

CITY OF SMITH CENTER

Smith Center, Kansas

FINANCIAL STATEMENT AND INDEPENDENT AUDITOR'S REPORT

For the Year Ended December 31, 2022

MAPES & MILLER  
Certified Public Accountants  
Phillipsburg, Kansas 67661

CITY OF SMITH CENTER

For the Year Ended December 31, 2022

City Council

Brady Peterson  
Chris Cole  
Don Wick

Tracy Kingsbury  
David Mace

City Offices

Bryce Wiehl  
Jill Conaway  
Aurielle Hughes

Mayor  
City Clerk  
City Treasurer

CITY OF SMITH CENTER  
Smith Center, Kansas

For the Year Ended December 31, 2022

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## INDEPENDENT AUDITOR'S REPORT

Mayor and City Council  
City of Smith Center, Kansas  
Smith Center, KS 66967

### **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 Smith Center, Kansas, a Municipality, 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 Smith Center, as of December 31, 2022, or changes in financial position and cash flows thereof for the year then ended.

#### *Unmodified Opinion on Regulatory Basis of Accounting*

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

### **Basis for Adverse and Unmodified Opinion**

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 of Smith Center, 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 Smith Center, 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 reasonable 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 of Smith Center'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 of Smith Center'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 of Smith Center's ability to continue as a going concern for a reasonable period of time.

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

### **Supplementary Information**

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

Respectfully submitted,  
*Mapes & Miller LLP*  
Certified Public Accountants

December 4, 2023  
Phillipsburg, Kansas

CITY OF SMITH CENTER  
Smith Center, Kansas

Statement 1  
Page 1 of 2

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH  
REGULATORY BASIS  
For The Year Ended December 31, 2022

FUND	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund							
General Operating Fund	\$ 668,924	\$ -	\$ 1,153,360	\$ 1,135,411	\$ 686,873	\$ 12,341	\$ 699,214
Special Purpose Funds							
Industrial Development Fund	44,153	-	9,714	9,300	44,567	-	44,567
Library Fund	4,267	-	63,140	62,697	4,710	48	4,758
Recreation Fund	2,090	-	38,541	37,317	3,314	-	3,314
Special Street and Highway Fund	109,252	-	42,262	34,320	117,194	-	117,194
Special Parks and Recreation Fund	26,268	-	5,627	248	31,647	-	31,647
Employee Benefit Fund	18,524	-	259,587	268,769	9,342	-	9,342
Equipment Reserve Fund	237,147	-	102,925	6,000	334,072	-	334,072
Economic Development Fund	324,694	-	189,661	150,746	363,609	5	363,614
Economic Development Revolving Loan Fund	191,020	-	89,836	69,447	211,409	-	211,409
Golf Course Improvement Fund	6,553	-	21,608	4,456	23,705	-	23,705
Safe Routes Grant Fund	1,770	-	-	-	1,770	-	1,770
Partially Self-Funded Health Insurance Fund	70,282	-	46,464	36,438	80,308	-	80,308
ARPA Grant Fund	119,798	-	119,798	-	239,596	-	239,596
Capital Projects Funds							
Airport Grant Fund	(86,027)	-	169,172	482,674	(399,529) *	222,567	(176,962)
Community Projects Fund	353,320	-	84,249	56,490	381,079	-	381,079
CCLIP US-281 Project Fund	-	-	-	291,245	(291,245) *	291,245	-
CCLIP K-204 Project Fund	(99,992)	-	120,483	29,114	(8,623) *	-	(8,623)
Business Funds							
Water Fund	1,074,341	-	774,989	672,296	1,177,034	25	1,177,059
Water Improvement Fund	158,330	-	51,195	45,737	163,788	11,000	174,788
Airport Fund	62,373	-	65,976	98,019	30,330	24,731	55,061
Golf Course Fund	2,468	-	64,181	57,266	9,383	-	9,383
Waste Disposal Fund	404,942	-	345,801	378,710	372,033	1,969	374,002
Total Financial Reporting Entity (Excluding Agency Funds)	<u>\$ 3,694,497</u>	<u>\$ -</u>	<u>\$ 3,818,569</u>	<u>\$ 3,926,700</u>	<u>\$ 3,586,366</u>	<u>\$ 563,931</u>	<u>\$ 4,150,297</u>

\* See Note 3 (Cash Basis Exception)

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

CITY OF SMITH CENTER  
Smith Center, Kansas

Statement 1  
Page 2 of 2

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH  
REGULATORY BASIS  
For The Year Ended December 31, 2022

Composition of Cash

Cash On Hand	\$	100
People's Bank		
Checking Accounts		330,630
Savings		1,399,701
Certificates of Deposit		300,000
Smith County Bank		
Certificates of Deposit		200,000
Guaranty State Bank		
Checking Accounts		875,820
NOW Accounts		865,720
Certificates of Deposit		100,000
Farmers Bank & Trust		
NOW Accounts		<u>80,309</u>
Total Cash		4,152,280
Agency Funds Per Schedule 3		<u>(1,983)</u>
Total Financial Reporting Entity (Excluding Agency Funds)	\$	<u><u>4,150,297</u></u>

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



CITY OF SMITH CENTER  
Smith Center, Kansas

NOTES TO THE FINANCIAL STATEMENT  
December 31, 2022

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**(a) Financial Reporting Entity**

The City of Smith Center, Kansas, is a municipal corporation governed by an elected mayor and an elected five member council. This financial statement presents the City of Smith Center, the municipality, and does not include its related municipal entities.

**(b) Regulatory Basis Fund Types**

In governmental accounting, 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 for the City for the year ended December 31, 2022.

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

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

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

**Business Funds** – 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 Funds** – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.).

**(c) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.**

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

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

**(d) 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 1<sup>st</sup>.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5<sup>th</sup>.
3. Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25<sup>th</sup>.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adopting of the final budget has been adjusted to on or before September 20<sup>th</sup>. The municipality held 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. There were no such budget amendments 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 regulatory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project Funds, Trust Funds, Agency Funds, and the following:

- Special Purpose Funds
  - Equipment Reserve Fund
  - Economic Development Revolving Loan Fund
  - Golf Course Improvement Fund
  - Safe Routes Grant Fund
  - Partially Self-Funded Health Insurance Fund
  - ARRA Grant Fund

Business Funds  
Water Improvement Fund

Spending in funds which are not subject to the legal annual operating budget requirements 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

- A. Encumbrances – During the year ended December 31, 2022, fund encumbrance records were not maintained as required by K.S.A. 10-1117, which requires the clerk to maintain a record of each funds' indebtedness and contracts creating a liability against the City.
- B. No other statutory violations noted for the year ended December 31, 2022.

**3. CASH BASIS EXCEPTION**

Airport Grant Fund:

The City received a Federal Aviation Administration (FAA) Grant. The grant document requires the City to expend the monies before they can request reimbursement, which caused the City to have negative unencumbered cash in the Airport Grant Fund at December 31, 2022. K.S.A. 12-1664 provides an exception for a cash basis law violation for the intergovernmental grant funds to expend monies for grant purposes with the expectation of monies to be reimbursed to the City under conditions of the grant award. The City will receive reimbursement for these expenditures in 2023.

CCLIP K-204 Project Fund and CCLIP US 281 Project Fund:

The City received grants from the Kansas Department of Transportation (KDOT). The grant agreements require the City to expend the monies before they can request reimbursement, which caused the City to have negative unencumbered cash in the CCLIP K-204 and CCLIP US 281 Project Funds at December 31, 2022. K.S.A. 12-1664 provides an exception for a cash basis law violation for the intergovernmental grant funds to expend monies for grant purposes with the expectation of monies to be reimbursed to the City under conditions of the grant award. The City will receive reimbursement for these expenditures in 2023.

**4. 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 or branch bank in the county in which the City is located or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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

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

**Custodial Credit Risk – Deposits.** Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. State statutes require the City’s deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. The City’s deposits were adequately secured at December 31, 2022.

At December 31, 2022, the City’s carrying amount of deposits was \$4,152,180 and the bank balance was \$4,262,937. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance \$1,066,058 was covered by federal depository insurance, \$3,196,879 was collateralized with securities held by the pledging financial institutions’ agents in the City’s name.

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

**5. INTERFUND TRANSFERS**

Operating transfers were as follows:

Transfer From	Transfer To	Regulatory Authority	Amount
Water Fund	General Fund	K.S.A. 12-825d	\$ 40,000
Water Fund	Water Improvement Fund	K.S.A. 12-825d	51,195
Waste Disposal Fund	Equipment Reserve Fund	K.S.A. 12-1,117	100,000

**6. DEFINED BENEFIT PENSION PLAN**

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.9% for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were \$68,302 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 \$698,102. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

## 7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

### (a) Other Post Employment Benefits

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

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.

### (b) Death and Disability Other Post Employment Benefits.

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

### (c) Compensated Absences

#### Vacation Leave

All full-time employees of the City are entitled to paid vacation. After one full year of employment, employees are entitled to five working days of paid vacation. At the end of two years employment, employees are entitled to ten working days paid vacation. At the end of ten years employment, employees are entitled to fifteen working days of paid vacation. After twelve years of employment, employees will receive sixteen working days of paid vacation. After

fourteen years, employees will receive seventeen working days of paid vacation. After sixteen years, employees will receive eighteen working days paid vacation. After eighteen years, employees will receive nineteen days of vacation. After twenty years, employees will receive the maximum, twenty working days paid vacation. Unused vacation days cannot be carried over to the following year unless approved by the City Council. The City Council approved to allow employees to carryover any remaining vacation days from 2022 into 2023 and those days must now be used by their anniversary date instead of the end of the year.

### Sick Leave

Employees are given one day sick leave for each month of employment. A maximum of ninety days sick leave can be accumulated. Any days acquired in excess of the ninety day maximum will be put in a sick leave pool at the end of each calendar year. At the time of an employee's retirement, compensation will be awarded to the employee for 50% of their accumulated sick leave, based on the employee's hourly wage at the time of retirement. After the employee is compensated, any remaining sick leave days will be placed in the sick leave pool. Part-time employees and seasonal employees are not entitled to sick leave. No sick leave exceeding three days will be allowed unless a statement from a doctor certifies that the illness prevented the employee from working. (This is at the discretion of the supervisor). Holiday pay will be paid if an employee is sick on a Holiday. Unused sick leave will not be paid at termination of employment unless termination is due to retirement.

### Compensatory Time Off

Any employee called out for an emergency, such as snow removal, water main breaks, or sewer main problems will be given compensation at 1½ times their regular pay rate for compensatory time off. The hourly wage is computed by dividing the annual salary by 2080 hours. Unused compensatory time will be paid at termination of employment.

## **8. RISK MANAGEMENT**

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City has been unable to obtain workman's compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in Kansas Municipal Insurance Trust, a public entity risk pool currently operating as a common risk management and insurance program for 177 participating members and the league itself.

The City continues to carry commercial insurance for all other risks of loss, including commercial property, commercial liability, automobile, linebacker, inland marine, surety bonds, commercial output, law enforcement liability, and airport liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City pays a monthly fee to Freedom Claims Management for administration of hospital, health care, and prescription claims. Freedom Claims Management acts as a limited agent for the City in receiving and processing claims for benefits under the plan and disbursing claim payments under the plan. United Healthcare will process and pay all eligible claims above a \$5,000 threshold.

**9. CAPITAL PROJECTS**

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	<u>Project Authorization</u>	<u>Expenditures to Date</u>
FAA Project	978,847	744,976
CCLIP US-281	921,860	870,305
CCLIP K-204	1,178,968	129,106

**10. RELATED PARTY TRANSACTIONS**

The City of Smith Center includes the Smith Center Housing Authority employees in its payroll and the Housing Authority reimburses the City. The amount of the reimbursement for the year ended December 31, 2022 was \$68,790.

**11. SUBSEQUENT EVENTS**

Management has evaluated events subsequent to year end through the date of this report, and does not believe any other events through the date of this report have occurred, which effect the financial statement as presented.

The City signed a Kansas Water Pollution Control Revolving Fund Loan Agreement with the Kansas Department of Health and Environment on April 17, 2023. The loan is in the amount of \$1,088,829 and will be used for the wastewater lagoon project. The interest rate on the loan is 2.13% and the maturity date is September 1, 2044. The City will make semi-annual loan payments of \$23,500. It is estimated that \$326,649 of the principal balance will be forgiven leaving a net principal of \$762,180.

## 12. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance 1/1/2022	Additions	Reductions/ Payments	Balance 12/31/2022	Interest/ Service Fee Paid
<b>KDHE Loans</b>									
Kansas Public Water Supply Loan	2.16%	12/10/2012	\$ 3,274,703	8/1/2035	\$ 2,435,350	\$ -	\$ 150,716	\$ 2,284,634	\$ 51,794
Kansas Water Pollution Control Loan	2.83%	10/13/2004	1,661,831	9/1/2027	599,710	-	93,064	506,646	16,318
<b>Total KDHE Loans</b>					<b>3,035,060</b>	<b>-</b>	<b>243,780</b>	<b>2,791,280</b>	<b>68,112</b>
<b>Capital Leases</b>									
2018 Fire Truck	1.00%	8/15/2017	259,234	8/15/2027	155,541	-	25,924	129,617	1,491
<b>Total Capital Leases</b>					<b>155,541</b>	<b>-</b>	<b>25,924</b>	<b>129,617</b>	<b>1,491</b>
<b>Total Contractual Indebtedness</b>					<b>\$ 3,190,601</b>	<b>\$ -</b>	<b>\$ 269,704</b>	<b>\$ 2,920,897</b>	<b>\$ 69,603</b>

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

Year	KDHE Loan		Capital Leases		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 249,704	\$ 62,187	\$ 25,923	\$ 1,231	\$ 275,627	\$ 63,418
2024	255,776	56,115	25,923	972	281,699	57,087
2025	261,999	49,892	25,923	712	287,922	50,604
2026	268,375	43,516	25,923	453	294,298	43,969
2027	274,910	36,981	25,925	194	300,835	37,175
2028-2032	895,307	117,241	-	-	895,307	117,241
2033-2035	585,209	22,319	-	-	585,209	22,319
	<b>\$ 2,791,280</b>	<b>\$ 388,251</b>	<b>\$ 129,617</b>	<b>\$ 3,562</b>	<b>\$ 2,920,897</b>	<b>\$ 391,813</b>



### 13. ECONOMIC DEVELOPMENT REVOLVING FUND/REVOLVING LOAN GRANT FUND

In connection with the Economic Development Revolving Fund and the Revolving Loan Grant Fund, the City has loaned local businesses monies. Principal and interest received from borrowers is required to be re-loaned to additional eligible borrowers as funds become available.

Business	Interest Rate	Date Issued	Original Amount	Outstanding 1/1/2022	Loaned	Principal Payments	Adjustments	Outstanding 12/31/2022	Interest Received 2022
Housing Service	5%	10/01/11	\$ 63,000	\$ 732	\$ -	\$ 732	\$ -	\$ -	\$ 3
Commercial Real Estate	5%	10/31/12	15,000	1,882	-	1,692	-	190	55
Retail	5%	01/08/15	220,851	22,631	-	22,631	-	-	501
Service	5%	11/01/16	47,500	31,585	-	(1,611)	-	33,196	1,611
Service	5%	01/05/17	11,000	3,987	-	3,987	-	-	135
Service	5%	06/19/17	120,000	70,479	-	10,721	-	59,758	3,271
Retail	5%	10/16/17	75,000	46,255	-	6,583	-	39,672	2,157
Service	5%	12/31/18	10,000	4,420	-	1,915	-	2,505	177
Service	5%	05/01/20	15,000	11,600	-	2,097	-	9,503	303
Retail	5%	02/13/20	9,453	7,235	-	1,190	-	6,045	334
Commercial Real Estate	5%	05/13/20	51,000	39,107	-	7,207	-	31,900	722
Manufacturing	2%	04/06/20	5,000	2,050	-	1,913	-	137	23
Service	2%	04/13/20	5,000	2,363	-	1,907	-	456	30
Service	2%	04/06/20	5,000	2,363	-	1,907	-	456	30
Service	2%	04/13/20	2,500	1,181	-	549	-	632	16
Restaurant	2%	04/06/20	5,000	3,826	-	3,826	-	-	71
Service	2%	04/13/20	2,000	944	-	763	-	181	12
Retail	2%	04/06/20	5,000	2,363	-	1,907	-	456	30
Service	0-5%	10/11/21	35,000	34,660	-	4,078	-	30,582	-
Retail	0-5%	05/12/22	39,337	-	39,337	3,131	-	36,206	-
Construction	0-5%	09/01/22	30,000	-	30,000	2,092	-	27,908	-
<b>Totals</b>			<u>\$ 771,641</u>	<u>\$ 289,663</u>	<u>\$ 69,337</u>	<u>\$ 79,217</u>	<u>\$ -</u>	<u>\$ 279,783</u>	<u>\$ 9,481</u>

CITY OF SMITH CENTER, KANSAS  
REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2022

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For the Year Ended December 31, 2022

FUNDS	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Fund					
General Operating Fund	\$ 1,622,075	\$ -	\$ 1,622,075	\$ 1,135,411	\$ (486,664)
Special Purpose Funds					
Industrial Development Fund	42,000	-	42,000	9,300	(32,700)
Library Fund	66,000	-	66,000	62,697	(3,303)
Recreation Fund	44,000	-	44,000	37,317	(6,683)
Special Street and Highway Fund	94,296	-	94,296	34,320	(59,976)
Special Parks and Recreation Fund	27,532	-	27,532	248	(27,284)
Employee Benefit Fund	284,500	-	284,500	268,769	(15,731)
Economic Development Fund	344,958	-	344,958	150,746	(194,212)
Business Funds					
Water Fund	1,387,075	-	1,387,075	672,296	(714,779)
Airport Fund	146,728	-	146,728	98,019	(48,709)
Golf Course Fund	57,561	-	57,561	57,266	(295)
Waste Disposal Fund	681,865	-	681,865	378,710	(303,155)

CITY OF SMITH CENTER  
Smith Center, Kansas

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SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

GENERAL OPERATING FUND

	Actual	Budget	Variance Over (Under)
<b>RECEIPTS</b>			
Ad Valorem Tax	\$ 538,339	\$ 562,803	\$ (24,464)
Delinquent Tax	12,596	12,000	596
Motor Vehicle Tax	66,122	43,648	22,474
Recreational Vehicle Tax	2,034	1,188	846
16/20M Vehicle Tax	1,746	1,692	54
Watercraft Tax	-	193	(193)
Commercial Vehicle Tax	8,131	4,983	3,148
Excise Tax	32	12	20
Neighborhood Revitalization Rebate	(22,916)	(15,692)	(7,224)
Intangibles Tax	31,820	32,054	(234)
Lot Clean-Up	-	1,200	(1,200)
Highway Connecting Links	15,880	12,900	2,980
Local Alcoholic Liquor Tax	5,627	4,387	1,240
Franchise Tax	187,528	154,000	33,528
Licenses & Permits	4,072	4,200	(128)
Fines	3,974	4,000	(26)
Key Deposits	475	1,000	(525)
Vehicle Identification Number Receipts	445	3,500	(3,055)
Interest on Idle Funds	4,679	5,500	(821)
Swimming Pool & Concessions	24,006	22,000	2,006
Rents	689	2,000	(1,311)
Reimbursements	137,546	165,000	(27,454)
Miscellaneous Receipts	18,138	35,000	(16,862)
Fire Department Receipts	44,458	32,000	12,458
Local Grants/Donations	20,941	35,000	(14,059)
Federal Grants	-	5,000	(5,000)
Transportation Fares	6,698	12,000	(5,302)
Sale of Property	300	25,000	(24,700)
Transfer			
Water Fund	40,000	-	40,000
	<u>1,153,360</u>	<u>\$ 1,166,568</u>	<u>\$ (13,208)</u>
<b>EXPENDITURES</b>			
General Government			
Personal Services	314,370	\$ 380,000	\$ (65,630)
Contractual Services	162,786	200,000	(37,214)
Commodities	139,534	162,500	(22,966)
Capital Outlay	14,753	30,000	(15,247)
	<u>631,443</u>	<u>772,500</u>	<u>(141,057)</u>

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-1  
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SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
Municipal Court & Police Department			
Personal Services	\$ 92,462	\$ 150,000	\$ (57,538)
Contractual Services	16,039	25,000	(8,961)
Commodities	11,669	20,000	(8,331)
Capital Outlay	2,179	15,000	(12,821)
Total Municipal Court & Police Department	122,349	210,000	(87,651)
Fire Department			
Contractual Services	39,957	45,000	(5,043)
Commodities	20,740	18,000	2,740
Capital Outlay	27,415	32,000	(4,585)
Total Fire Department	88,112	95,000	(6,888)
Street Department			
Personal Services	111,216	111,000	216
Contractual Services	12,771	64,750	(51,979)
Commodities	90,490	115,700	(25,210)
Capital Outlay	-	20,000	(20,000)
Total Street Department	214,477	311,450	(96,973)
Park Department			
Personal Services	-	3,000	(3,000)
Contractual Services	5,787	6,950	(1,163)
Commodities	1,124	11,275	(10,151)
Capital Outlay	-	3,500	(3,500)
Total Park Department	6,911	24,725	(17,814)

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-1  
Page 3 of 3

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

GENERAL OPERATING FUND (Cont.)

	Actual	Budget	Variance Over (Under)
Swimming Pool			
Personal Services	\$ 27,653	\$ 45,500	\$ (17,847)
Contractual Services	4,441	35,000	(30,559)
Commodities	6,337	25,000	(18,663)
Capital Outlay	-	5,000	(5,000)
	38,431	110,500	(72,069)
Street Lighting			
Contractual Services	33,688	45,000	(11,312)
Other Expenditures			
Miscellaneous Expenditures	-	52,900	(52,900)
Total Expenditures	1,135,411	\$ 1,622,075	\$ (486,664)
Receipts Over (Under) Expenditures	17,949		
UNENCUMBERED CASH, January 1, 2022	668,924		
UNENCUMBERED CASH, December 31, 2022	\$ 686,873		

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

INDUSTRIAL DEVELOPMENT FUND

	Actual	Budget	Variance Over (Under)
<b>RECEIPTS</b>			
Ad Valorem Tax	\$ 8,663	\$ 9,058	\$ (395)
Delinquent Tax	191	250	(59)
Motor Vehicle Tax	1,040	692	348
Recreational Vehicle Tax	32	19	13
16/20M Vehicle Tax	27	27	-
Watercraft Tax	-	3	(3)
Commercial Vehicle Tax	129	79	50
Excise Tax	1	-	1
Neighborhood Revitalization Rebate	(369)	(249)	(120)
<b>Total Receipts</b>	<u>9,714</u>	<u>\$ 9,879</u>	<u>\$ (165)</u>
<b>EXPENDITURES</b>			
Contractual	<u>9,300</u>	<u>\$ 42,000</u>	<u>\$ (32,700)</u>
Receipts Over (Under) Expenditures	414		
UNENCUMBERED CASH, January 1, 2022	<u>44,153</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 44,567</u>		

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-3

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

LIBRARY FUND

	Actual	Budget	Variance Over (Under)
<b>RECEIPTS</b>			
Ad Valorem Tax	\$ 56,313	\$ 58,874	\$ (2,561)
Delinquent Tax	1,242	1,750	(508)
Motor Vehicle Tax	6,760	4,500	2,260
Recreational Vehicle Tax	208	123	85
16/20M Vehicle Tax	173	174	(1)
Watercraft Tax	-	20	(20)
Commercial Vehicle Tax	838	514	324
Excise Tax	3	-	3
Neighborhood Revitalization Rebate	<u>(2,397)</u>	<u>(1,618)</u>	<u>(779)</u>
<b>Total Receipts</b>	<u>63,140</u>	<u>\$ 64,337</u>	<u>\$ (1,197)</u>
<b>EXPENDITURES</b>			
Personal Services	55,622	\$ 56,000	\$ (378)
Contractual Services	705	4,000	(3,295)
Appropriation to Library Board	<u>6,370</u>	<u>6,000</u>	<u>370</u>
<b>Total Expenditures</b>	<u>62,697</u>	<u>\$ 66,000</u>	<u>\$ (3,303)</u>
Receipts Over (Under) Expenditures	443		
UNENCUMBERED CASH, January 1, 2022	<u>4,267</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 4,710</u>		



CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-4

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

RECREATION FUND

	Actual	Budget	Variance Over (Under)
<b>RECEIPTS</b>			
Ad Valorem Tax	\$ 25,997	\$ 27,174	\$ (1,177)
Delinquent Tax	573	800	(227)
Motor Vehicle Tax	3,120	2,077	1,043
Recreational Vehicle Tax	96	57	39
16/20M Vehicle Tax	80	81	(1)
Watercraft Tax	-	9	(9)
Commercial Vehicle Tax	387	237	150
Excise Tax	1	-	1
Neighborhood Revitalization Rebate	(1,107)	(747)	(360)
Donations & Local Grants	7,000	2,000	5,000
Miscellaneous	2,394	1,500	894
Insurance Proceeds	-	10,000	(10,000)
	<u>38,541</u>	<u>\$ 43,188</u>	<u>\$ (4,647)</u>
<b>EXPENDITURES</b>			
Personal Services	7,966	\$ 9,000	\$ (1,034)
Contractual Services	2,851	3,000	(149)
Capital Outlay	-	8,000	(8,000)
Appropriation to Recreation Commission	26,500	24,000	2,500
	<u>37,317</u>	<u>\$ 44,000</u>	<u>\$ (6,683)</u>
Receipts Over (Under) Expenditures	1,224		
UNENCUMBERED CASH, January 1, 2022	<u>2,090</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 3,314</u>		

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-5

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

SPECIAL STREET AND HIGHWAY FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Special Highway Tax	\$ 42,262	\$ 40,370	\$ 1,892
EXPENDITURES			
Contractual Services	7	\$ 42,000	\$ (41,993)
Commodities	10,430	52,296	(41,866)
Capital Outlay	23,883	-	23,883
Total Expenditures	<u>34,320</u>	<u>\$ 94,296</u>	<u>\$ (59,976)</u>
Receipts Over (Under) Expenditures	7,942		
UNENCUMBERED CASH, January 1, 2022	<u>109,252</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 117,194</u>		

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-6

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

SPECIAL PARKS AND RECREATION FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Local Alcoholic Liquor Tax	\$ 5,627	\$ 4,387	\$ 1,240
Reimbursements	-	5,000	(5,000)
	<u>5,627</u>	<u>\$ 9,387</u>	<u>\$ (3,760)</u>
Total Receipts			
EXPENDITURES			
Contractual Services	-	\$ 11,000	\$ (11,000)
Commodities	-	16,532	(16,532)
Capital Outlay	248	-	248
	<u>248</u>	<u>\$ 27,532</u>	<u>\$ (27,284)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	5,379		
UNENCUMBERED CASH, January 1, 2022	<u>26,268</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 31,647</u>		

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-7

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For The Year Ended December 31, 2022

EMPLOYEE BENEFIT FUND

	Actual	Budget	Variance Over (Under)
<b>RECEIPTS</b>			
Ad Valorem Tax	\$ 228,464	\$ 238,833	\$ (10,369)
Delinquent Tax	4,544	5,500	(956)
Motor Vehicle Tax	26,626	17,996	8,630
Recreational Vehicle Tax	816	490	326
16/20M Vehicle Tax	643	698	(55)
Watercraft Tax	-	79	(79)
Commercial Vehicle Tax	3,347	2,055	1,292
Excise Tax	12	-	12
Neighborhood Revitalization Rebate	(9,723)	(6,470)	(3,253)
Reimbursements	4,858	25,000	(20,142)
	<u>259,587</u>	<u>\$ 284,181</u>	<u>\$ (24,594)</u>
<b>EXPENDITURES</b>			
Social Security & Medicare Tax	54,190	\$ 50,500	\$ 3,690
Retirement	51,942	55,000	(3,058)
Workman's Compensation	21,646	18,000	3,646
Health Insurance	130,719	140,000	(9,281)
Dental Insurance	8,762	15,000	(6,238)
Vision Care	839	1,500	(661)
Unemployment Tax	649	1,500	(851)
Flex Spending	22	-	22
Outgoing Transfer			
Partially Self-Funded Health Insurance	-	3,000	(3,000)
	<u>268,769</u>	<u>\$ 284,500</u>	<u>\$ (15,731)</u>
Receipts Over (Under) Expenditures	(9,182)		
UNENCUMBERED CASH, January 1, 2022	<u>18,524</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 9,342</u>		

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-8

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS  
For The Year Ended December 31, 2022

EQUIPMENT RESERVE FUND

	<u>Actual</u>
RECEIPTS	
Sale of Property	\$ 2,925
Incoming Transfer	
Waste Disposal Fund	<u>100,000</u>
Total Receipts	<u>102,925</u>
EXPENDITURES	
Capital Outlay	<u>6,000</u>
Receipts Over (Under) Expenditures	96,925
UNENCUMBERED CASH, January 1, 2022	<u>237,147</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 334,072</u></u>

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-9

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For The Year Ended December 31, 2022

ECONOMIC DEVELOPMENT FUND

	Actual	Budget	Variance Over (Under)
<b>RECEIPTS</b>			
Sales Tax	\$ 151,674	\$ 155,000	\$ (3,326)
Compensating Use Tax	35,362	27,000	8,362
Miscellaneous Receipts	2,625	5,000	(2,375)
Downtown Beautification Program	-	14,000	(14,000)
	<u>189,661</u>	<u>\$ 201,000</u>	<u>\$ (11,339)</u>
<b>EXPENDITURES</b>			
Personal Services	59,933	\$ 80,000	\$ (20,067)
Contractual Services	22,059	191,458	(169,399)
Commodities	3,499	10,000	(6,501)
Capital Outlay	1,713	30,000	(28,287)
Grants	49,255	7,000	42,255
ROZ	14,260	-	14,260
Land Bank	27	5,500	(5,473)
Outgoing Transfer			
Economic Development Revolving Fund	-	21,000	(21,000)
	<u>150,746</u>	<u>\$ 344,958</u>	<u>\$ (194,212)</u>
Receipts Over (Under) Expenditures	38,915		
UNENCUMBERED CASH, January 1, 2022	<u>324,694</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 363,609</u>		

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-10

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS  
For The Year Ended December 31, 2022

ECONOMIC DEVELOPMENT REVOLVING LOAN FUND

	<u>Actual</u>
RECEIPTS	
Loan Principal & Interest Received	\$ 88,697
Interest on Idle Funds	<u>1,139</u>
Total Receipts	<u>89,836</u>
EXPENDITURES	
Loan to Applicants	69,337
Miscellaneous Expenditures	<u>110</u>
Total Expenditures	<u>69,447</u>
Receipts Over (Under) Expenditures	20,389
UNENCUMBERED CASH, January 1, 2022	<u>191,020</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 211,409</u></u>

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-11

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS  
For The Year Ended December 31, 2022

GOLF COURSE IMPROVEMENT FUND

	<u>Actual</u>
RECEIPTS	
Local Grants/Donations	<u>\$ 21,608</u>
EXPENDITURES	
Capital Outlay	<u>4,456</u>
Receipts Over (Under) Expenditures	17,152
UNENCUMBERED CASH, January 1, 2022	<u>6,553</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 23,705</u></u>



CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-12

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS  
For The Year Ended December 31, 2022

SAFE ROUTES GRANT FUND

	<u>Actual</u>
RECEIPTS	<u>\$ -</u>
EXPENDITURES	<u>-</u>
Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2022	<u>1,770</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 1,770</u></u>

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-13

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

PARTIALLY SELF-FUNDED HEALTH INSURANCE FUND

	<u>Actual</u>
RECEIPTS	
Interest on Idle Funds	\$ 311
Insurance Premiums	<u>46,153</u>
Total Receipts	<u>46,464</u>
EXPENDITURES	
Contractual Services	<u>36,438</u>
Receipts Over (Under) Expenditures	10,026
UNENCUMBERED CASH, January 1, 2022	<u>70,282</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 80,308</u></u>

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-14

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS  
For The Year Ended December 31, 2022

ARPA GRANT FUND

	<u>Actual</u>
RECEIPTS	
Federal Grants	<u>\$ 119,798</u>
EXPENDITURES	
	<u>-</u>
Receipts Over (Under) Expenditures	119,798
UNENCUMBERED CASH, January 1, 2022	<u>119,798</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 239,596</u></u>

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-15

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS  
For The Year Ended December 31, 2022

AIRPORT GRANT FUND

	<u>Actual</u>
RECEIPTS	
Federal Grants	\$ 88,188
State Grants	<u>80,984</u>
Total Receipts	<u>169,172</u>
EXPENDITURES	
Contractual Services	<u>482,674</u>
Receipts Over (Under) Expenditures	(313,502)
UNENCUMBERED CASH, January 1, 2022	<u>(86,027)</u>
UNENCUMBERED CASH, December 31, 2022	<u>\$ (399,529) *</u>

\* See Note 3 (Cash Basis Exception)

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-16

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS  
For The Year Ended December 31, 2022

COMMUNITY PROJECTS FUND

	<u>Actual</u>
RECEIPTS	
Interest	\$ 2,110
Donations	<u>82,139</u>
Total Receipts	<u>84,249</u>
EXPENDITURES	
Commodities	6,490
Capital Outlay	<u>50,000</u>
Total Expenditures	<u>56,490</u>
Receipts Over (Under) Expenditures	27,759
UNENCUMBERED CASH, January 1, 2022	<u>353,320</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 381,079</u></u>

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-17

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS  
For The Year Ended December 31, 2022

CCLIP US-281 PROJECT FUND

	<u>Actual</u>
RECEIPTS	<u>\$ -</u>
EXPENDITURES	
Contractual Services	<u>291,245</u>
Receipts Over (Under) Expenditures	(291,245)
UNENCUMBERED CASH, January 1, 2022	<u>-</u>
UNENCUMBERED CASH, December 31, 2022	<u>\$ (291,245) *</u>

\* See Note 3 (Cash Basis Exception)

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-18

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS  
For The Year Ended December 31, 2022

CCLIP K-204 PROJECT FUND

	<u>Actual</u>
RECEIPTS	
State Aid	<u>\$ 120,483</u>
EXPENDITURES	
Contractual Services	<u>29,114</u>
Receipts Over (Under) Expenditures	91,369
UNENCUMBERED CASH, January 1, 2022	<u>(99,992)</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ (8,623) *</u></u>

\* See Note 3 (Cash Basis Exception)

CITY OF SMITH CENTER  
Smith Center, Kansas

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SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

WATER FUND

	Actual	Budget	Variance Over (Under)
<b>RECEIPTS</b>			
Water Department			
Water Sales	\$ 567,571	\$ 575,000	\$ (7,429)
Sales Tax	151,674	155,000	(3,326)
Compensating Use Tax	35,362	26,000	9,362
Petty Cash	1,337	1,600	(263)
Miscellaneous Receipts	1,743	8,200	(6,457)
Reimbursements	4,946	4,500	446
Installation Charges	1,870	3,000	(1,130)
Interest on Idle Funds	10,486	13,000	(2,514)
	<u>774,989</u>	<u>\$ 786,300</u>	<u>\$ (11,311)</u>
<b>EXPENDITURES</b>			
General Government			
Personal Services	-	\$ 600	\$ (600)
Production			
Contractual Services	37,809	50,000	(12,191)
Commodities	494	20,000	(19,506)
Capital Outlay	-	80,000	(80,000)
	<u>38,303</u>	<u>150,000</u>	<u>(111,697)</u>
Transmission & Distribution			
Personal Services	52,978	100,000	(47,022)
Contractual Services	46,776	150,000	(103,224)
Commodities	40,792	70,000	(29,208)
Capital Outlay	-	100,000	(100,000)
	<u>140,546</u>	<u>420,000</u>	<u>(279,454)</u>



CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-19  
Page 2 of 2

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

WATER FUND (Cont.)

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Administration & General			
Personal Services	\$ 125,656	\$ 100,000	\$ 25,656
Contractual Services	71,493	160,000	(88,507)
Commodities	1,196	15,000	(13,804)
Capital Outlay	-	90,000	(90,000)
	198,345	365,000	(166,655)
Other Expenditures			
Postage	364	1,000	(636)
Miscellaneous Expenditures	783	6,200	(5,417)
Key Returns	250	1,500	(1,250)
Reimbursed Expenses	-	200	(200)
Well Improvements	-	37,000	(37,000)
Debt Service			
Principal	150,716	243,778	(93,062)
Interest	43,401	58,278	(14,877)
Service Fee	8,393	9,835	(1,442)
	203,907	357,791	(153,884)
Outgoing Transfers			
General Fund	40,000	-	40,000
Water Improvement Fund	51,195	93,684	(42,489)
	91,195	93,684	(2,489)
	672,296	\$ 1,387,075	\$ (714,779)
Receipts Over (Under) Expenditures	102,693		
UNENCUMBERED CASH, January 1, 2022	1,074,341		
UNENCUMBERED CASH, December 31, 2022	\$ 1,177,034		

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-20

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL  
REGULATORY BASIS  
For The Year Ended December 31, 2022

WATER IMPROVEMENT FUND

	<u>Actual</u>
RECEIPTS	
Incoming Transfer	
Water Fund	<u>\$ 51,195</u>
EXPENDITURES	
Contractual	<u>45,737</u>
Receipts Over (Under) Expenditures	5,458
UNENCUMBERED CASH, January 1, 2022	<u>158,330</u>
UNENCUMBERED CASH, December 31, 2022	<u><u>\$ 163,788</u></u>

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-21

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

AIRPORT FUND

	Actual	Budget	Variance Over (Under)
<b>RECEIPTS</b>			
Hanger Rent	\$ 11,405	\$ 16,000	\$ (4,595)
Farm Ground Rent	10,738	17,000	(6,262)
Miscellaneous Receipts	38	8,000	(7,962)
Fuel Sales	22,887	25,000	(2,113)
County Allocation	4,000	-	4,000
Airport Maintenance	-	7,500	(7,500)
Local Grants/Donations	15,000	15,000	-
Sales Tax	1,908	2,000	(92)
	<u>65,976</u>	<u>\$ 90,500</u>	<u>\$ (24,524)</u>
<b>EXPENDITURES</b>			
Contractual Services	69,361	\$ 40,000	\$ 29,361
Commodities	14,885	80,000	(65,115)
Capital Outlay	13,773	26,728	(12,955)
	<u>98,019</u>	<u>\$ 146,728</u>	<u>\$ (48,709)</u>
Receipts Over (Under) Expenditures	(32,043)		
UNENCUMBERED CASH, January 1, 2022	<u>62,373</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 30,330</u>		

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-22

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
For The Year Ended December 31, 2022

GOLF COURSE FUND

	Actual	Budget	Variance Over (Under)
<b>RECEIPTS</b>			
Dues	\$ 24,960	\$ 24,000	\$ 960
Rentals	10,086	8,000	2,086
Fees	8,479	10,000	(1,521)
Tournaments	15,334	10,500	4,834
Miscellaneous Receipts	5,240	3,500	1,740
Interest on Idle Funds	82	300	(218)
	<u>64,181</u>	<u>\$ 56,300</u>	<u>\$ 7,881</u>
<b>EXPENDITURES</b>			
Contractual Services	17,593	\$ 17,000	\$ 593
Commodities	37,220	25,561	11,659
Capital Outlay	2,453	15,000	(12,547)
	<u>57,266</u>	<u>\$ 57,561</u>	<u>\$ (295)</u>
Receipts Over (Under) Expenditures	6,915		
UNENCUMBERED CASH, January 1, 2022	<u>2,468</u>		
UNENCUMBERED CASH, December 31, 2022	<u>\$ 9,383</u>		

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 2-23

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
For The Year Ended December 31, 2022

WASTE DISPOSAL FUND

	Actual	Budget	Variance Over (Under)
<b>RECEIPTS</b>			
Waste Disposal Receipts	\$ 326,726	\$ 328,000	\$ (1,274)
Sale of Property	18,000	-	18,000
Miscellaneous Receipts	1,075	-	1,075
<b>Total Receipts</b>	<b>345,801</b>	<b>\$ 328,000</b>	<b>\$ 17,801</b>
<b>EXPENDITURES</b>			
Personal Services	120,603	\$ 170,000	\$ (49,397)
Contractual Services	34,030	40,000	(5,970)
Commodities	13,654	30,000	(16,346)
Capital Outlay	1,041	199,665	(198,624)
Debt Service			
Principal	93,064	110,000	(16,936)
Interest	14,876	30,000	(15,124)
Service Fee	1,442	2,200	(758)
Outgoing Transfer			
Equipment Reserve Fund	100,000	100,000	-
<b>Total Expenditures</b>	<b>378,710</b>	<b>\$ 681,865</b>	<b>\$ (303,155)</b>
Receipts Over (Under) Expenditures	(32,909)		
UNENCUMBERED CASH, January 1, 2022	404,942		
UNENCUMBERED CASH, December 31, 2022	\$ 372,033		

CITY OF SMITH CENTER  
Smith Center, Kansas

Schedule 3

SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
REGULATORY BASIS  
For The Year Ended December 31, 2022

AGENCY FUNDS

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Payroll Clearing Fund	\$ 1,983	\$ -	\$ -	\$ 1,983
Hospital Sales Tax Fund	-	183,469	183,469	-
Total Agency Funds	<u>\$ 1,983</u>	<u>\$ 183,469</u>	<u>\$ 183,469</u>	<u>\$ 1,983</u>