered cash, beginning balance	533	1,269		
Unencumbered cash, ending balance	$ 1,269	$ 904		

CITY OF ROSSVILLE

SPECIAL LAW ENFORCEMENT TRUST FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual
CASH RECEIPTS:		
Interest	$ 180	$ 150
Other	-	1,023
Seized Money		
Total Cash Receipts	180	1,173
EXPENDITURES:		
Contractual	7,657	7,707
Transfer		
Total Expenditures	7,657	7,707
Receipts over (under) Expenditures	(7,477)	(6,533)
Unencumbered cash, beginning balance	63,374	55,897
Unencumbered cash, ending balance	$ 55,897	$ 49,363

CITY OF ROSSVILLE

WATER FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual	2022 Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS:				
Water Sales & Other	$ 218,555	$ 224,960	$ 226,000	$ (1,040)
Service Charges	3,265	3,650	4,000	(350)
Water Protection Fee	851	844	900	(56)
Interest & Misc	2,908	1,315	2,300	
Connection Fee				
Total Cash Receipts	225,580	230,768	$ 233,200	$ (1,446)
EXPENDITURES:				
Personnel Services	143,942	129,026	$ 145,000	$ 15,974
Contractual Services	26,402	36,184	35,000	(1,184)
Commodities	49,382	53,682	38,000	(15,682)
Capital Outlay	3,279		20,000	20,000
Sales Tax	2,994	2,821	3,000	179
Water Protection Fee	1,290	1,625	2,000	375
Bond payment	14,360	14,030		(14,030)
Transfer		-	14,030	14,030
Total Expenditures	241,650	237,368	$ 257,030	$ 19,661
Receipts over (under) Expenditures	(16,070)	(6,600)		
Unencumbered cash, beginning balance	38,238	22,169		
Unencumbered cash, ending balance	$ 22,169	$ 15,570		

CITY OF ROSSVILLE

WATER RESERVE FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual	2022 Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS:				
Interest	$ -	$ -	$	$ -
Total Cash Receipts	-	-	$ -	$ -
EXPENDITURES:				
Capital Outlay	-	-	$ 21,345	$ 21,345
Total Expenditures	-		$ 21,345	$ 21,345
Receipts over (under) Expenditures	-			
Unencumbered cash, beginning balance	21,277	21,277		
Unencumbered cash, ending balance	$ 21,277	$ 21,277		

CITY OF ROSSVILLE

METER DEPOSIT FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual	2022 Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS:				
Deposits	$ 4,275	$ 3,000	$ 3,900	$ (900)
Total Cash Receipts	4,275	3,000	$ 3,900	$ (900)
EXPENDITURES:				
Refunds	3,614	3,150	$ 8,000	$ 4,850
Total Expenditures	3,614	3,150	$ 8,000	$ 4,850
Receipts over (under) Expenditures	661	(150)		
Unencumbered cash, beginning balance	17,162	17,823		
Unencumbered cash, ending balance	$ 17,823	$ 17,673		

CITY OF ROSSVILLE

SEWER FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual	2022 Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS:				
Sewer Charges	$ 159,211	$ 159,321	$ 162,000	$ (2,679)
Miscellaneous				
Total Cash Receipts	159,211	159,321	$ 162,000	$ (2,679)
EXPENDITURES:				
Personnel Services	71,204	66,922	$ 75,000	$ 8,078
Contractual Services	25,008	24,976	28,000	3,024
Commodities	20,047	16,708	17,000	292
Debt Service	51,174	51,667	51,667	0
Transfers		-	-	
Capital Outlay				
Total Expenditures	167,434	160,273	$ 171,667	$ 11,394
Receipts over (under) Expenditures	(8,223)	(952)		
Unencumbered cash, beginning balance	9,670	1,447		
Unencumbered cash, ending balance	$ 1,447	$ 495		

CITY OF ROSSVILLE

SOLID WASTE FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual	2022 Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS:				
Solid Waste Charges	$ 86,615	$ 87,023	$ 87,000	$ 23
Total Cash Receipts	86,615	87,023	$ 87,000	$ 23
EXPENDITURES:				
Personal Services			$ 2,000	$ 2,000
Contractual	86,050	87,278	88,000	721
Total Expenditures	86,050	87,278	$ 90,000	$ 2,721
Receipts over (under) Expenditures	565	(255)		
Unencumbered cash, beginning balance	1,006	1,571		
Unencumbered cash, ending balance	$ 1,571	$ 1,316		

CITY OF ROSSVILLE

EQUIPMENT RESERVE FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual
CASH RECEIPTS:		
Reimbursement	$	$
Transfer	3,849	3,525
Total Cash Receipts	3,849	3,525
EXPENDITURES:		
Transfer		
Commodities		7,266
Total Expenditures		7,266
Receipts over (under) Expenditures	3,849	(3,741)
Unencumbered cash, beginning balance	9,190	13,039
Unencumbered cash, ending balance	$ 13,039	$ 9,299

CITY OF ROSSVILLE

CAPITAL IMPROVEMENT FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual
CASH RECEIPTS:		
Transfer	$	$ 58,599
Miscellaneous	91,960	68,863
Total Cash Receipts	91,960	127,462
EXPENDITURES:		
Capital outlay	52,386	212,632
Total Expenditures	52,386	212,632
Receipts over (under) Expenditures	39,574	(85,170)
Unencumbered cash, beginning balance	75,000	114,574
Unencumbered cash, ending balance	$ 114,574	$ 29,404

CITY OF ROSSVILLE

SPECIAL PROJECT FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual
CASH RECEIPTS:		
Grants	$	$
Donations		
Total Cash Receipts		
EXPENDITURES:		
Transfer		
Contractual		
Total Expenditures		
Receipts over (under) Expenditures		
Unencumbered cash, beginning balance		
Unencumbered cash, ending balance	$	$

CITY OF ROSSVILLE

BOND AND INTEREST FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2022

	2021 Actual	2022 Actual	2022 Budget	Variance Favorable (Unfavorable)
CASH RECEIPTS:				
Transfer	$	$	$	$
Bond Proceeds				
Total Cash Receipts			$	$
EXPENDITURES:				
Refunding			$	$
Other				
Debt Service				
Total Expenditures			$	$
Receipts over (under) Expenditures				
Unencumbered cash, beginning balance		-		
Unencumbered cash, ending balance	$ -	$ -		

CITY OF ROSSVILLE

AGENCY FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
YEAR ENDED DECEMBER 31, 2022

	Beginning Cash Balance	Cash Receipts	Expenditures	Ending Cash Balance
Community Development	$ 21,963	$ 23,890	$ 27,509	$ 18,344
Recreation Commission	3,943	14,018	9,740	8,221
Jr Dawgs Football	5,977	5,719	7,132	4,565
Pride Committee	3,572	-	200	3,372
Total Agency Funds	$ 35,455	$ 43,627	$ 44,581	$ 34,502

CITY OF ROSSVILLE

SCHEDULE OF STATISTICS
YEARS ENDED DECEMBER 31, 2015-2022

	2015	2016	2017	2018	2019	2020	2021	2022
Population	1,151	1,151	1,151	1,151	1,151	1,151	1,151	1,151
Valuations	6,882,565	7,437,835	7,012,733	7,038,205	7,217,922	7,330,379	7,655,428	7,897,567
Mill Levy - Total	29.837	31.585	38.455	38.860	39.029	38.480	38.572	47.992
Net Receipts	1,094,322	$1,109,112	$1,214,651	$1,289,810	$1,185,207	$1,391,413	$1,355,606	$1,415,680
Net Disbursements	1,161,115	$1,186,279	$1,192,934	$1,268,093	$1,178,354	$1,409,004	$1,332,259	$1,491,890
Receipts Per Capita	951	$964	$1,055	$1,055	$1,030	$1,209	$1,178	$1,230
Disbursements Per Capita	1,009	$1,031	$1,036	$1,036	$1,024	$1,224	$1,157	$1,296
Long-Term Debt	1,545,037	$1,422,423	$1,292,962	$1,162,628	$1,021,402	$999,238	$835,128	$668,038
Long-Term Debt Per Capita	1,342	$1,236	$1,010	$1,010	$887	$868	$726	$580