CITY OF MINNEOLA, KANSAS

FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT

YEAR ENDED DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
Minneola, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of the City of Minneola, Kansas and its related municipal entity, the Minneola City Library (collectively referred to as the Municipal Financial Reporting Entity), as of and for the year ended December 31, 2023 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Municipal Financial Reporting Entity, as of December 31, 2023, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the Municipal Financial Reporting Entity, as of December 31, 2023, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

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 Municipal Financial Reporting Entity 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 A of the financial statement, the financial statement is prepared by the Municipal Financial Reporting Entity 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 A 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 A; 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, which raise substantial doubt about the Municipal Financial Reporting Entity'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 judgement 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 Municipal Financial Reporting Entity'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, which raise substantial doubt about the Municipal Financial Reporting Entity'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 (basic financial statement) as a whole. The summary of regulatory basis expenditures - actual and budget, and individual fund schedules of regulatory basis receipts and expenditures (Schedules 1 and 2 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 A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended December 31, 2022 (not presented herein), and have issued our report thereon dated November 15, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the website of the Kansas Department of Administration at the following link: https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended December 31, 2023 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2022 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 basic financial statement or to the 2022 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2022, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

August 12, 2024

CITY OF MINNEOLA, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended December 31, 2023

Fund	Beginning unencumbered cash balance (deficit)	Prior year canceled encumbrances	Receipts
General fund:			
General	$ 174,289	$ -	$ 481,719
Special purpose funds:			
Library	1,520	-	21,278
Library employee benefits	209	-	2,376
Employee benefits	27,299	-	16,649
Special highway	48,003	-	45,606
RHID - Norton	35,343	-	37,400
RHID - Cottonwood	21,537	-	30,000
Equipment reserve	54,090	-	15,000
Capital improvements	119,806	-	74,875
ENEL	4,297	-	40,000
ARPA	36,277	-	-
Housing authority	-	-	4,250
Total special purpose funds	348,381	-	287,434
Bond and interest fund:			
Bond and interest	27,220	-	26,589
Capital project fund:			
Waterline project	(9,846)	-	19,441
CCLIP grant	(10,552)	-	5,301
Total capital project funds	(20,398)	-	24,742
Business funds:			
Water utility	432,182	-	283,127
Sewer utility	75,817	-	81,520
Trash utility	8,769	-	47,868
Total business funds	516,768	-	412,515
Total City of Minneola	1,046,260	-	1,232,999
Related municipal entity:			
Minneola City Library	135,285	-	55,525
Total municipal financial reporting entity	$ 1,181,545	$ -	$ 1,288,524
Composition of cash:			
Checking			
Debit card			
Money market			
Certificate of deposit			
Total City of Minneola			
Related municipal entity			
Total municipal financial reporting entity			

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

STATEMENT 1

Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
$ 448,562	$ 207,446	$ 3,221	$ 210,667
21,450	1,348	-	1,348
2,400	185	-	185
14,086	29,862	-	29,862
59,123	34,486	-	34,486
34,388	38,355	-	38,355
34,275	17,262	-	17,262
2,483	66,607	-	66,607
84,471	110,210	8,500	118,710
23,163	21,134	-	21,134
3,872	32,405	-	32,405
4,250	-	-	-
283,961	351,854	8,500	360,354
26,538	27,271	-	27,271
9,595	-	-	-
3,249	(8,500)	-	(8,500)
12,844	(8,500)	-	(8,500)
211,993	503,316	-	503,316
69,333	88,004	-	88,004
46,628	10,009	-	10,009
327,954	601,329	-	601,329
1,099,859	1,179,400	11,721	1,191,121
32,051	158,759	779	159,538
$ 1,131,910	$ 1,338,159	$ 12,500	$ 1,350,659

	$ 918,350
	2,000
	220,771
	50,000
	1,191,121
	159,538
	$ 1,350,659

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the City's financial statement. The financial statement, schedules, and notes are representations of the City's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

   The City of Minneola is a municipal corporation governed by an elected mayor and five-member council. This financial statement presents the City of Minneola (the Municipality) and its related municipal entity. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents.

   Minneola City Library. The Library operates the City's public library. The members of the governing board of the Library are approved by the City Council. The Library is fiscally dependent on the City because the City provides substantial financial support in the form of appropriations. In addition, the Library is prohibited from issuing bonded debt without the approval of the City Council.

2. Basis of Presentation – Fund Accounting

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

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

   REGULATORY BASIS FUND TYPES

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

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

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

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

   Business fund – funds financed in whole or in part by fees charged to users for goods or services (i.e., enterprise and internal service funds, etc.).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. 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.

4. Budgetary Information

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

a. Preparation of the budget for the succeeding calendar year on or before August 1st.

b. Publication in the official newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

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

d. Adoption of the final budget on or before August 25th.

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held, and the governing body may amend the budget at that time. The following budgets were amended in the current year:

Fund	Original budget	Amended budget
RHID - Norton	$ -	$ 35,887
RHID - Cottonwood	-	34,469
	$ -	$ 70,356

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

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

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

A legal operating budget is not required for the Capital Project funds or the Equipment Reserve, Capital Improvements, ENEL, ARPA, and Housing Authority special purpose 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.

B. COMPLIANCE WITH KANSAS STATUTES

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, the Kansas Department of Administration, and legal representatives of the City.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund in excess of monies available in that fund. Although the CCLIP Grant fund overspent its cash by $8,500, according to K.S.A. 12-1664, the City is not prohibited from financing the federal share of a local program from current funds, if available.

C. 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 to 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.

C. DEPOSITS AND INVESTMENTS (CONTINUED)

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

At December 31, 2023, the City's carrying amount of deposits was $1,191,121 and the bank balance was $1,196,221. Of the bank balance, $250,000 was covered by federal depository insurance and $946,221 was collateralized with securities held by the pledging financial institution's agents in the City's name.

D. LONG-TERM DEBT

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

Issue	Balance beginning of year	Additions	Reductions/ payments	Balance end of year	Interest paid
General obligation bonds:					
Streetscape project Issued May 6, 2021 In the amount of $425,000 At interest rates of 0.50% to 2.25% Maturing October 1, 2041	$ 410,000	$ -	$ 20,000	$ 390,000	$ 6,538
Waterline project Issued December 2, 2021 In the amount of $2,697,000 At an interest rate of 1.75% Maturing December 2, 2061	2,649,855	-	47,970	2,601,885	47,373
Norton land purchase Issued June 1, 2022 In the amount of $415,000 At interest rates of 3.50% to 6.20% Maturing October 1, 2042	415,000	-	5,000	410,000	29,387
Cottonwood land purchase Issued September 15, 2022 In the amount of $185,000 At interest rates of 3.65% to 4.80% Maturing October 1, 2029	185,000	-	26,000	159,000	7,869
Total general obligation bonds	$ 3,659,855	$ -	$ 98,970	$ 3,560,885	$ 91,167

D. LONG-TERM DEBT (CONTINUED)

Current maturities of general obligation bonds and interest for the next five years and in five-year increments through maturity are as follows:

	Principal due	Interest due	Total due
2024	$ 109,684	$ 80,502	$ 190,186
2025	110,661	77,781	188,442
2026	111,530	75,069	186,599
2027	112,414	72,268	184,682
2028	113,199	69,479	182,678
2029-2033	499,510	306,591	806,101
2034-2038	530,486	245,047	775,533
2039-2043	527,725	166,868	694,593
2044-2048	357,379	114,331	471,710
2049-2053	389,852	81,858	471,710
2054-2058	425,194	46,516	471,710
2059-2061	273,251	9,625	282,876
Total	$ 3,560,885	$ 1,345,935	$ 4,906,820

E. TRANSFERS

A summary of transfers by type is as follows:

From	To	Regulatory authority	Amount
Operating transfers:			
General	Special Highway	K.S.A. 12-1,119	$ 25,000
General	RHID – Norton	Resolution	2,000
General	RHID - Cottonwood	Resolution	30,000
General	Equipment Reserve	K.S.A. 12-1,117	15,000
General	Capital Improvements	K.S.A. 12-1,118	74,875
General	Bond and Interest	Resolution	26,500
			$ 173,375
Transfers to related municipal entity:			
Library	Minneola City Library		$ 21,450
Library Employee Benefits	Minneola City Library		2,400
			$ 23,850

F. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Death and disability other post-employment benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate was set at 1% and contributions were $1,399 for the year ended December 31, 2023.

F. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

Compensated absences. The City's compensated absence policy permits employees to accrue hours based on years of service and employment classification. The maximum accumulation also depends on years of service and employment classification. Upon reaching the maximum number of hours accrued, the leave accrual will change to extended leave and be deposited into the employee's Extended Illness Bank until the maximum hours are attained.

G. DEFINED BENEFIT PENSION PLAN

General Information about the Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.43% for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were $11,793 for the year ended December 31, 2023.

Net Pension Liability

At December 31, 2023, the City's proportionate share of the collective net pension liability reported by KPERS was $129,504. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

H. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Settled claims have not exceeded coverage in any of the past three years.

I. CONTINGENCIES

The City has received $103,622 from the Department of Treasury through the American Rescue Plan Act (ARPA) of 2021 to cover lost revenue. As of December 31, 2023, $32,405 remains in the ARPA fund. These funds must be obligated by December 31, 2024 and expended by December 31, 2026.

J. CAPITAL PROJECTS

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

	Project authorization	Cash disbursements and accounts payable to date
Water system improvements	$ 3,164,632	$ 3,164,632
CCLIP project	38,804	8,500
	$ 3,203,436	$ 3,173,132

K. SUBSEQUENT EVENTS

The City has evaluated subsequent events through August 12, 2024, the date on which the financial statement was available to be used and does not believe any events have occurred which affect the financial statement as presented.

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

CITY OF MINNEOLA, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2023

Fund	Certified budget	Adjustment for qualifying budget credits	Total budget for comparison	Expenditures chargeable to current year	Variance favorable (unfavorable)
General fund:					
General	$ 461,100	$ -	$ 461,100	$ 448,562	$ 12,538
Special purpose funds:					
Library	21,450	-	21,450	21,450	-
Library employee benefits	2,400	-	2,400	2,400	-
Employee benefits	32,500	-	32,500	14,086	18,414
Special highway	72,936	-	72,936	59,123	13,813
RHID - Norton	35,887	-	35,887	34,388	1,499
RHID - Cottonwood	34,469	-	34,469	34,275	194
Bond and interest fund:					
Bond and interest	27,160	-	27,160	26,538	622
Business funds:					
Water utility	468,843	-	468,843	211,993	256,850
Sewer utility	125,000	-	125,000	69,333	55,667
Trash utility	63,000	-	63,000	46,628	16,372
	$ 1,344,745	$ -	$ 1,344,745	$ 968,776	$ 375,969

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	$ 106,518	$ 119,398	$ 115,954	$ 3,444
Delinquent tax	9,205	3,717	-	3,717
Motor vehicle tax	26,198	21,615	28,477	(6,862)
Recreational vehicle tax	532	369	496	(127)
16/20M truck tax	207	222	252	(30)
Special assessments	2,000	250	-	250
Intangibles tax	3,419	3,716	1,945	1,771
Local sales tax	115,794	91,629	60,000	31,629
Franchise tax	48,932	47,839	30,000	17,839
Amounts from Clark County	3,015	2,125	3,000	(875)
Windfarm donations	164,691	112,728	112,000	728
Licenses, permits and fees:				
Licenses and permits	325	195	-	195
Animal control	892	513	-	513
Fines, forfeitures and penalties	13,496	13,750	-	13,750
Charges for services	14,549	12,830	10,000	2,830
Interest	756	3,115	200	2,915
Miscellaneous	35,062	49,096	5,000	44,096
Neighborhood revitalization	(1,712)	(1,388)	(2,775)	1,387
Total receipts	543,879	481,719	$ 364,549	$ 117,170
Expenditures:				
General government:				
Personal services	44,356	30,944	$ 60,000	$ 29,056
Contractual services	98,124	109,059	80,000	(29,059)
Commodities	21,268	17,293	16,000	(1,293)
Capital outlay	-	-	6,000	6,000
Public safety:				
Law enforcement	-	-	3,600	3,600
Fire department	10,238	3,378	12,000	8,622
Police department:				
Personal services	10,646	-	10,000	10,000
Capital outlay	841	-	6,000	6,000
Municipal court:				
Personal services	3,000	4,230	3,000	(1,230)
Contractual services	7,994	8,407	6,000	(2,407)
Culture and recreation:				
Personal services	49,315	51,411	62,000	10,589
Contractual services	12,241	38,402	22,500	(15,902)
Commodities	35,329	12,063	17,500	5,437
Capital outlay	-	-	7,500	7,500
Operating transfers out	164,433	173,375	149,000	(24,375)
Total expenditures	457,785	448,562	$ 461,100	$ 12,538
Receipts over (under) expenditures	86,094	33,157		
Unencumbered cash, beginning of year	88,195	174,289	$ 96,551	$ 77,738
Unencumbered cash, end of year	$ 174,289	$ 207,446		

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	$ 16,304	$ 17,450	$ 16,945	$ 505
Delinquent tax	1,623	605	-	605
Motor vehicle tax	4,347	3,333	4,360	(1,027)
Recreational vehicle tax	86	58	76	(18)
16/20M truck tax	41	35	38	(3)
Neighborhood revitalization	(262)	(203)	(405)	202
Total receipts	22,139	21,278	$ 21,014	$ 264
Expenditures:				
Transfer to related municipal entity	21,200	21,450	$ 21,450	$ -
Receipts over (under) expenditures	939	(172)		
Unencumbered cash, beginning of year	581	1,520	$ 436	$ 1,084
Unencumbered cash, end of year	$ 1,520	$ 1,348		

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

LIBRARY EMPLOYEE BENEFITS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	$ 1,881	$ 1,937	$ 1,879	$ 58
Delinquent tax	179	68	-	68
Motor vehicle tax	486	383	503	(120)
Recreational vehicle tax	10	7	9	(2)
16/20M truck tax	3	4	4	-
Neighborhood revitalization	(30)	(23)	(45)	22
Total receipts	2,529	2,376	$ 2,350	$ 26
Expenditures:				
Transfer to related municipal entity	2,400	2,400	$ 2,400	$ -
Receipts over (under) expenditures	129	(24)		
Unencumbered cash, beginning of year	80	209	$ 50	$ 159
Unencumbered cash, end of year	$ 209	$ 185		

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

EMPLOYEE BENEFITS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	$ 17,183	$ 12,459	$ 12,085	$ 374
Delinquent tax	2,096	697	-	697
Motor vehicle tax	5,278	3,540	4,593	(1,053)
Recreational vehicle tax	100	60	80	(20)
16/20M truck tax	68	38	41	(3)
Neighborhood revitalization	(276)	(145)	(289)	144
Total receipts	24,449	16,649	$ 16,510	$ 139
Expenditures:				
General government:				
Contractual services	15,983	14,086	$ 32,500	$ 18,414
Receipts over (under) expenditures	8,466	2,563		
Unencumbered cash, beginning of year	18,833	27,299	$ 15,990	$ 11,309
Unencumbered cash, end of year	$ 27,299	$ 29,862		

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

SPECIAL HIGHWAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
State of Kansas gas tax	$ 19,225	$ 19,949	$ 18,880	$ 1,069
Miscellaneous	-	657	-	657
Operating transfers in	-	25,000	25,000	-
Total receipts	19,225	45,606	$ 43,880	$ 1,726
Expenditures:				
Public works:				
Personal services	500	4,860	$ 7,500	$ 2,640
Contractual services	3,000	5,000	2,500	(2,500)
Commodities	3,187	49,263	62,936	13,673
Total expenditures	6,687	59,123	$ 72,936	$ 13,813
Receipts over (under) expenditures	12,538	(13,517)		
Unencumbered cash, beginning of year	35,465	48,003	$ 29,056	$ 18,947
Unencumbered cash, end of year	$ 48,003	$ 34,486		

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

RHID - NORTON FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Debt proceeds	$ 415,000	$ -	$ -	$ -
Amounts from Appleton Township	32,790	35,400	30,000	5,400
Operating transfers in	-	2,000	35,342	(33,342)
Total receipts	447,790	37,400	$ 65,342	$ (27,942)
Expenditures:				
Public works:				
Capital outlay	401,009	-	$ -	$ -
Debt service:				
Principal	-	5,000	5,000	-
Interest	-	29,387	29,387	-
Fees and commissions	11,438	1	1,500	1,499
Total expenditures	412,447	34,388	$ 35,887	$ 1,499
Receipts over (under) expenditures	35,343	3,012		
Unencumbered cash, beginning of year	-	35,343	$ -	$ 35,343
Unencumbered cash, end of year	$ 35,343	$ 38,355	$ 29,455	$ 8,900

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

RHID - COTTONWOOD FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Debt proceeds	$ 185,000	$ -	$ -	$ -
Operating transfers in	18,000	30,000	34,537	(4,537)
Total receipts	203,000	30,000	$ 34,537	$ (4,537)
Expenditures:				
Public works:				
Capital outlay	173,849	404	$ -	$ (404)
Debt service:				
Principal	-	26,000	26,000	-
Interest	-	7,869	7,869	-
Fees and commissions	7,614	2	600	598
Total expenditures	181,463	34,275	$ 34,469	$ 194
Receipts over (under) expenditures	21,537	(4,275)		
Unencumbered cash, beginning of year	-	21,537	$ -	$ 21,537
Unencumbered cash, end of year	$ 21,537	$ 17,262	$ 68	$ 17,194

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

EQUIPMENT RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts:		
Operating transfers in	$ 15,258	$ 15,000
Expenditures:		
Capital outlay	11,282	2,483
Receipts over (under) expenditures	3,976	12,517
Unencumbered cash, beginning of year	50,114	54,090
Unencumbered cash, end of year	$ 54,090	$ 66,607

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

CAPITAL IMPROVEMENTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts:		
Operating transfers in	$ 88,175	$ 74,875
Expenditures:		
Capital outlay	81,349	84,471
Receipts over (under) expenditures	6,826	(9,596)
Unencumbered cash, beginning of year	112,980	119,806
Unencumbered cash, end of year	$ 119,806	$ 110,210

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

ENEL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts:		
Donations	$ -	$ 40,000
Expenditures:		
Minneola bucks	-	3,163
Grants	-	20,000
Total expenditures	-	23,163
Receipts over (under) expenditures	-	16,837
Unencumbered cash, beginning of year	4,297	4,297
Unencumbered cash, end of year	$ 4,297	$ 21,134

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

ARPA FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts:		
Federal aid	$ 51,811	$ -
Expenditures:		
Public works:		
Contractual services	67,345	3,872
Receipts over (under) expenditures	(15,534)	(3,872)
Unencumbered cash, beginning of year	51,811	36,277
Unencumbered cash, end of year	$ 36,277	$ 32,405

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

HOUSING AUTHORITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts:		
State aid	$ 100,000	$ 4,250
Expenditures:		
Transfer to Minneola Housing Authority	100,000	4,250
Receipts over (under) expenditures	-	-
Unencumbered cash, beginning of year	-	-
Unencumbered cash, end of year	$ -	$ -

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

BOND AND INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes and shared revenue:				
Delinquent tax	$ 532	$ 89	$ -	$ 89
Motor vehicle tax	513	-	-	-
Recreational vehicle tax	6	-	-	-
16/20M truck tax	22	-	-	-
Operating transfers in	46,002	26,500	27,000	(500)
Total receipts	47,075	26,589	$ 27,000	$ (411)
Expenditures:				
Debt service:				
Principal	15,000	20,000	$ 20,000	$ -
Interest	9,276	6,538	6,538	-
Fees and commissions	-	-	622	622
Total expenditures	24,276	26,538	$ 27,160	$ 622
Receipts over (under) expenditures	22,799	51		
Unencumbered cash, beginning of year	4,421	27,220	$ 160	$ 27,060
Unencumbered cash, end of year	$ 27,220	$ 27,271		

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

WATERLINE PROJECT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts:		
Interest	$ 113	$ 6
Federal aid	1,140,171	19,435
Total receipts	1,140,284	19,441
Expenditures:		
General government:		
Contractual services	6,201	-
Public works:		
Contractual services	115,818	3,008
Capital outlay	503,492	-
Culture and recreation		
Capital outlay	-	6,587
Debt service:		
Issuance costs	16,669	-
Total expenditures	642,180	9,595
Receipts over (under) expenditures	498,104	9,846
Unencumbered cash (deficit), beginning of year	(507,950)	(9,846)
Unencumbered cash (deficit), end of year	$ (9,846)	$ -

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

CCLIP GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts:		
State aid	$ 2,594	$ 5,301
Expenditures:		
Public works:		
Capital outlay	13,146	3,249
Receipts over (under) expenditures	(10,552)	2,052
Unencumbered cash (deficit), beginning of year	-	(10,552)
Unencumbered cash (deficit), end of year	$ (10,552)	$ (8,500)

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

WATER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Charges for services	$ 301,903	$ 270,434	$ 250,000	$ 20,434
Miscellaneous	24,799	12,693	5,000	7,693
Total receipts	326,702	283,127	$ 255,000	$ 28,127
Expenditures:				
Public works:				
Personal services	49,258	49,165	$ 55,000	$ 5,835
Contractual services	77,474	61,218	65,000	3,782
Commodities	5,296	6,667	20,000	13,333
Capital outlay	600	600	234,500	233,900
Debt service:				
Principal	47,145	47,970	47,970	-
Interest and commissions	47,198	46,373	46,373	-
Total expenditures	226,971	211,993	$ 468,843	$ 256,850
Receipts over (under) expenditures	99,731	71,134		
Unencumbered cash, beginning of year	332,451	432,182	$ 308,007	$ 124,175
Unencumbered cash, end of year	$ 432,182	$ 503,316	$ 94,164	$ 409,152

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

SEWER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Charges for services	$ 82,241	$ 81,520	$ 80,000	$ 1,520
Expenditures:				
Public works:				
Personal services	39,679	36,290	$ 50,000	$ 13,710
Contractual services	15,656	27,124	25,000	(2,124)
Commodities	8,516	5,919	10,000	4,081
Capital outlay	-	-	40,000	40,000
Total expenditures	63,851	69,333	$ 125,000	$ 55,667
Receipts over (under) expenditures	18,390	12,187		
Unencumbered cash, beginning of year	57,427	75,817	$ 45,000	$ 30,817
Unencumbered cash, end of year	$ 75,817	$ 88,004		

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

TRASH UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Charges for services	$ 47,983	$ 47,868	$ 52,000	$ (4,132)
Expenditures:				
Public works:				
Contractual services	46,265	46,628	$ 53,000	$ 6,372
Operating transfers out	-	-	10,000	10,000
Total expenditures	46,265	46,628	$ 63,000	$ 16,372
Receipts over (under) expenditures	1,718	1,240		
Unencumbered cash, beginning of year	7,051	8,769	$ 11,000	$ (2,231)
Unencumbered cash, end of year	$ 8,769	$ 10,009		

See Independent Auditor's Report.

CITY OF MINNEOLA, KANSAS

MINNEOLA CITY LIBRARY
(RELATED MUNICIPAL ENTITY)

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts:		
Transfers from City:		
General	$ 21,200	$ 21,450
Employee benefits	2,400	2,400
County appropriation	27,357	18,446
State aid	1,991	212
SWKLS grants	7,200	11,000
Memorials	246	34
Other income	1,912	190
Interest on investments	137	268
Summer reading	1,318	1,525
Total receipts	63,761	55,525
Expenditures:		
Culture and recreation:		
Materials	3,829	3,332
Operations	11,516	9,109
Personnel	14,594	17,668
Technology	4,106	1,642
Courier service	300	300
Total expenditures	34,345	32,051
Receipts over (under) expenditures	29,416	23,474
Unencumbered cash, beginning of year	105,869	135,285
Unencumbered cash, end of year	$ 135,285	$ 158,759

See Independent Auditor's Report.