

**CITY OF OSAWATOMIE, KANSAS**

Independent Auditor's Report and  
Financial Statement with  
Supplementary Information

For the Year Ended December 31, 2022

# CITY OF OSAWATOMIE, KANSAS

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**JARRED, GILMORE & PHILLIPS, PA**  
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Council  
City of Osawatomie, Kansas

***Adverse and Unmodified Opinions***

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Osawatomie, Kansas, 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 Osawatomie, Kansas as of December 31, 2022, or changes in financial position and cash flows thereof for the year then ended.

*Unmodified Opinion on Regulatory Basis of Accounting*

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

***Basis for Adverse and Unmodified Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the *Kansas Municipal Audit and Accounting Guide*, and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

*Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City of Osawatomie, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

***Responsibilities of Management for the Financial Statement***

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the

preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statement***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, schedules of receipts and expenditures – actual and budget – regulatory basis for each individual fund, and schedule of receipts and disbursements – agency funds, regulatory basis (Schedules 1, 2, and 3 as listed in the table of contents) are presented for 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*. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the

auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Osawatomie, Kansas as of and for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated July 18, 2022, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services>. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2022 (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 2021 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 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 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 2021 basic financial statement or to the 2021 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 2021 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, 2021, on the basis of accounting described in Note 1.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 19, 2023, on our consideration of the City of Osawatomie, Kansas’ internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Osawatomie, Kansas’ internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Osawatomie, Kansas’ internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

May 19, 2023  
Chanute, Kansas

CITY OF OSAWATOMIE, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2022

Funds	Beginning Unencumbered Cash Balances		Receipts		Expenditures		Ending Unencumbered Cash Balances		Add		Cash Balance December 31, 2022
	\$		\$		\$		\$		\$		
General	418,884.93		2,744,551.02		2,965,125.31		198,310.64		126,012.76		\$ 324,323.40
Special Purpose Funds:											
Industrial	11,113.42		62,575.78		70,861.90		2,827.30		13,838.00		16,665.30
Library	113,332.44		36,072.09		27,972.27		121,432.26		225.94		121,658.20
Employee Benefits	83,793.71		689,927.35		773,560.75		160.31		26,952.44		27,112.75
Special Parks and Recreation	159.99		57,628.54		39,968.75		17,819.78		30.03		17,849.81
Tourism	44,887.31		251,257.66		248,906.64		47,238.33		992.12		48,230.45
Police Seizures	-		1,019.00		-		1,019.00		-		1,019.00
Opioid Settlement	-		1,037.79		-		1,037.79		-		1,037.79
Street Improvement	104,463.19		235,135.15		133,969.60		205,628.74		-		205,628.74
Golf Course	139,778.63		748,001.86		644,619.28		243,161.21		63,404.43		306,565.64
Capital Improvements General	155,212.81		15,100.00		170,304.73		8.08		-		8.08
Capital Improvements Water	51,235.20		66,101.30		1,074,113.67		(956,777.17)		160,459.48		(796,317.69)
Capital Improvements Sewer	157,128.86		106,088.96		709,506.69		(446,288.87)		10,941.00		(435,347.87)
Capital Improvements Street	223,796.76		5,314,377.38		1,396,091.21		4,142,082.93		-		4,142,082.93
Capital Improvements Grant	3,556.79		-		-		3,556.79		-		3,556.79
Capital Improvements Technology	28,849.87		50,727.22		55,869.60		23,707.49		-		23,707.49
Public Safety Equipment	1,470.98		220,905.79		124,836.27		97,540.50		-		97,540.50
American Rescue Plan Act	326,888.80		326,888.60		653,777.40		-		-		-
Capital Project Funds:											
Electric Generation Bond Account	33,294.86		353.37		33,648.23		-		-		-
Bond and Interest Fund:											
General Obligation Bond and Interest	309,904.70		1,090,489.73		920,750.96		479,643.47		-		479,643.47
Business Funds:											
Electric Utility	478,613.17		4,416,631.37		4,204,845.18		690,399.36		122,176.35		812,575.71
Electric Utility Debt Service	164,634.73		450,000.00		353,126.25		261,508.48		-		261,508.48
Water Utility	55,948.06		1,206,935.36		1,219,793.44		43,089.98		32,980.08		76,070.06
Refuse Utility	1,221.96		378,366.79		379,412.78		175.97		31,435.04		31,611.01
Sewer Utility	90,337.79		1,333,365.72		1,221,839.72		201,863.79		357,308.56		559,172.35
Total Reporting Entity (Excluding Agency Funds)	\$ 2,998,508.96		\$ 19,803,537.83		\$ 17,422,900.63		\$ 5,379,146.16		\$ 946,756.23		\$ 6,325,902.39

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

**Statement 1 (Continued)**

**CITY OF OSAWATOMIE, KANSAS**

Summary Statement of Receipts, Expenditures, and Unencumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2022

Total Cash to be accounted for:	\$	6,325,902.39
<hr/>		
Composition of Cash:		
Cash on Hand .....	\$	800.00
Checking Accounts:		
Operating Account .....		305,348.20
Cash Flow Account .....		4,142,782.43
ADSAP .....		7,401.00
Municipal Court .....		24,275.08
Police Forfeitures.....		22,665.58
Cafeteria 125 Checking.....		84,270.27
Street & Sewer Project.....		456,565.62
Grant Account.....		3,556.79
PayPal Donations Account.....		2,930.01
USDA Loan Checking.....		23,414.40
Fire Department PR Checking .....		433.07
Opioid Settlement Account .....		1,037.79
City Event Account .....		598.92
Seizure Account .....		1,019.00
Petty Cash .....		2,000.00
Investments:		
Kansas Municipal Investment Pool.....		964,909.61
Certificates of Deposit .....		453,990.89
<hr/>		
Total Reporting Entity		6,497,998.66
Agency Funds Per Schedule 3		(172,096.27)
<hr/>		
Total Reporting Entity (Excluding Agency Funds)	\$	6,325,902.39
<hr/>		

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



## CITY OF OSAWATOMIE, KANSAS

Notes to the Financial Statement  
December 31, 2022

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

#### Financial Reporting Entity

The City of Osawatomie, Kansas (the City) is a municipal corporation governed by an elected eight-member council. These financial statements present the City of Osawatomie, Kansas (the primary government).

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

The Osawatomie Housing Authority – The Osawatomie Housing Authority operates the City's housing projects. The Osawatomie Housing Authority can sue and be sued, and can buy, sell, or lease real property. Bond ordinances must be approved by the City. The Osawatomie Housing Authority's financial statements should be included with the City's financial statements. However, the statements are omitted in an apparent departure from accounting principles generally accepted in the United States of America. Separate financial statements are prepared and are available at the Osawatomie Housing Authority. The Osawatomie Housing Authority is considered a major component unit.

The City of Osawatomie - Public Library - The City of Osawatomie, Kansas, Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Bond issuances must also be approved by the City. The City levies taxes for the Library Board and significantly influences the Library's operations. Separate internal financial statement are available at the Library. The Osawatomie Public Library is considered a major component unit.

#### Regulatory Basis Fund Types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the City of Osawatomie, Kansas, for the year of 2022:

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

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

Regulatory Basis Fund Types (Continued)

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

Business fund – 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.)

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

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.

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

Basis of Presentation – Regulatory Basis of Accounting

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

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

Pension Plan

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

Property Taxes

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

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

Reimbursed Expenses

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

Special Assessments

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as cash receipts in the appropriate project. Special assessments received after the issuance of general obligation bonds are recorded as cash receipts in the bond and interest fund. Further, state statutes require levying additional general ad valorem property taxes in the City bond and interest fund to finance delinquent special assessments receivable.

Budgetary Information

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

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

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20<sup>th</sup>. The City 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 revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. During the year ended December 31, 2022 the City amended the General Fund, Industrial Fund, Street Improvement Fund, Tourism Fund, Special Parks & Recreation Fund, Public Safety Equipment Fund, Electric Utility Fund, Sewer Utility Fund, and the Golf Course Fund.

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

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

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 municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

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

- Police Seizures Fund
- Opioid Settlement Fund
- Capital Improvements General Fund
- Capital Improvements Water Fund
- Capital Improvements Sewer Fund
- Capital Improvements Street Fund
- Capital Improvements Grant Fund
- Capital Improvements Special Projects Fund
- Capital Improvements Technology Fund
- American Rescue Plan Act Fund

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

**2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Compliance with Kansas Statutes

Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1, the City was in apparent violation with K.S.A. 10-1,113. The City has obligated expenditures in excess of available monies in the Capital Improvements Water Fund and Capital Improvements Sewer Fund, however, K.S.A. 10-1,116 provides that under certain situations, the funds can end the year with a negative unencumbered cash balance and therefore, are exempt from the cash basis laws of the State of Kansas. This fund met the criteria under the statutes and therefore, is deemed not to be in violation of the Kansas cash basis law. As shown in Schedule 1, the City was in compliance with Kansas budget laws.

Compliance with Revenue Bond Covenants

The City is required, under the ordinances on Revenue Bond Issues, to maintain in its Business Funds certain restricted accounts. The ordinances provide that the following reserve accounts be set up in amounts described below:

RESERVE ACCOUNTS	REQUIRED AMOUNT	ACTUAL AMOUNT
Principal and Interest Account for Electric Revenue Bonds Series 2015 – requires transfers Monthly of 1/12 of next maturing interest and 1/12 of next maturing principal.	\$ 145,600.00	\$ 261,508.48

**2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY** (Continued)

The City agrees to fix, establish, maintain and collect such rates, fees or charges for Electric Utility service which will be sufficient to enable the City to have, in each fiscal year, Net Revenues in an amount that will not be less than 125% of the Debt Service Requirements required to be paid by the City during that fiscal year on all System revenue bonds at the time outstanding. Net income is defined as gross income less operating expenses, but before any transfers, depreciation and capital expense. For the year ended December 31, 2022, the City had net revenues available for debt service of \$1,097,509.26, which is 251.26%. The loan agreement defines net revenues available for debt service to be revenues, less ordinary and necessary expenses of operating the system, but not including charges for interest and principal paid on the loan, or charges for depreciation. Therefore, this amount consists of receipts over expenditures, less debt service expenditures and capital outlay. Capital outlay is not considered to be an ordinary expense.

**3. DEPOSITS AND INVESTMENTS**

As of December 31, 2022, the City had the following investments and maturities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1-2</u>	<u>Rating</u>
Kansas Investment Pool	\$ 964,909.61	\$ 964,909.61	\$ - -	S&P AAf/S1+

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

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

*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. The City’s allocation of investments as of December 31, 2022, is as follows:

<u>Investments</u>	<u>Percentage of Investments</u>
Kansas Investment Pool	100%

*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, 2022.

**3. DEPOSITS AND INVESTMENTS** (Continued)

*Deposits:* At year-end, the City's carrying amount of deposits was \$5,532,289.05 and the bank balance was \$5,684,633.04. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$500,433.07 was covered by FDIC insurance and \$5,184,199.97 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 to be adequately secured.

At December 31, 2022, the City has invested \$964,909.61 in the State's municipal investment pool. The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas Legislature. State pooled monies may be invested in direct obligation that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities of up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.



#### 4. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
<b>General Obligation Bonds</b>									
Paid by Tax Levies:									
Series 2019 A Street Bonds	3.60%	5/23/2019	\$ 1,135,000.00	9/1/2038	\$ 1,060,000.00	-	\$ (45,000.00)	\$ 1,015,000.00	\$ 38,160.00
Series 2020 Temporary	1.10%	12/29/2020	421,000.00	9/1/2022	421,000.00	-	(421,000.00)	-	2,315.50
Series 2022 Temporary	3.40%	8/30/2022	346,000.00	8/1/2024	-	346,000.00	-	346,000.00	-
Series 2022A Street Bonds	2.00%	3/15/2022	6,175,000.00	3/1/2032	-	6,175,000.00	-	6,175,000.00	56,947.21
Paid by Tax Levies and Utility Receipts:									
Series 2016A - Refunding	2.00-4.00%	5/19/2016	8,145,000.00	9/1/2045	6,575,000.00	-	(380,000.00)	6,195,000.00	210,680.00
Paid by Utility Receipts:									
Series 2012A - Refunding	2.00-4.70%	5/1/2012	2,810,000.00	9/1/2027	325,000.00	-	(95,000.00)	230,000.00	9,037.50
<b>Revenue Bonds</b>									
Paid by Utility Receipts:									
Series 2015 - Electric	3.50%	12/14/2015	6,095,000.00	9/1/2035	4,750,000.00	-	(270,000.00)	4,480,000.00	166,250.00
State Low Interest Loan	0.25%	3/17/2021	700,000.00	1/1/2031	630,451.87	-	(69,352.19)	561,099.68	1,532.81
<b>State Revolving Loans</b>									
KDHE No. 1961-01	2.83%	11/20/2013	1,266,256.72	3/1/2030	984,707.60	-	(984,707.60)	-	15,094.75
KDHE No. 3015-01	1.38%	5/10/2021	2,360,500.00	3/1/2043	165,760.00	106,088.96	-	271,848.96	2,938.36
GRDA Repayment	2.50%	10/31/2021	260,936.00	2/28/2026	255,904.08	-	(52,985.16)	202,918.92	5,314.84
<b>Finance Leases</b>									
Case Tractor & Bush Hog	2.50%	7/6/2015	76,261.00	7/6/2023	20,501.74	-	(9,983.57)	10,518.17	653.39
Fire truck	3.10%	4/5/2018	277,107.76	10/1/2026	184,802.22	-	(35,622.33)	149,179.89	3,263.93
Software	3.10%	4/5/2018	239,334.88	10/1/2022	65,363.60	-	(65,363.60)	-	753.58
Golf Course Equipment	5.00%	4/25/2019	108,650.00	5/1/2026	74,103.16	-	(74,103.16)	-	3,568.89
Golf Carts	4.85%	11/16/2022	214,952.10	11/16/2027	-	214,952.10	(3,183.26)	211,768.84	869.78
Backhoe	2.25%	10/14/2020	100,056.00	7/1/2025	80,404.91	-	(19,460.41)	60,944.50	1,804.08
John Deere Excavator	9.12%	8/9/2019	26,723.74	8/9/2023	12,644.14	-	(6,322.07)	6,322.07	-
Total Contractual Indebtedness					\$ 15,605,643.32	\$ 6,842,041.06	\$ (2,532,083.35)	\$ 19,915,601.03	\$ 519,184.62

#### 4. LONG-TERM DEBT (Continued)

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

Principal Issue	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038-2042	2043-2046	Less		Total
										Proceeds not Drawn	Down	
<b>General Obligation Bonds</b>												
Paid by Tax Levies:												
Series 2019 A Street Bonds	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 55,000.00	\$ 55,000.00	\$ 305,000.00	\$ 370,000.00	\$ 80,000.00	\$ -	\$ -	\$ -	\$ 1,015,000.00
Series 2022 Temporary	-	346,000.00	-	-	-	-	-	-	-	-	-	346,000.00
Series 2022A Street Bonds	600,000.00	605,000.00	615,000.00	635,000.00	650,000.00	3,070,000.00	-	-	-	-	-	6,175,000.00
Paid by Tax Levies and Utility Receipts:												
Series 2016A	385,000.00	405,000.00	410,000.00	430,000.00	440,000.00	1,560,000.00	1,380,000.00	700,000.00	485,000.00	-	-	6,195,000.00
Paid by Utility Receipts:												
Series 2012A	65,000.00	40,000.00	40,000.00	40,000.00	45,000.00	-	-	-	-	-	-	230,000.00
<b>Revenue Bonds</b>												
Series 2015	280,000.00	285,000.00	300,000.00	310,000.00	320,000.00	1,770,000.00	1,215,000.00	-	-	-	-	4,480,000.00
State Low Interest Loan	34,741.14	69,612.60	69,786.75	69,961.32	70,136.33	246,861.54	-	-	-	-	-	561,099.68
<b>State Revolving Loans</b>												
KDHE No. 3015-01	51,444.98	103,957.34	105,396.90	106,856.39	108,336.10	564,603.28	604,793.07	647,843.68	67,268.26	(2,088,651.04)	-	271,848.96
GRDA Repayment	59,202.32	60,699.46	62,234.46	20,782.68	-	-	-	-	-	-	-	202,918.92
<b>Finance Leases</b>												
Case Tractor & Bush Hog	10,518.17	-	-	-	-	-	-	-	-	-	-	10,518.17
Fire Truck	35,611.81	36,724.32	37,871.61	38,972.15	-	-	-	-	-	-	-	149,179.89
Golf Carts	39,085.25	41,027.85	43,114.68	45,283.20	43,257.86	-	-	-	-	-	-	211,768.84
Backhoe	19,873.21	20,324.00	20,747.29	-	-	-	-	-	-	-	-	60,944.50
John Deere Excavator	6,322.07	-	-	-	-	-	-	-	-	-	-	6,322.07
Total Principal Payments	1,636,798.95	2,063,345.57	1,754,151.69	1,751,855.74	1,731,730.29	7,516,464.82	3,569,793.07	1,427,843.68	552,268.26	(2,088,651.04)		19,915,601.03
Interest												
<b>General Obligation Bonds</b>												
Paid by Tax Levies:												
Series 2019 A Street Bonds	36,540.00	34,740.00	32,940.00	31,140.00	29,160.00	114,840.00	55,260.00	2,880.00	-	-	-	337,500.00
Series 2022 Temporary	10,816.34	11,764.00	-	-	-	-	-	-	-	-	-	22,580.34
Series 2022A Street Bonds	117,500.00	105,450.00	93,250.00	80,750.00	67,900.00	148,200.00	-	-	-	-	-	613,050.00
Paid by Tax Levies and Utility Receipts:												
Series 2016A	199,280.00	187,730.00	175,580.00	163,880.00	150,380.00	583,300.00	358,870.00	183,000.00	39,400.00	-	-	2,041,420.00
Paid by Utility Receipts:												
Series 2012A	6,900.00	4,950.00	3,750.00	2,550.00	1,350.00	-	-	-	-	-	-	19,500.00
<b>Revenue Bonds</b>												
Series 2015	156,800.00	147,000.00	137,025.00	126,525.00	115,675.00	402,850.00	86,100.00	-	-	-	-	1,171,975.00
State Low Interest Loan	1,446.12	1,272.42	1,098.27	923.70	748.69	1,235.86	-	-	-	-	-	6,725.06
<b>State Revolving Loans</b>												
KDHE No. 3015-01	16,287.46	31,507.54	30,067.98	28,608.49	28,608.49	120,432.74	80,791.88	38,329.28	2,772.23	-	-	377,406.09
GRDA Repayment	4,397.68	2,900.54	1,365.54	106.74	-	-	-	-	-	-	-	8,770.50
<b>Finance Leases</b>												
Case Tractor & Bush Hog	259.44	-	-	-	-	-	-	-	-	-	-	259.44
Fire Truck	4,353.27	3,240.75	2,093.47	910.35	-	-	-	-	-	-	-	10,597.84
Golf Carts	9,521.23	7,608.63	5,521.80	3,353.28	1,075.58	-	-	-	-	-	-	27,110.52
Backhoe	1,391.28	940.49	474.25	-	-	-	-	-	-	-	-	2,806.02
John Deere Excavator	528.33	-	-	-	-	-	-	-	-	-	-	528.33
Total Interest Payments	566,051.15	539,104.37	483,166.31	438,747.56	394,897.76	1,370,858.60	581,021.88	224,209.28	42,172.23	-	-	4,640,229.14
Total Principal and Interest	\$ 2,202,850.10	\$ 2,602,449.94	\$ 2,237,318.00	\$ 2,190,603.30	\$ 2,126,628.05	\$ 8,887,323.42	\$ 4,150,814.95	\$ 1,652,052.96	\$ 594,440.49	\$(2,088,651.04)		\$ 24,555,830.17



## 5. FINANCE LEASE OBLIGATIONS

The City has entered into a finance lease agreement in order to finance the acquisition of a 2015 Case Tractor and Bush Hog. Payments are made yearly, including interest at approximately 2.50%. Final maturity of the lease is July 6, 2023. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 10,777.61
	10,777.61
Less imputed interest	(259.44)
Net Present Value of Minimum	
Lease Payments	10,518.17
Less: Current Maturities	(10,518.17)
Long-Term Finance Lease Obligations	<u>\$ 0.00</u>

The City has entered into a finance lease agreement in order to finance the acquisition of a Fire Truck. Payments are made twice a year, including interest at approximately 3.10%. Final maturity of the lease is October 1, 2026. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 39,965.08
2024	39,965.07
2025	39,965.08
2026	39,882.50
	159,777.73
Less imputed interest	(10,597.84)
Net Present Value of Minimum	
Lease Payments	149,179.89
Less: Current Maturities	(35,611.81)
Long-Term Finance Lease Obligations	<u>\$ 113,568.08</u>

**5. FINANCE LEASE OBLIGATIONS** (Continued)

The City has entered into a finance lease agreement in order to finance the acquisition of the golf carts. Payments are made monthly, including interest at 4.85%. Final maturity of the lease is November 16, 2027. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 48,636.48
2024	48,636.48
2025	48,636.48
2026	48,636.48
2027	<u>44,333.44</u>
	238,879.36
Less imputed interest	<u>(27,110.52)</u>
Net Present Value of Minimum Lease Payments	211,768.84
Less: Current Maturities	<u>(39,085.25)</u>
Long-Term Finance Lease Obligations	<u>\$ 172,683.59</u>

The City has entered into a finance lease agreement in order to finance the acquisition of a Cash Backhoe. Payments are made annually, including interest at 2.25%. Final maturity of the lease is July 1, 2025. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 21,264.49
2024	21,264.49
2025	<u>21,221.54</u>
	63,750.52
Less imputed interest	<u>(2,806.02)</u>
Net Present Value of Minimum Lease Payments	60,944.50
Less: Current Maturities	<u>(19,873.21)</u>
Long-Term Finance Lease Obligations	<u>\$ 41,071.29</u>

**5. FINANCE LEASE OBLIGATIONS** (Continued)

The City has entered into a finance lease agreement in order to finance the acquisition of a John Deere excavator. Payments are made annually, including interest at 9.12%. Final maturity of the lease is August 9, 2023. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 6,850.40
	6,850.40
Less imputed interest	<u>(528.33)</u>
Net Present Value of Minimum Lease Payments	6,322.07
Less: Current Maturities	<u>(6,322.07)</u>
Long-Term Finance Lease Obligations	<u>\$ 0.00</u>

**6. RIGHT TO USE CONTRACTS**

As of December 31, 2022 the City has entered into a number of contracts for equipment. Rent expense for the year ended December 31, 2022, was \$22,245.70. Under the current agreements, the future minimum rental payments are as follows:

2023	\$ 9,278.55
2024	7,074.18
2025	4,093.38
2026	1,271.34

**7. DEFINED BENEFIT PENSION PLAN**

General Information about the Pension Plan

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

*Contributions.* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2017. Effective January 1, 2017, 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.

**7. DEFINED BENEFIT PENSION PLAN** (Continued)

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.90% for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were \$275,937.78 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 \$2,717,398.00. 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 publicly available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

**8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS**

*Death and Disability Other Post-Employment Benefits*

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

*Compensated Absences:*

All full-time employees of the City are eligible for vacation benefits in varying annual amounts. Full time employees will be granted paid vacation time according to the following schedules:

Years Continuous Employment:	Days Granted per Year:	Maximum Days Accrued:
Less than 5 years	12 Days	20 Days
After 5 but less than 10	15 Days	25 Days
After 10 but less than 15	18 Days	30 Days
More than 15 years	21 Days	30 Days

No vacation time may be taken by an employee until they have been in the service of the City continuously for a period of six months. In the event of termination, an employee will be compensated for unused vacation leave, provided they have been in the service of the City for at least six full months.

Sick leave accrues to all full-time employees at the rate of 8 hours per month to a maximum of 960 hours. All employees shall receive their sick leave credit on the last payroll of the month.

Employees who terminate by other than retirement will not be paid for accumulated sick leave. Upon retirement 30 days of remaining sick leave will be paid at their hourly rate, provided the employee has accrued 960 hours and provided one year notice to the City of their intent to retire.

## **8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS** (Continued)

The City determines a liability for compensated absences when the following conditions are met:

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

In accordance with the above criteria, the City has estimated a liability for vacation pay, which has been earned, but not taken by City employees. The liability for compensated absences was \$153,087.92. In accordance with the above criteria, the City has not recorded a liability for sick pay, inasmuch as the amount cannot be reasonably estimated.

### *Other Post Employment Benefits:*

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, except as disclosed below, 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. There is no cost to the City under this program.

## **9. RISK MANAGEMENT**

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

The City has been unable to obtain workers' compensation insurance at a cost it considers to be economically justifiable. For this reason, the City has joined together with other cities in the State to participate in Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for participating members. The City pays annual premium to KMIT for its workers' compensation insurance coverage. The agreement to participate provides that KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of a stated dollar amount for each insurance event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT management.

## **10. CONTINGENT LIABILITIES**

In the normal course of operations, the City receives grant funds from various federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

**11. CONCENTRATION OF RISK**

The City provides water to two rural water districts, as well as the state hospital. During 2022, sales to Miami County Rural Water District No. 1 accounted for 7.90% of the water sold, sales to Miami County Rural Water District No. 3 accounted for 40.35% of the water sold, and sales to the state hospital accounted for 7.37% of the water sold. Risk of accounting loss exists from the possibility that a customer would no longer purchase water from the City. Impact of potential risk cannot be determined.

**12. INTERFUND TRANSFERS**

Operating transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
Electric Utility	General	K.S.A. 12-825d	\$ 120,237.00
Electric Utility	Employee Benefits	K.S.A. 12-16,102	26,500.00
Electric Utility	Special Parks and Recreation	K.S.A. 12-825d	27,600.00
Electric Utility	Golf Course	K.S.A. 12-825d	50,000.00
Electric Utility	Refuse Utility	K.S.A. 12-825d	5,500.00
Electric Utility	Electric Utility Debt Service	K.S.A. 13-1270	450,000.00
Water Utility	General	K.S.A. 12-825d	12,250.00
Water Utility	Employee Benefits	K.S.A. 12-16,102	60,000.00
Water Utility	General Obligation Bond and Interest	K.S.A. 13-1270	94,500.00
Sewer Utility	General	K.S.A. 12-825d	57,750.00
Sewer Utility	Employee Benefits	K.S.A. 12-16,102	60,000.00
Sewer Utility	General Obligation Bond and Interest	K.S.A. 13-1270	131,250.00
Street Improvements	Capital Improvements Street	K.S.A. 12-1,118	52,625.00
Public Safety Equipment	Capital Improvements Technology	K.S.A. 12-1,118	13,524.00

**13. SUBSEQUENT EVENTS**

The City evaluated events and transactions occurring subsequent year end, and there were no subsequent events requiring recognition in the financial statement.

The City did authorize the purchase of a used bucket truck for the electric department for an amount not to exceed \$230,000.00 to be paid for using funds held in reserves. As well as authorized temporary notes in the amount of \$7,380,000.00 to pay for the 6<sup>th</sup> street project, trails project, and water project.

## **SUPPLEMENTARY INFORMATION**

**Schedule 1**

**CITY OF OSAWATOMIE, KANSAS**  
 Summary of Expenditures - Actual and Budget  
 (Budgeted Funds Only)  
 Regulatory Basis  
 For the Year Ended December 31, 2022

Funds	Certified Budget	Adjustments for		Total Budget for Comparison	Expenditures Charged to Current Year Budget	Variance - Over (Under)
		Qualifying Budget Credits	Budget Credits			
General Fund	\$ 3,642,367.00	\$ 26,222.84	\$ 3,668,589.84	\$ 2,965,125.31	\$ (703,464.53)	
Special Purpose Funds:						
Industrial	71,997.00	-	71,997.00	70,861.90	(1,135.10)	
Library	50,000.00	-	50,000.00	27,972.27	(22,027.73)	
Employee Benefits	900,000.00	2,462.84	902,462.84	773,560.75	(128,902.09)	
Special Parks and Recreation	49,787.00	-	49,787.00	39,968.75	(9,818.25)	
Tourism	254,245.00	-	254,245.00	248,906.64	(5,338.36)	
Street Improvement	165,595.00	-	165,595.00	133,969.60	(31,625.40)	
Golf Course	654,078.00	-	654,078.00	644,619.28	(9,458.72)	
Public Safety Equipment	125,959.00	-	125,959.00	124,836.27	(1,122.73)	
Bond and Interest Fund:						
General Obligation Bond and Interest	1,400,000.00	-	1,400,000.00	920,750.96	(479,249.04)	
Business Funds:						
Electric Utility	4,173,327.00	38,393.79	4,211,720.79	4,204,845.18	(6,875.61)	
Electric Utility Debt Service	615,638.00	-	615,638.00	353,126.25	(262,511.75)	
Water Utility	1,300,000.00	-	1,300,000.00	1,219,793.44	(80,206.56)	
Refuse Utility	480,000.00	-	480,000.00	379,412.78	(100,587.22)	
Sewer Utility	1,248,514.00	-	1,248,514.00	1,221,839.72	(26,674.28)	



**CITY OF OSAWATOMIE, KANSAS**  
**GENERAL FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
<b>Taxes and Shared Receipt</b>				
Ad Valorem Property Tax	\$ 703,745.07	\$ 732,253.39	\$ 768,585.00	\$ (36,331.61)
Delinquent Tax	28,964.72	37,166.98	38,331.00	(1,164.02)
Motor Vehicle Tax	77,783.01	63,093.36	57,246.00	5,847.36
Recreational Vehicle Tax	1,463.82	983.68	899.00	84.68
16/20M Vehicle Tax	173.78	289.54	953.00	(663.46)
Commercial Vehicle Tax	569.09	635.57	-	635.57
Neighborhood Revitalization	-	(2,942.34)	-	(2,942.34)
Special Assessments	13,193.86	19,189.76	-	19,189.76
Sales Tax	998,566.64	1,016,366.56	1,020,452.00	(4,085.44)
Franchise Taxes	108,115.83	135,069.62	173,940.00	(38,870.38)
<b>Intergovernmental</b>				
Local Alcoholic Liquor Tax	4,964.39	4,603.52	4,664.00	(60.48)
Grant Proceeds	34,778.28	103,887.60	473,379.00	(369,491.40)
CDBG-CV Grant Proceeds	104,900.00	-	-	-
ARPA Grant Proceeds	-	73,899.00	-	73,899.00
Licenses and Permits	33,981.50	44,276.70	55,175.00	(10,898.30)
<b>Charges for Services</b>				
Sale of Cemetery Lots	14,550.00	5,785.00	-	5,785.00
Cemetery Charges	33,680.00	2,155.00	-	2,155.00
Auditorium Rent	3,100.00	3,690.00	-	3,690.00
Memorial Hall Rent	4,360.00	4,085.00	-	4,085.00
Animal Control	6,881.00	10,932.87	-	10,932.87
Student Resource Officer	30,445.52	49,396.34	-	49,396.34
Assigned Counsel	5,760.00	-	-	-
<b>Fines, Forfeitures and Penalties</b>				
Fines	96,002.43	143,335.32	131,732.00	11,603.32
<b>Use of Money and Property</b>				
Interest Income	6,546.50	71,430.29	44,431.00	26,999.29
Sales of Equipment and Property	259.20	-	-	-
Sale of Asset	292,183.48	3,180.00	-	3,180.00
<b>Other Receipts</b>				
Miscellaneous	6,279.24	5,328.42	59,413.00	(54,084.58)
Reimbursed Expense	21,168.63	26,222.84	-	26,222.84
<b>Operating Transfers from:</b>				
Electric Utility Fund	387,000.00	120,237.00	195,237.00	(75,000.00)
Water Utility Fund	176,000.00	12,250.00	50,000.00	(37,750.00)
Sewer Utility Fund	145,000.00	57,750.00	45,000.00	12,750.00
<b>Total Receipts</b>	<b>3,340,415.99</b>	<b>2,744,551.02</b>	<b>\$ 3,119,437.00</b>	<b>\$ (374,885.98)</b>

**CITY OF OSAWATOMIE, KANSAS**  
**GENERAL FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Expenditures</b>				
<b>General Administration</b>				
Personal Services	\$ 476,235.00	\$ 368,064.28	\$ 442,612.00	\$ (74,547.72)
Contractual Services	313,561.51	327,439.08	214,400.00	113,039.08
Commodities	31,760.71	28,896.30	572,709.00	(543,812.70)
Capital Outlay	94,590.70	94,182.66	17,500.00	76,682.66
<b>Governing Body</b>				
Personal Services	-	-	16,400.00	(16,400.00)
<b>Code Enforcement</b>				
Personal Services	180,128.65	117,821.83	138,000.00	(20,178.17)
Contractual Services	39,873.68	19,913.42	42,081.00	(22,167.58)
Commodities	17,389.02	29,128.89	28,856.00	272.89
<b>Police and Fire</b>				
Personal Services	786,640.85	746,559.29	897,251.00	(150,691.71)
Contractual Services	166,991.79	62,810.12	88,869.00	(26,058.88)
Commodities	81,153.94	87,605.41	60,943.00	26,662.41
Capital Outlay	41,667.72	5,134.28	12,500.00	(7,365.72)
<b>John Brown Cabin</b>				
Personal Services	34,023.08	38,706.77	42,500.00	(3,793.23)
Contractual Services	5,893.05	8,030.66	6,050.00	1,980.66
Commodities	72.24	39.30	5,423.00	(5,383.70)
Capital Outlay	-	-	2,800.00	(2,800.00)
<b>Streets and Alleys</b>				
Personal Services	163,746.52	210,034.35	168,057.00	41,977.35
Contractual Services	16,348.38	25,927.88	25,200.00	727.88
Commodities	56,660.65	67,148.52	41,000.00	26,148.52
Capital Outlay	1,615.00	3,160.00	125,955.00	(122,795.00)
<b>Property &amp; Maintenance</b>				
Personal Services	113,293.85	97,393.94	164,610.00	(67,216.06)
Contractual Services	49,484.65	143,656.36	42,700.00	100,956.36
Commodities	47,136.45	35,846.83	108,700.00	(72,853.17)
Capital Outlay	26,384.60	3,287.54	49,327.00	(46,039.46)
Lease Purchase	-	10,636.96	-	10,636.96

**CITY OF OSAWATOMIE, KANSAS  
GENERAL FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Municipal Court Services				
Personal Services	\$ 42,972.72	\$ 51,746.23	\$ -	\$ 51,746.23
Contractual Services	96,632.64	82,637.90	-	82,637.90
Commodities	1,043.69	874.74	-	874.74
Other Expenses	14,591.00	16,409.50	-	16,409.50
Levees and Stormwater				
Contractual Services	13,883.30	2,669.95	-	2,669.95
Commodities	6,077.02	1,348.78	-	1,348.78
Lease Purchase - Tractor and Bush Hog	10,636.96	-	-	-
Library				
Personal Services	119,351.07	109,343.09	117,400.00	(8,056.91)
Contractual Services	23,960.61	19,810.58	19,900.00	(89.42)
Commodities	19,095.46	17,550.46	36,796.00	(19,245.54)
Capital Outlay	-	-	3,500.00	(3,500.00)
Information Technology				
Personal Services	35.82	-	-	-
Contractual Services	166,841.71	82,890.47	94,900.00	(12,009.53)
Commodities	15,724.61	6,855.14	7,800.00	(944.86)
Capital Outlay	37,118.23	41,563.80	47,628.00	(6,064.20)
Total Certified Budget			3,642,367.00	(677,241.69)
Adjustments for Qualifying Budget Credits			26,222.84	(26,222.84)
Total Expenditures	3,312,616.88	2,965,125.31	\$ 3,668,589.84	\$ (703,464.53)
Receipts Over(Under) Expenditures	27,799.11	(220,574.29)		
Unencumbered Cash, Beginning	391,085.82	418,884.93		
Unencumbered Cash, Ending	\$ 418,884.93	\$ 198,310.64		

**CITY OF OSAWATOMIE, KANSAS**  
**INDUSTRIAL FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Receipt				
Ad Valorem Tax	\$ 4,693.00	\$ 4,726.26	\$ 4,960.00	\$ (233.74)
Delinquent Tax	173.44	234.69	231.00	3.69
Motor Vehicle Tax	514.96	419.11	380.00	39.11
Recreational Vehicle Tax	9.66	6.53	6.00	0.53
16/20M Vehicle Tax	1.18	1.91	6.00	(4.09)
Commercial Vehicle Tax	3.75	4.23	-	4.23
Neighborhood Revitalization	-	(18.95)	-	(18.95)
Use of Money and Property				
Rental Income	(3,300.00)	5,625.00	3,900.00	1,725.00
Sale of Assets	22,501.00	37,507.00	37,507.00	-
Other Receipts				
Reimbursed Expense	294.00	250.00	333.00	(83.00)
Miscellaneous	3,080.47	13,820.00	13,820.00	-
Operating Transfer from Golf Course Fund	15,302.00	-	-	-
<b>Total Receipts</b>	<b>43,273.46</b>	<b>62,575.78</b>	<b>\$ 61,143.00</b>	<b>\$ 1,432.78</b>
<b>Expenditures</b>				
General Government				
Contractual Services	50,446.90	52,583.28	\$ 54,644.00	\$ (2,060.72)
Capital Outlay	16,762.00	18,278.62	17,353.00	925.62
<b>Total Expenditures</b>	<b>67,208.90</b>	<b>70,861.90</b>	<b>\$ 71,997.00</b>	<b>\$ (1,135.10)</b>
Receipts Over(Under) Expenditures	(23,935.44)	(8,286.12)		
Unencumbered Cash, Beginning	35,048.86	11,113.42		
Unencumbered Cash, Ending	\$ 11,113.42	\$ 2,827.30		

**CITY OF OSAWATOMIE, KANSAS**  
**LIBRARY FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Intergovernmental				
Grant Proceeds	\$ 11,426.00	\$ 27,081.75	\$ 15,000.00	\$ 12,081.75
Use of Money and Property				
Interest Income	121.14	75.13	500.00	(424.87)
Other Receipts				
Reimbursed Expense	-	475.00	-	475.00
Donations	1,985.14	8,440.21	-	8,440.21
<b>Total Receipts</b>	<b>13,532.28</b>	<b>36,072.09</b>	<b>\$ 15,500.00</b>	<b>\$ 20,572.09</b>
<b>Expenditures</b>				
Culture and Recreation				
Contractual Services	776.68	16,659.68	\$ 2,500.00	\$ 14,159.68
Commodities	15,480.59	1,086.42	10,000.00	(8,913.58)
Capital Outlay	-	10,226.17	37,500.00	(27,273.83)
<b>Total Expenditures</b>	<b>16,257.27</b>	<b>27,972.27</b>	<b>\$ 50,000.00</b>	<b>\$ (22,027.73)</b>
Receipts Over(Under) Expenditures	(2,724.99)	8,099.82		
Unencumbered Cash, Beginning	116,057.43	113,332.44		
Unencumbered Cash, Ending	<u>\$ 113,332.44</u>	<u>\$ 121,432.26</u>		

**CITY OF OSAWATOMIE, KANSAS**  
**EMPLOYEE BENEFITS FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Receipt				
Ad Valorem Property Tax	\$ 471,780.17	\$ 473,768.29	\$ 497,278.00	\$ (23,509.71)
Delinquent Tax	20,908.94	25,740.50	15,049.00	10,691.50
Motor Vehicle Tax	47,853.00	42,080.86	50,000.00	(7,919.14)
Recreational Vehicle Tax	5,489.40	656.59	800.00	(143.41)
16/20M Vehicle Tax	127.56	190.33	200.00	(9.67)
Commercial Vehicle Tax	374.97	426.08	500.00	(73.92)
Neighborhood Revitalization	-	(1,898.14)	-	(1,898.14)
Other Receipts				
Reimbursed Expense	10,774.03	2,462.84	-	2,462.84
Operating Transfers from:				
Electric Utility Fund	67,500.00	26,500.00	95,000.00	(68,500.00)
Sewer Utility Fund	35,000.00	60,000.00	56,411.00	3,589.00
Water Utility Fund	54,945.00	60,000.00	65,000.00	(5,000.00)
<b>Total Receipts</b>	<b>714,753.07</b>	<b>689,927.35</b>	<b>\$ 780,238.00</b>	<b>\$ (90,310.65)</b>
<b>Expenditures</b>				
General Government				
Personal Services	912,199.41	753,292.09	\$ 874,072.00	\$ (120,779.91)
Contractual Services	3,320.02	20,268.66	5,000.00	15,268.66
Other				
Cash Basis Reserve	-	-	20,928.00	(20,928.00)
Total Certified Budget			900,000.00	(126,439.25)
Adjustments for Qualifying				
Budget Credits			2,462.84	(2,462.84)
<b>Total Expenditures</b>	<b>915,519.43</b>	<b>773,560.75</b>	<b>\$ 902,462.84</b>	<b>\$ (128,902.09)</b>
Receipts Over(Under) Expenditures	(200,766.36)	(83,633.40)		
Unencumbered Cash, Beginning	284,560.07	83,793.71		
Unencumbered Cash, Ending	\$ 83,793.71	\$ 160.31		

**CITY OF OSAWATOMIE, KANSAS**  
**SPECIAL PARKS AND RECREATION FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Receipt				
Local Alcoholic Liquor Tax	\$ 4,964.39	\$ 4,603.54	\$ 4,664.00	\$ (60.46)
Other Receipts				
Donations	-	5,000.00	5,000.00	-
Miscellaneous	-	20,425.00	-	20,425.00
Operating Transfers from				
Electric Utility Fund	-	27,600.00	50,000.00	(22,400.00)
<b>Total Receipts</b>	<b>4,964.39</b>	<b>57,628.54</b>	<b>\$ 59,664.00</b>	<b>\$ (2,035.46)</b>
<b>Expenditures</b>				
Culture and Recreation				
Facilities				
Contractual Services	3,501.62	31,038.36	\$ 38,220.00	\$ (7,181.64)
Commodities	3,300.24	8,930.39	9,985.00	(1,054.61)
Capital Outlay	41,575.50	-	1,582.00	(1,582.00)
<b>Total Expenditures</b>	<b>48,377.36</b>	<b>39,968.75</b>	<b>\$ 49,787.00</b>	<b>\$ (9,818.25)</b>
Receipts Over(Under) Expenditures	(43,412.97)	17,659.79		
Unencumbered Cash, Beginning	43,572.96	159.99		
Unencumbered Cash, Ending	\$ 159.99	\$ 17,819.78		

**CITY OF OSAWATOMIE, KANSAS**  
**TOURISM FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Receipt				
Transient Guest Tax	\$ 15,664.71	\$ 15,359.23	\$ 12,008.00	\$ 3,351.23
<b>Intergovernmental</b>				
ARPA Grant Proceeds	-	110,000.00	110,000.00	-
Other Grant Proceeds	-	31,000.00	-	31,000.00
<b>Charges for Services</b>				
Rental Income	150.00	150.00	150.00	-
Sponsorship Income	17,409.85	56,449.85	98,083.00	(41,633.15)
Ticket Sales	-	26,282.58	-	26,282.58
Entry Fees	1,300.00	1,640.00	-	1,640.00
<b>Other Receipts</b>				
Donations	2,658.00	2,537.58	58,988.00	(56,450.42)
Reimbursed Expense	6,765.10	1,100.00	-	1,100.00
Miscellaneous	14,520.16	6,738.42	140.00	6,598.42
Operating Transfers from Electric Utility Fund	10,000.00	-	-	-
<b>Total Receipts</b>	<b>68,467.82</b>	<b>251,257.66</b>	<b>\$ 279,369.00</b>	<b>\$ (28,111.34)</b>
<b>Expenditures</b>				
John Brown Cabin				
Contractual Services	42,789.34	84,629.67	\$ 204,031.00	\$ (119,401.33)
Commodities	46,284.37	20,517.28	50,000.00	(29,482.72)
Capital Outlay	10,128.46	-	214.00	(214.00)
John Brown Jamboree				
Contractual Services	-	36,936.60	-	36,936.60
Lights on the Lake				
Contractual Services	-	99,693.73	-	99,693.73
Commodities	-	7,129.36	-	7,129.36
<b>Total Expenditures</b>	<b>99,202.17</b>	<b>248,906.64</b>	<b>\$ 254,245.00</b>	<b>\$ (5,338.36)</b>
Receipts Over(Under) Expenditures	(30,734.35)	2,351.02		
Unencumbered Cash, Beginning	75,621.66	44,887.31		
Unencumbered Cash, Ending	<u>\$ 44,887.31</u>	<u>\$ 47,238.33</u>		



**CITY OF OSAWATOMIE, KANSAS**  
**911 FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Operating Transfer from General Fund	\$ -	\$ -	\$ -	\$ -
Total Receipts	-	-	\$ -	\$ -
Expenditures				
General Government				
Capital Outlay	9,897.41	-	\$ -	\$ -
Total Expenditures	9,897.41	-	\$ -	\$ -
Receipts Over(Under) Expenditures	(9,897.41)	-		
Unencumbered Cash, Beginning	9,897.41	-		
Unencumbered Cash, Ending	\$ -	\$ -		

**CITY OF OSAWATOMIE, KANSAS**  
**POLICE SEIZURES FUND**

Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Other Receipts		
Miscellaneous	\$ -	\$ 1,019.00
Total Receipts	-	1,019.00
Expenditures		
General Government		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	1,019.00
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ 1,019.00

**CITY OF OSAWATOMIE, KANSAS**  
**OPIOID SETTLEMENT FUND**

Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Other Receipts		
Miscellaneous	\$ -	\$ 1,037.79
Total Receipts	-	1,037.79
Expenditures		
General Government		
Contractual Services	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	1,037.79
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ 1,037.79

**CITY OF OSAWATOMIE, KANSAS**  
**STREET IMPROVEMENT FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Receipt				
Motor Fuel Tax	\$ 123,475.12	\$ 114,994.03	\$ 114,080.00	\$ 914.03
Sales Tax	-	90,844.61	74,473.00	16,371.61
Intergovernmental				
County Connecting Links	5,100.00	5,100.00	5,100.00	-
Use of Money and Property				
Sale of Assets	-	22,442.50	22,443.00	(0.50)
Other Receipts				
Reimbursed Expense	-	1,754.01	900.00	854.01
<b>Total Receipts</b>	<b>128,575.12</b>	<b>235,135.15</b>	<b>\$ 216,996.00</b>	<b>\$ 18,139.15</b>
<b>Expenditures</b>				
Street Improvements				
Contractual Services	4,520.87	3,739.92	\$ -	\$ 3,739.92
Commodities	32,771.01	56,340.19	59,025.00	(2,684.81)
Capital Outlay	-	-	15,139.00	(15,139.00)
Debt Service				
Principal	-	19,460.41	19,460.00	0.41
Interest	-	1,804.08	1,804.00	0.08
Operating Transfer to				
Capital Improvements				
Street Fund	100,000.00	52,625.00	70,167.00	(17,542.00)
<b>Total Expenditures</b>	<b>137,291.88</b>	<b>133,969.60</b>	<b>\$ 165,595.00</b>	<b>\$ (31,625.40)</b>
Receipts Over(Under) Expenditures	(8,716.76)	101,165.55		
Unencumbered Cash, Beginning	113,179.95	104,463.19		
Unencumbered Cash, Ending	<u>\$ 104,463.19</u>	<u>\$ 205,628.74</u>		

**CITY OF OSAWATOMIE, KANSAS**  
**GOLF COURSE FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Charges for Services				
Golf Course Sheds	\$ 2,593.50	\$ 3,925.00	\$ 2,000.00	\$ 1,925.00
Membership Fees	41,893.09	52,614.55	25,000.00	27,614.55
Green Fees	108,940.50	138,879.46	143,571.00	(4,691.54)
Golf Cart Fees	75,774.16	99,827.94	99,000.00	827.94
Sales Tax	14,986.72	19,161.52	18,028.00	1,133.52
Driving Range	9,707.13	11,318.30	5,832.00	5,486.30
Concessions	54,928.02	75,054.30	74,000.00	1,054.30
Tournaments	29,710.41	50,966.80	36,367.00	14,599.80
Pro Shop	10,347.99	15,677.67	7,700.00	7,977.67
Other Fees	4,569.37	6,670.11	3,500.00	3,170.11
Use of Money and Property				
Sales of Equipment and Property	655.00	467.50	624.00	(156.50)
Lease Proceeds	-	214,952.10	215,000.00	(47.90)
Other Receipts				
Reimbursed Expense	3,819.00	87.30	116.00	(28.70)
Miscellaneous	1,375.11	8,399.31	10,853.00	(2,453.69)
Operating Transfers from				
Electric Utility Fund	80,000.00	50,000.00	50,000.00	-
<b>Total Receipts</b>	<b>439,300.00</b>	<b>748,001.86</b>	<b>\$ 691,591.00</b>	<b>\$ 56,410.86</b>
<b>Expenditures</b>				
Culture and Recreation				
Personal Services	125,534.14	174,544.71	\$ 171,779.00	\$ 2,765.71
Contractual Services	105,929.99	96,153.87	96,519.00	(365.13)
Commodities	98,486.87	128,630.61	156,911.00	(28,280.39)
Capital Outlay	11,500.00	163,565.00	155,000.00	8,565.00
Debt Service				
Principal	31,084.01	77,286.42	66,229.00	11,057.42
Interest	4,713.87	4,438.67	7,640.00	(3,201.33)
Operating Transfer to				
Industrial Fund	15,302.00	-	-	-
<b>Total Expenditures</b>	<b>392,550.88</b>	<b>644,619.28</b>	<b>\$ 654,078.00</b>	<b>\$ (9,458.72)</b>
Receipts Over(Under) Expenditures	46,749.12	103,382.58		
Unencumbered Cash, Beginning	93,029.51	139,778.63		
Unencumbered Cash, Ending	<u>\$ 139,778.63</u>	<u>\$ 243,161.21</u>		

**CITY OF OSAWATOMIE, KANSAS**  
**CAPITAL IMPROVEMENTS GENERAL FUND**  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
State Grant Proceeds	\$ -	\$ 15,100.00
Operating Transfers from		
Electric Utility Fund	75,000.00	-
Total Receipts	75,000.00	15,100.00
Expenditures		
Capital Projects		
Capital Outlay	162,980.38	170,304.73
Total Expenditures	162,980.38	170,304.73
Receipts Over(Under) Expenditures	(87,980.38)	(155,204.73)
Unencumbered Cash, Beginning	243,193.19	155,212.81
Unencumbered Cash, Ending	\$ 155,212.81	\$ 8.08

**CITY OF OSAWATOMIE, KANSAS**  
**CAPITAL IMPROVEMENTS WATER FUND**  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
ARPA Grant Proceeds	\$ -	\$ 66,101.30
Total Receipts	-	66,101.30
Expenditures		
Capital Projects		
Capital Outlay	57,021.99	1,074,113.67
Total Expenditures	57,021.99	1,074,113.67
Receipts Over(Under) Expenditures	(57,021.99)	(1,008,012.37)
Unencumbered Cash, Beginning	108,257.19	51,235.20
Unencumbered Cash, Ending	\$ 51,235.20	\$ (956,777.17)

**CITY OF OSAWATOMIE, KANSAS**  
**CAPITAL IMPROVEMENTS SEWER FUND**  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Temporary Notes Proceeds	\$ 165,760.00	\$ 106,088.96
Operating Transfers From		
Sewer Utility Fund	75,000.00	-
	240,760.00	106,088.96
Total Receipts		
Expenditures		
Capital Projects		
Capital Outlay	251,498.00	706,568.33
Debt Service		
Interest	3,113.06	2,938.36
	254,611.06	709,506.69
Total Expenditures		
Receipts Over(Under) Expenditures	(13,851.06)	(603,417.73)
Unencumbered Cash, Beginning	170,979.92	157,128.86
Unencumbered Cash, Ending	\$ 157,128.86	\$ (446,288.87)



**CITY OF OSAWATOMIE, KANSAS**  
**CAPITAL IMPROVEMENTS STREET FUND**  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Taxes and Shared Receipt		
Sales Tax	\$ -	\$ 43,360.55
Use of Money and Property		
Bond Proceeds	-	5,218,391.83
Operating Transfer from:		
Street Improvement Fund		
Capital Improvements	100,000.00	52,625.00
 Total Receipts	 100,000.00	 5,314,377.38
 Expenditures		
Capital Projects		
Capital Outlay	22,389.81	1,396,091.21
Debt Services		
Lease Purchase	21,264.49	-
 Total Expenditures	 43,654.30	 1,396,091.21
 Receipts Over(Under) Expenditures	 56,345.70	 3,918,286.17
 Unencumbered Cash, Beginning	 167,451.06	 223,796.76
 Unencumbered Cash, Ending	 \$ 223,796.76	 \$ 4,142,082.93

**CITY OF OSAWATOMIE, KANSAS**  
**CAPITAL IMPROVEMENTS GRANT FUND**  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfers From Capital Improvements Street Fund	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Capital Projects Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	3,556.79	3,556.79
Unencumbered Cash, Ending	\$ 3,556.79	\$ 3,556.79

**CITY OF OSAWATOMIE, KANSAS**  
**CAPITAL IMPROVEMENTS SPECIAL PROJECTS FUND**

Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
Grant Proceeds	\$ 26,812.00	\$ -
Total Receipts	26,812.00	-
Expenditures		
Capital Projects		
Contractual Services	8,784.98	-
Capital Outlay	103,683.94	-
Total Expenditures	112,468.92	-
Receipts Over(Under) Expenditures	(85,656.92)	-
Unencumbered Cash, Beginning	85,656.92	-
Unencumbered Cash, Ending	\$ -	\$ -

**CITY OF OSAWATOMIE, KANSAS**  
**CAPITAL IMPROVEMENTS TECHNOLOGY FUND**  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Charges for Services		
Technology Fees	\$ 37,200.46	\$ 37,203.22
Operating Transfer from		
Public Safety Equipment	29,000.00	13,524.00
	66,200.46	50,727.22
Total Receipts		
Expenditures		
Capital Projects		
Capital Outlay	3,125.00	-
Debt Service		
Principal	59,820.63	54,906.44
Interest	5,217.74	963.16
	68,163.37	55,869.60
Total Expenditures		
Receipts Over(Under) Expenditures	(1,962.91)	(5,142.38)
Unencumbered Cash, Beginning	30,812.78	28,849.87
	\$ 28,849.87	\$ 23,707.49
Unencumbered Cash, Ending		

**CITY OF OSAWATOMIE, KANSAS**  
**PUBLIC SAFETY EQUIPMENT FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Current Year			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Receipt				
Ad Valorem Tax	\$ 23,464.57	\$ 23,579.76	\$ 24,745.00	\$ (1,165.24)
Delinquent Tax	942.21	1,226.84	1,209.00	17.84
Motor Vehicle Tax	2,574.50	2,095.83	1,901.00	194.83
Recreational Vehicle Tax	48.35	32.70	30.00	2.70
16/20M Vehicle Tax	5.90	9.51	31.00	(21.49)
Commercial Vehicle Tax	18.71	21.19	-	21.19
Neighborhood Revitalization	-	(94.46)	-	(94.46)
Sales Tax	-	98,911.92	100,115.00	(1,203.08)
Intergovernmental				
State Grant Proceeds	46,500.00	-	-	-
Local Grant Proceeds	-	-	15,100.00	(15,100.00)
Use of Money and Property				
Bond Proceeds	-	85,000.00	85,000.00	-
Other Receipts				
Reimbursed Expense	400.00	762.50	763.00	(0.50)
Miscellaneous	-	9,360.00	9,359.00	1.00
<b>Total Receipts</b>	<b>73,954.24</b>	<b>220,905.79</b>	<b>\$ 238,253.00</b>	<b>\$ (17,347.21)</b>
<b>Expenditures</b>				
General Government				
Contractual	-	621.27	\$ 828.00	\$ (206.73)
Commodities	111.11	-	-	-
Capital Outlay	36,492.92	61,557.16	47,474.00	14,083.16
Debt Services				
Principal	32,480.08	46,079.49	61,079.00	(14,999.51)
Interest	7,484.99	3,054.35	3,054.00	0.35
Operating Transfer to				
Capital Improvements				
Technology Fund	29,000.00	13,524.00	13,524.00	-
<b>Total Expenditures</b>	<b>105,569.10</b>	<b>124,836.27</b>	<b>\$ 125,959.00</b>	<b>\$ (1,122.73)</b>
Receipts Over(Under) Expenditures	(31,614.86)	96,069.52		
Unencumbered Cash, Beginning	33,085.84	1,470.98		
Unencumbered Cash, Ending	<b>\$ 1,470.98</b>	<b>\$ 97,540.50</b>		

**CITY OF OSAWATOMIE, KANSAS**  
**AMERICAN RESCUE PLAN ACT FUND**  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Intergovernmental		
ARPA Grant Proceeds	\$ 326,888.80	\$ 326,888.60
<b>Total Receipts</b>	<b>326,888.80</b>	<b>326,888.60</b>
Expenditures		
General Government		
Personal Services	-	252,900.77
Contractual Services	-	360,876.73
Commodities	-	39,999.90
<b>Total Expenditures</b>	<b>-</b>	<b>653,777.40</b>
Receipts Over(Under) Expenditures	326,888.80	(326,888.80)
Unencumbered Cash, Beginning	-	326,888.80
Unencumbered Cash, Ending	<b>\$ 326,888.80</b>	<b>\$ -</b>

**CITY OF OSAWATOMIE, KANSAS**  
**ELECTRIC GENERATION BOND ACCOUNT FUND**

Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year Actual
Receipts		
Use of Money and Property		
Interest	\$ 2.17	\$ 353.37
Total Receipts	2.17	353.37
Expenditures		
Capital Projects		
Capital Outlay	45,620.00	33,648.23
Total Expenditures	45,620.00	33,648.23
Receipts Over(Under) Expenditures	(45,617.83)	(33,294.86)
Unencumbered Cash, Beginning	78,912.69	33,294.86
Unencumbered Cash, Ending	\$ 33,294.86	\$ -

**CITY OF OSAWATOMIE, KANSAS**  
**GENERAL OBLIGATION BOND AND INTEREST FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Receipt				
Ad Valorem Property Tax	\$ 404,642.60	\$ 809,010.79	\$ 849,145.00	\$ (40,134.21)
Delinquent Tax	16,210.60	21,675.91	25,000.00	(3,324.09)
Motor Vehicle Tax	44,849.84	36,350.73	40,000.00	(3,649.27)
Recreational Vehicle Tax	845.10	566.58	600.00	(33.42)
16/20M Vehicle Tax	98.34	167.76	200.00	(32.24)
Commercial Vehicle Tax	329.57	365.44	300.00	65.44
Neighborhood Revitalization	-	(3,397.48)	-	(3,397.48)
Use of Money and Property Bond Proceeds	-	-	190,278.00	(190,278.00)
Operating Transfers from:				
Sewer Utility Fund	325,000.00	131,250.00	175,000.00	(43,750.00)
Water Utility Fund	126,500.00	94,500.00	126,000.00	(31,500.00)
<b>Total Receipts</b>	<b>918,476.05</b>	<b>1,090,489.73</b>	<b>\$ 1,406,523.00</b>	<b>\$ (316,033.27)</b>
<b>Expenditures</b>				
Debt Service				
Bond Principal	510,000.00	520,000.00	\$ 925,000.00	\$ (405,000.00)
Bond Interest	269,035.00	397,949.71	345,000.00	52,949.71
Commissions and Postage	1,100.00	2,801.25	45,000.00	(42,198.75)
Other				
Cash Basis Reserve	-	-	85,000.00	(85,000.00)
<b>Total Expenditures</b>	<b>780,135.00</b>	<b>920,750.96</b>	<b>\$ 1,400,000.00</b>	<b>\$ (479,249.04)</b>
Receipts Over(Under) Expenditures	138,341.05	169,738.77		
Unencumbered Cash, Beginning	171,563.65	309,904.70		
Unencumbered Cash, Ending	<b>\$ 309,904.70</b>	<b>\$ 479,643.47</b>		



**CITY OF OSAWATOMIE, KANSAS**  
**ELECTRIC UTILITY FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Charges for Services				
Electric Charges	\$ 3,557,428.82	\$ 4,083,634.38	\$ 4,192,132.00	\$ (108,497.62)
Sales Tax	126,866.85	155,662.92	155,941.00	(278.08)
Utility Deposits	(100.00)	-	-	-
Late Fees	60,035.07	65,121.33	64,431.00	690.33
Other Charges	67,960.20	51,069.68	-	51,069.68
Use of Money and Property				
Interest Income	1,229.10	205.12	123.00	82.12
Sale of Assets	21,500.00	19,574.30	26,099.00	(6,524.70)
Loan Proceeds	700,000.00	-	-	-
No Fund Warrants	400,000.00	-	-	-
Other Receipts				
Miscellaneous	529.87	2,969.85	4,587.00	(1,617.15)
Reimbursed Expense	45,410.51	38,393.79	46,359.00	(7,965.21)
<b>Total Receipts</b>	<b>4,980,860.42</b>	<b>4,416,631.37</b>	<b>\$ 4,489,672.00</b>	<b>\$ (73,040.63)</b>
<b>Expenditures</b>				
Administration				
Personal Services	-	185,594.73	\$ 60,594.00	\$ 125,000.73
Contractual Services	307,068.83	312,814.83	348,251.00	(35,436.17)
Commodities	138.06	575.00	1,000.00	(425.00)
Capital Outlay	-	-	8,429.00	(8,429.00)
Electric Production				
Personal Services	66,948.73	28,574.44	81,219.00	(52,644.56)
Contractual Services	2,363,168.88	2,199,782.20	2,242,400.00	(42,617.80)
Commodities	45,977.19	18,232.16	38,330.00	(20,097.84)
Capital Outlay	724.11	-	-	-
Electric Distribution				
Personal Services	307,719.41	347,579.53	380,892.00	(33,312.47)
Contractual Services	77,681.37	39,636.75	59,402.00	(19,765.25)
Commodities	94,069.14	186,332.47	178,570.00	7,762.47
Capital Outlay	20,325.26	70,379.00	-	70,379.00
Debt Service				
Principal	474,580.05	122,337.35	47,257.00	75,080.35
Interest	1,815.38	6,847.65	-	6,847.65
Lease Purchase - Utility Equip	6,322.07	6,322.07	-	6,322.07

**CITY OF OSAWATOMIE, KANSAS**  
**ELECTRIC UTILITY FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Operating Transfers to:				
General Fund	\$ 387,000.00	\$ 120,237.00	\$ 260,316.00	\$ (140,079.00)
Electric Utility Debt				
Service Fund	450,000.01	450,000.00	350,000.00	100,000.00
Golf Course Fund	80,000.00	50,000.00	66,667.00	(16,667.00)
Special Parks and Recreation Fund	-	27,600.00	50,000.00	(22,400.00)
Employee Benefits Fund	67,500.00	26,500.00	-	26,500.00
Capital Improvements				
General Fund	75,000.00	-	-	-
Tourism Fund	10,000.00	-	-	-
Refuse Utility Fund	25,000.00	5,500.00	-	5,500.00
Total Certified Budget			4,173,327.00	31,518.18
Adjustments for Qualifying Budget Credits			38,393.79	(38,393.79)
Total Expenditures	4,861,038.49	4,204,845.18	\$ 4,211,720.79	\$ (6,875.61)
Receipts Over(Under) Expenditures	119,821.93	211,786.19		
Unencumbered Cash, Beginning	358,791.24	478,613.17		
Unencumbered Cash, Ending	\$ 478,613.17	\$ 690,399.36		

**CITY OF OSAWATOMIE, KANSAS**  
**ELECTRIC UTILITY DEBT SERVICE FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Operating Transfers from Electric Utility Fund	\$ 450,000.01	\$ 450,000.00	\$ 450,000.00	\$ -
Total Receipts	450,000.01	450,000.00	\$ 450,000.00	\$ -
Expenditures				
Debt Service				
Bond Principal	260,000.00	270,000.00	\$ 435,638.00	\$ (165,638.00)
Bond Interest	175,350.00	83,125.00	180,000.00	(96,875.00)
Commissions and Postage	2.50	1.25	-	1.25
Total Expenditures	435,352.50	353,126.25	\$ 615,638.00	\$ (262,511.75)
Receipts Over(Under) Expenditures	14,647.51	96,873.75		
Unencumbered Cash, Beginning	149,987.22	164,634.73		
Unencumbered Cash, Ending	\$ 164,634.73	\$ 261,508.48		

**CITY OF OSAWATOMIE, KANSAS**  
**WATER UTILITY FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Charges for Services				
Water Sales	\$ 974,685.37	\$ 1,171,031.97	\$ 1,064,000.00	\$ 107,031.97
Sales Tax	123.82	5.20	150.00	(144.80)
Late Fees	11,947.24	14,015.16	3,350.00	10,665.16
Other Charges	10,700.09	13,839.77	11,000.00	2,839.77
Use of Money and Property				
Rental Income	24,790.44	6,000.00	-	6,000.00
Sale of Assets	7,130.00	-	-	-
Other Receipts				
Reimbursed Expense	7,979.18	2,043.26	1,050.00	993.26
<b>Total Receipts</b>	<u>1,037,356.14</u>	<u>1,206,935.36</u>	<u>\$ 1,079,550.00</u>	<u>\$ 127,385.36</u>
<b>Expenditures</b>				
Administration				
Personal Services	-	182,359.33	\$ 80,373.00	\$ 101,986.33
Contractual Services	25,919.15	31,275.73	39,724.00	(8,448.27)
Commodities	-	-	1,000.00	(1,000.00)
Water Treatment				
Personal Services	181,255.33	291,647.28	208,205.00	83,442.28
Contractual Services	187,996.20	96,395.99	195,461.00	(99,065.01)
Commodities	144,049.70	182,758.47	124,950.00	57,808.47
Capital Outlay	3,637.89	-	-	-
Water Distribution				
Personal Services	127,648.94	112,243.01	166,537.00	(54,293.99)
Contractual Services	24,946.61	29,954.92	36,300.00	(6,345.08)
Commodities	69,830.09	126,408.71	81,450.00	44,958.71
Capital Outlay	1,615.00	-	-	-

**CITY OF OSAWATOMIE, KANSAS**  
**WATER UTILITY FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Operating Transfers to:				
General Fund	\$ 176,000.00	\$ 12,250.00	\$ 90,000.00	\$ (77,750.00)
General Obligation Bond and Interest Fund	126,500.00	94,500.00	126,000.00	(31,500.00)
Employee Benefits Fund	54,945.00	60,000.00	65,000.00	(5,000.00)
Cash Basis Reserve	-	-	85,000.00	(85,000.00)
<b>Total Expenditures</b>	<b>1,124,343.91</b>	<b>1,219,793.44</b>	<b>\$ 1,300,000.00</b>	<b>\$ (80,206.56)</b>
Receipts Over(Under) Expenditures	(86,987.77)	(12,858.08)		
Unencumbered Cash, Beginning	142,935.83	55,948.06		
Unencumbered Cash, Ending	<u>\$ 55,948.06</u>	<u>\$ 43,089.98</u>		

**CITY OF OSAWATOMIE, KANSAS**  
**REFUSE UTILITY FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Refuse Fees	\$ 348,072.66	\$ 369,156.84	\$ 480,000.00	\$ (110,843.16)
Other Receipts				
Miscellaneous	2,190.00	3,709.95	-	3,709.95
Operating Transfer from:				
Electric Utility Fund	25,000.00	5,500.00	-	5,500.00
Total Receipts	<u>375,262.66</u>	<u>378,366.79</u>	<u>\$ 480,000.00</u>	<u>\$ (101,633.21)</u>
Expenditures				
Collections				
Contractual Services	<u>375,804.76</u>	<u>379,412.78</u>	<u>\$ 480,000.00</u>	<u>\$ (100,587.22)</u>
Total Expenditures	<u>375,804.76</u>	<u>379,412.78</u>	<u>\$ 480,000.00</u>	<u>\$ (100,587.22)</u>
Receipts Over(Under) Expenditures	(542.10)	(1,045.99)		
Unencumbered Cash, Beginning	<u>1,764.06</u>	<u>1,221.96</u>		
Unencumbered Cash, Ending	<u>\$ 1,221.96</u>	<u>\$ 175.97</u>		

**CITY OF OSAWATOMIE, KANSAS**  
**SEWER UTILITY FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Charges for Services				
Sewer Charges	\$ 951,583.30	\$ 971,782.11	\$ 965,809.00	\$ 5,973.11
Late Fees	14,071.75	13,528.73	-	13,528.73
Other Charges	-	1,500.00	-	1,500.00
Use of Money and Property				
Loan Proceeds	-	346,000.00	346,000.00	-
Other Receipts				
Reimbursed Expense	2,351.12	554.88	74.00	480.88
<b>Total Receipts</b>	<b>968,006.17</b>	<b>1,333,365.72</b>	<b>\$ 1,311,883.00</b>	<b>\$ 21,482.72</b>
<b>Expenditures</b>				
Collections				
Personal Services	18,873.90	74,220.44	\$ 47,179.00	\$ 27,041.44
Contractual Services	45,884.09	25,259.53	58,513.00	(33,253.47)
Commodities	12,210.57	-	10,200.00	(10,200.00)
Capital Outlay	63,628.00	-	-	-
Administration				
Personal Services	38,661.07	81,511.46	\$ 128,055.00	(46,543.54)
Contractual Services	32,652.78	46,048.48	38,642.00	7,406.48
Commodities	-	-	2,800.00	(2,800.00)
Capital Outlay	1,615.00	-	-	-
Operations				
Personal Services	48,743.27	96,681.06	76,477.00	20,204.06
Contractual Services	79,417.78	126,994.04	112,955.00	14,039.04
Commodities	19,594.81	33,074.38	32,643.00	431.38
Debt Service				
Principal Payments	101,134.63	485,508.16	421,000.00	64,508.16
Interest Payments	27,366.99	3,542.17	68,050.00	(64,507.83)
Service Fee	2,651.84	-	-	-

**CITY OF OSAWATOMIE, KANSAS**  
**SEWER UTILITY FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Operating Transfers to:				
General Fund	\$ 145,000.00	\$ 57,750.00	\$ 77,000.00	\$ (19,250.00)
Capital Improvements				
Sewer Fund	75,000.00	-	-	-
Employee Benefits Fund	35,000.00	60,000.00	-	60,000.00
General Obligation				
Bond and Interest Fund	325,000.00	131,250.00	175,000.00	(43,750.00)
Total Expenditures	1,072,434.73	1,221,839.72	\$ 1,248,514.00	\$ (26,674.28)
Receipts Over(Under) Expenditures	(104,428.56)	111,526.00		
Unencumbered Cash, Beginning	194,766.35	90,337.79		
Unencumbered Cash, Ending	\$ 90,337.79	\$ 201,863.79		



**CITY OF OSAWATOMIE, KANSAS**  
**AGENCY FUNDS**  
Schedule of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended December 31, 2022

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Cafeteria 125	\$ 88,906.32	\$ 14,839.92	\$ 21,397.47	\$ 82,348.77
Court ADSAP	7,401.00	-	-	7,401.00
Court Bonds	21,890.08	38,518.00	36,133.00	24,275.08
Evidence Liability	12,899.79	-	-	12,899.79
Fire Department Account	433.07	-	-	433.07
Forfeiture	26,466.76	912.75	4,713.93	22,665.58
Mayor's Christmas Tree Fund	2,780.01	-	2,350.00	430.01
PayPal Donations	13,637.46	15,427.21	-	29,064.67
Rural Fire	1,385.00	-	8,806.70	(7,421.70)
	<u>\$ 175,799.49</u>	<u>\$ 69,697.88</u>	<u>\$ 73,401.10</u>	<u>\$ 172,096.27</u>

**CITY OF OSAWATOMIE, KANSAS**

Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2022

Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Identifying Number	CFDA #	Provided to Sub-Recipients	Cash Receipts	Federal Expenditures
<b><u>U.S. Department of Housing and Urban Development</u></b>					
Passed through the Kansas Department of Commerce					
Community Development Block Grant	21-PF-027	14.228	\$ -	\$ -	\$ 185,459.89
Total U.S. Department of Housing and Urban Development					
<b><u>U.S. Department of the Treasury</u></b>					
Passed through Kansas Department of Administration:					
Coronavirus State and Local Fiscal Recovery Funds - COVID - 19	Not assigned	21.027	-	326,888.60	653,777.40
Passed through Miami County, Kansas					
Coronavirus State and Local Fiscal Recovery Funds - COVID - 19	Not assigned	21.027	-	250,000.30	192,752.19
		Total 21.027	-	576,888.90	846,529.59
Total U.S. Department of the Treasury					
Total Expenditures of Federal Awards					
			\$ -	\$ 576,888.90	\$ 1,031,989.48

**NOTE A -- BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Osawatomie, Kansas and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statement.

**NOTE B -- INDIRECT COSTS**

The City of Osawatomie, Kansas did not elect to use the 10% de minimis cost rate.

**JARRED, GILMORE & PHILLIPS, PA**  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED  
ON AN AUDIT OF FINANCIAL STATEMENT PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Council  
City of Osawatomie, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of City of Osawatomie, Kansas, as of and for the year ended December 31, 2022, and the related notes to the financial statement, which collectively comprise the City of Osawatomie, Kansas' basic financial statement, and have issued our report thereon dated May 19, 2023.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statement, we considered City of Osawatomie, Kansas' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of City of Osawatomie, Kansas' internal control. Accordingly, we do not express an opinion on the effectiveness of City of Osawatomie, Kansas' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the district's financial statement will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether City of Osawatomie, Kansas' financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

Chanute, Kansas  
May 19, 2023

**JARRED, GILMORE & PHILLIPS, PA**  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM  
GUIDANCE**

Honorable Mayor and City Council  
City of Osawatomie, Kansas

**Report on Compliance for Each Major Federal Program**  
***Opinion on Each Major Federal Program***

We have audited City of Osawatomie, Kansas' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Osawatomie, Kansas' major federal programs for the year ended December 31, 2022. City of Osawatomie, Kansas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Osawatomie, Kansas complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Osawatomie, Kansas and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Osawatomie, Kansas' compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City of Osawatomie, Kansas' federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Osawatomie, Kansas' compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Osawatomie, Kansas' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City of Osawatomie, Kansas' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City of Osawatomie, Kansas' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Osawatomie, Kansas' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on Internal Control over Compliance***

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

Chanute, Kansas  
May 19, 2023

**CITY OF OSAWATOMIE, KANSAS**

Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022

**I. SUMMARY OF AUDITOR'S RESULTS**

**Financial Statement:**

The auditor's report expresses an adverse opinion on the basic financial statement of City of Osawatomie, Kansas on the Generally Accepted Accounting Principles (GAAP) basis of accounting and an unmodified opinion on the regulatory basis of accounting.

**Internal Control over Financial Reporting:**

Material weakness(es) identified?	_____	Yes	<u>  X  </u>	No
Significant deficiencies identified?	_____	Yes	<u>  X  </u>	None Reported
Noncompliance or other matters required to be reported under <i>Government Auditing Standards</i>	_____	Yes	<u>  X  </u>	No

**Federal Awards:**

Internal control over major programs:				
Material weakness(es) identified?	_____	Yes	<u>  X  </u>	No
Significant deficiencies identified?	_____	Yes	<u>  X  </u>	None Reported

The auditor's report on compliance for the major federal award programs for City of Osawatomie, Kansas expresses an unmodified opinion.

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____	Yes	<u>  X  </u>	No
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Identification of major programs:

**U.S. DEPARTMENT OF THE TREASURY**

Coronavirus State and Local Fiscal  
Recovery Funds

CFDA No. 21.027

The threshold for distinguishing Types A and B programs was \$750,000.00.

Auditee qualified as a low risk auditee?	_____	Yes	<u>  X  </u>	No
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**II. FINANCIAL STATEMENT FINDINGS**

NONE

**III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

NONE



**CITY OF OSAWATOMIE, KANSAS**

Schedule of Prior Audit Findings  
For the Year Ended December 31, 2022

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NONE