

CITY OF ARKANSAS CITY, KANSAS

Financial Statements

For the Year Ended December 31, 2023

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CITY OF ARKANSAS CITY, KANSAS
 Financial Statements
 For the Year Ended December 31, 2023
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INDEPENDENT AUDITOR'S REPORT

Mayor and City Commissioners
City of Arkansas City, 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 Arkansas City, Kansas, (the City), as of and for the year ended December 31, 2023 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of 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 as of December 31, 2023, or the 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 as of December 31, 2023, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statement" section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified 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 on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and the summary of receipts and disbursements-agency (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*. 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 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.

Other Matter

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Arkansas City, Kansas as of and for the year ended December 31, 2022 (not presented herein), and have issued our report thereon dated March 27, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipalservices>. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2023 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2022 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 basic financial statement or to the 2022 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2022, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

May 8, 2024

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

<u>Funds</u>	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	<u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General	\$ 2,339,898	\$ -	\$ 12,874,141	\$ 13,013,949	\$ 2,200,090	\$ 637,123	\$ 2,837,213
Special Purpose Funds:							
Special Recreation and Parks	41,152	-	15,516	7,585	49,083	-	49,083
Special Street and Highway	497,704	-	1,055,425	992,594	560,535	3,762	564,297
Tourism	58,922	-	165,516	113,730	110,708	-	110,708
Special Alcohol	81,141	-	17,840	17,380	81,601	4,391	85,992
Library	-	-	455,822	455,822	-	8,554	8,554
Land Bank	16,951	-	-	342	16,609	-	16,609
Healthcare Sales Tax	-	-	2,263,352	2,263,352	-	-	-
Unpledged Healthcare Sales Tax	-	-	194,086	163,683	30,403	-	30,403
CID Sales Tax	-	-	74,819	74,819	-	-	-
Special Law Enforcement Trust	3,540	-	2,658	3,350	2,848	-	2,848
Equipment Reserve	184,746	-	-	-	184,746	-	184,746
Capital Improvements Reserve	2,823,126	-	97,889	1,373,697	1,547,318	11,375	1,558,693
Municipalities Fighting Addiction	2,853	-	32,400	3,018	32,235	-	32,235
Bond and Interest Funds:							
Bond and Interest	108,384	-	2,994,264	2,941,720	160,928	-	160,928
Business Funds:							
Water Utility	3,260,906	213,529	4,950,944	4,984,469	3,440,910	280,829	3,721,739
Sewer Utility	2,250,008	183,029	7,520,217	5,991,808	3,961,446	549,499	4,510,945
Sanitation Utility	1,379,049	-	1,701,673	1,767,486	1,313,236	297,059	1,610,295
Stormwater Utility	433,435	-	248,852	223,633	458,654	9,052	467,706
Total Reporting Entity [Excluding Agency Funds]	<u>\$ 13,481,815</u>	<u>\$ 396,558</u>	<u>\$ 34,665,414</u>	<u>\$ 34,392,437</u>	<u>\$ 14,151,350</u>	<u>\$ 1,801,644</u>	<u>\$ 15,952,994</u>

Composition of Cash:

RCB Bank	
Checking	\$ 896,998
Certificates of Deposit	6,881,375
Union State Bank	
Checking	126,710
The Stock Exchange Bank	
Certificates of Deposit	4,500,000
Community National Bank	
Certificates of Deposit	3,555,802
Petty Cash	<u>1,625</u>
Total Cash	15,962,510
Less: Agency Funds per Schedule 3	<u>[9,516]</u>
Total Reporting Entity [Excluding Agency Funds]	<u>\$ 15,952,994</u>

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

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2023

NOTE 1 - Summary of Significant Accounting Policies

The City of Arkansas City, Kansas, (the City) is incorporated as a City of the second class, under the provisions of K.S.A. 13-101 et seq. The City operates under a Commission-City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water and sewer, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

The financial statement and schedules of the City of Arkansas City, 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 generally accepted accounting principles.

Financial Reporting Entity

The City of Arkansas City, Kansas (the City) is a municipal corporation governed by an elected five-member commission. This financial statement presents the City of Arkansas City, Kansas.

Related Municipal Entity. 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:

Arkansas City Public Library - The City of Arkansas City Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Separate audited financial statements are available at the Library.

South Central Kansas Regional Medical Center - The Medical Center Board of Trustees operates the City's hospital. The hospital can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Separate audited financial statements are available at the Medical Center.

Arkansas City Public Building Commission - The City of Arkansas City Public Building Commission was created to oversee the construction of the Regional Medical Center facility. Acquisition or disposition of real property or bond issuances must be approved by the City. The City is acting as the fiduciary agent for the Commission. Separate financial statements are not prepared by the Commission.

Strother Field Airport and Industrial Park - The City has adopted Ordinance No. 98-11-3793 providing for an interlocal cooperation agreement between the City of Arkansas City, the City of Winfield and Strother Field to provide financing of water systems improvements at Strother Field. The agreement provides for \$500,000 in G.O. bonds to be issued by the City of Winfield to finance the improvements. If Strother Field defaults on the bond issue, the cities of Arkansas City and Winfield would each be responsible for 50% of the remaining liability. The agreement acknowledges that the obligations of Arkansas City are subject to K.S.A. 10-1101 et seq., and as such, Arkansas City is obligated only to the extent that it has funds actually on hand in its treasury at the time for such purpose. In 2022, the City adopted Ordinance No. 2022-04-3476 providing for the issuance of \$4.47 million in G.O. bonds issued by the City for public building improvements at the Airport. The Strother Field Airport and Industrial Park joint venture have had an audit of their financial statements completed separately.

Arkansas City/Winfield Recycling Center - The cities of Arkansas City and Winfield, Kansas entered into an interlocal agreement to jointly purchase and operate a recycling center. Records are maintained by the City of Winfield; both cities share equally in the costs and recycling revenues. Separate financial information can be obtained from the Center.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2023

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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

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

Reimbursed Expense

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 schedule comparisons 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.

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. As of December 31 of each year, such taxes become a lien on the property.

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.

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 Arkansas City, Kansas, for the year of 2023:

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

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2023

NOTE 1 - Summary of Significant Accounting Policies (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.

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

Business Fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

Agency Fund - funds used to report assets held by the City in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

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 of the proposed budget and notice of public hearing on the budget on or before August 5th.
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 20th. The City held a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. The original budget was amended for the General, Library, Bond and Interest, Sewer Utility, Municipalities Fighting Addiction, Healthcare Sales Tax and CID Sales Tax funds during the year ended December 31, 2023.

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

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

A legal operating budget is not required for the following special purpose and business funds:

- Special Law Enforcement Trust Fund
- Equipment Reserve Fund
- Capital Improvements Reserve Fund

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2023

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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.

NOTE 2 - Deposits and Investments

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

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

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

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

As of December 31, 2023, the City's carrying amount of deposits was \$15,962,510 and the bank balance was \$16,065,153. The bank balance was held by four banks. Of the bank balance, \$876,710 was covered by federal depository insurance and the balance of \$15,188,443 was collateralized with pledged securities held by the pledging financial institutions' agents in the City's name.

NOTE 3 - Interfund Transfers

Operating transfers were as follows during the year ended December 31, 2023:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
Water Utility	General	\$1,325,000	K.S.A. 12-825d
Sewer Utility	Stormwater Utility	50,000	K.S.A. 12-825d
Water Utility	Bond & Interest	<u>1,493,000</u>	K.S.A. 12-825d
		<u>\$2,868,000</u>	

NOTE 4 - Defined Benefit Pension Plan

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

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2023

NOTE 4 - Defined Benefit Pension Plan (Continued)

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.43% for KPERS and 22.86% for KP&F for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were \$332,324 for KPERS and \$705,803 for KP&F for the year ended December 31, 2023.

Net Pension Liability. As of December 31, 2023, the City's proportionate share of the collective net pension liability reported by KPERS was \$3,286,872 and \$7,372,724 for KP&F. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 5 - Other Long-Term Obligations from Operations

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

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.

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

Compensated Absences. It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

Vacation Leave. All employees shall accrue vacation leave each pay period according to their position and months of continuous full-time employment with the City as summarized by the following table:

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2023

NOTE 5 - Other Long-Term Obligations from Operations (Continued)

Non - Fire/EMS personnel			Fire/EMS personnel		
Months of Continuous Full-time Employment	Vacation Hours Accrued Per year	Maximum Accrual Hours	Months of Continuous Full-time Employment	Vacation Hours Accrued Per year	Maximum Accrual Hours
0 - 59	80	160	0 - 59	112	224
60 - 119	120	240	60 - 119	168	336
120 - 179	160	320	120 - 179	224	448
180 +	200	400	180 +	280	560

Sick Leave. All full-time employees, except fire/EMS personnel, shall accrue paid sick leave at a rate of 4 hours per pay period. Fire/EMS personnel shall accrue 5.25 hours per pay period.

Employees hired prior to April 1, 2020, may accumulate sick leave to a maximum of 960 hours. Employees hired on or after April 1, 2020, may accumulate sick leave to a maximum of 720 hours.

Accumulated Leave Payout. All regular full-time employees separating from City employment that have given and satisfactorily completed an appropriate 14-day notice period will receive payment for all accumulated accrued and unused vacation, and depending upon the employee's length of service with the City, a percentage of their accrued unused sick leave as follows:

	Months of Continuous Full-time Employment				
	0 - 47	48 - 95	96 - 143	144 - 191	192 +
Sick Leave Payout %	0%	25%	50%	75%	100%

For employees hired prior to April 1, 2020, the maximum sick leave hours any employee can be paid out is 480 hours. For employees hired on or after April 1, 2020, the maximum sick leave hours any employee can be paid out is 360 hours.

Compensatory Time. All employees who are eligible, except firefighters, can elect to receive compensatory time off at a rate of not less than one and one-half hours for each overtime hour worked in lieu of cash overtime compensation. All eligible City employees, except police, may accrue up to twenty-four hours of compensatory time. Police personnel may accumulate up to sixty hours of compensatory time.

Banked Holiday Time. All non-exempt police, wastewater treatment plant, water treatment facility, and fire/emergency medical services personnel may accumulate one hour for every hour worked on an official City holiday, up to eight hours (12 hours for fire/EMS). Police, wastewater treatment plant and water treatment facility personnel shall not accumulate in excess of 24 hours. Fire/EMS personnel shall not accumulate in excess of 48 hours.

Personal Business Day Leave. All full-time employees after two months of continuous employment will accrue 8 hours of personal business day leave, then each January 1st thereafter shall be awarded an additional 8 hours of personal business day leave. Personal business day leave must be used within the calendar year and may not be accumulated.

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.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2023

NOTE 5 - Other Long-Term Obligations from Operations (Continued)

In accordance with the above criteria, the City has accrued a liability for annual leave, sick time, compensatory time, and banked holiday time, which has been earned, but not taken, by City employees. The estimated liability as of December 31, 2023, was \$510,061 for annual leave, \$444,717 for sick leave and \$12,971 for banked holiday time.

NOTE 6 - Long-Term Debt

The following table summarizes changes in the City's long-term liabilities during the year ended December 31, 2023:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Outstanding</u>	<u>Interest Paid</u>
General Obligation Bonds	\$ 23,080,000	\$ 515,000	\$ 1,830,000	\$ 21,765,000	\$ 635,697
Revenue Bonds	16,415,000	-	460,000	15,955,000	608,563
Revolving Loans	4,584,367	4,888,531	219,045	9,253,853	79,292
Finance Leases	848,524	755,153	295,505	1,308,172	295,505
Total	<u>\$ 44,927,891</u>	<u>\$ 6,158,684</u>	<u>\$ 2,804,550</u>	<u>\$ 48,282,025</u>	<u>\$ 1,619,057</u>

General Obligation Bonds. The follow table details the City's outstanding general obligation bonds:

<u>General Obligation Bonds</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Paid with taxes and utility revenues					
Series 2020	1.00% - 3.00%	\$ 16,960,000	\$ 21,840,000	10/13/20	08/01/36
Series 2022	3.59%	4,290,000	4,470,000	05/03/22	09/01/37
Series 2023	5.35% - 6.25%	515,000	515,000	11/02/23	09/01/39
		<u>\$ 21,765,000</u>	<u>\$ 26,825,000</u>		

On November 2, 2023, the City issued Taxable General Obligation Bonds, Series 2023, in the amount of \$515,000. The bonds carry an interest rate ranging from 5.35% to 6.25% and are scheduled to mature on September 1, 2039. Proceeds from the bonds will be used for the purchase and acquisition of certain real property consisting of approximately 101.75 acres for future development.

Annual debt service requirements to maturity on the general obligation bonds are as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,935,000	\$ 551,969	\$ 2,486,969
2025	1,445,000	501,455	1,946,455
2026	1,475,000	455,943	1,930,943
2027	1,525,000	409,276	1,934,276
2028	1,575,000	361,075	1,936,075
2029 - 2033	8,420,000	1,270,691	9,690,691
2034 - 2038	5,340,000	302,113	5,642,113
2039	50,000	3,125	53,125
Total	<u>\$ 21,765,000</u>	<u>\$ 3,855,647</u>	<u>\$ 25,620,647</u>

Revenue Bonds. The follow table details the City's outstanding revenue bonds:

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2023

NOTE 6 - Long-Term Debt (Continued)

<u>Revenue Bonds</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Paid with taxes					
Public Building Commission	3.00% - 5.00%	<u>\$ 15,955,000</u>	<u>\$ 17,630,000</u>	07/23/19	09/01/44

On July 23, 2019, the Arkansas City Public Building Commission issued Refunding Revenue Bonds, Series 2019, in the amount of \$17,630,000. The bonds were issued to refund the Commission's outstanding Series 2009 Revenue Bonds. The refunded bonds were originally issued to finance the costs to construct, furnish and equip an acute care hospital known as the South-Central Kansas Regional Medical Center. The Public Building Commission will continue to lease the land and the medical center constructed thereon to the City and the City will continue to sublease the project to the Board of Trustees of the Medical Center.

As part of the 2019 revenue bond issue, the City approved a 1% sales tax. The City has pledged to appropriate 95% of the revenues derived from the sales tax to the Bond's Trustee for debt service payments. The City has accounted for these transactions in the Healthcare Sales Tax and Unpledged Healthcare Sales Tax funds. Any amount appropriated to the Trustee in excess of the scheduled debt service is held by the Trustee in an escrow account invested in U.S. Government Securities and reserved for future debt service payments. The City does not have control over this escrow account, and therefore, the City's financial statements do not include the escrow balance. As of December 31, 2023, the balance of this escrow account was \$6,194,030.

Annual debt service requirements to maturity for the revenue bonds are as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 480,000	\$ 585,563	\$ 1,065,563
2025	505,000	561,563	1,066,563
2026	530,000	536,313	1,066,313
2027	560,000	509,813	1,069,813
2028	585,000	481,813	1,066,813
2029 - 2033	3,375,000	1,980,213	5,355,213
2034 - 2038	4,095,000	1,288,563	5,383,563
2039 - 2043	4,775,000	619,975	5,394,975
2044	<u>1,050,000</u>	<u>32,813</u>	<u>1,082,813</u>
Total	<u>\$ 15,955,000</u>	<u>\$ 6,596,629</u>	<u>\$ 22,551,629</u>

Finance Leases. The follow table details the City's outstanding finance lease obligations:

<u>Finance Leases</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Paid with taxes					
2019 Pumper Truck	3.55%	\$ 331,741	\$ 620,775	01/28/19	08/01/28
2021 Street Sweeper	3.55%	85,785	127,500	03/16/22	02/01/25
2022 Copiers	0.00%	34,914	53,714	03/23/22	03/23/27
2022 Body Worn Cameras	0.00%	78,816	150,000	08/16/22	08/16/27
Revolving Enterprise Vehicles	0.00%	<u>776,916</u>	<u>210,496</u>	Various	09/30/27
		<u>\$ 1,308,172</u>	<u>\$ 1,162,485</u>		

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2023

NOTE 6 - Long-Term Debt (Continued)

Annual debt service requirements to maturity for the capital leases are as follows:

<u>Year ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 451,860	\$ 12,931	\$ 464,791
2025	298,292	9,907	308,199
2026	257,312	6,788	264,100
2027	204,685	4,395	209,080
2028	96,023	1,915	97,938
Total	<u>\$ 1,308,172</u>	<u>\$ 35,936</u>	<u>\$ 1,344,108</u>

Revolving Loan. The following table details the City's outstanding revolving loans:

<u>Revolving Loans</u>	<u>Interest Rate</u>	<u>Amount</u> <u>Outstanding</u>	<u>Original</u> <u>Amount</u>	<u>Date of</u> <u>Issue</u>	<u>Final</u> <u>Maturity</u>
Paid with utility revenues					
Water Pollution Loan #C20-1812-01	1.31%	<u>\$ 9,253,853</u>	<u>\$ 9,500,000</u>	12/9/2021	3/1/2043

On December 9, 2021, the City entered into a loan agreement with the Kansas Department of Health and Environment (KDHE) to finance the cost of wastewater treatment plant improvements. The loan is for a maximum principal of \$9,500,000, carries a gross interest rate of 1.31%, and is payable in semi-annual installments. Annual debt service requirements to maturity are not available as the loan was not finalized as of December 31, 2023.

NOTE 7 - Economic Development Bonds

The City has entered into various agreements to induce businesses to locate or expand operations in Arkansas City, Kansas. In connection therewith, the City has issued industrial revenue bonds (IRB's), which require the businesses to make lease payments to trust accounts sufficient to pay debt service on the IRB's. The City is under no obligation to pay the IRB debt, which is to be paid from the lease payments made by the related businesses. As of December 31, 2023, there were two industrial revenue bond issues with principal balances due totaling \$11,820,074.

NOTE 8 - 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.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2023

NOTE 9 - Capital Projects

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

Project Name	Project Authorization	Expenditures Through 12/31/2023	Estimated Completion
Westar Hike/Bike Trail	\$ 1,275,745	\$ 353,055	2025
WWTP Upgrades	13,068,275	13,102,956	2023
North Pressure Zone High Service Pump Station	848,567	847,572	2023
Madison Avenue CCLIP Summit to 8th St	482,075	380,670	2023
Central Trails Transportation Alternative	144,732	8,280	2024
KS to Radio Ln Mill/Overlay	910,000	779,676	2023
15th Street Bridge Replacement	462,599	462,358	2023
Sanitary Sewer Replacement (5th Ave to Adams)	478,964	512,584	2023
Truck Stop	75,400	33,678	2025
2022 GO Taxable Bond - Strother Field	4,470,000	4,455,000	2023
CDBG Community Block Grant	300,000	151,724	2024
Offset Well 4	221,055	72,026	2024
Levee Certification	56,910	44,669	2025
HEAL Grant 204/206 N Summit st	91,000	34,125	2024
Golf Tower Rehab	945,000	4,350	2024
Country Club Estates Lift Station	1,220	1,220	2024
Lovie Watson Park Upgrades	50,738	50,738	2024

SCHEDULE 1

CITY OF ARKANSAS CITY, KANSAS
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over [Under]</u>
General Funds:					
General	\$ 14,389,936	\$ -	\$ 14,389,936	\$ 13,013,949	\$ [1,375,987]
Special Purpose Funds:					
Special Recreation and Parks	57,041	-	57,041	7,585	[49,456]
Special Street and Highway	1,289,108	-	1,289,108	992,594	[296,514]
Tourism	200,398	-	200,398	113,730	[86,668]
Special Alcohol	103,678	-	103,678	17,380	[86,298]
Library	517,400	-	517,400	455,822	[61,578]
Land Bank	11,211	-	11,211	342	[10,869]
Healthcare Sales Tax	2,720,000	-	2,720,000	2,263,352	[456,648]
Unpledged Healthcare Sales Tax	441,285	-	441,285	163,683	[277,602]
CID Sales Tax	90,000	-	90,000	74,819	[15,181]
Municipalities Fighting Addiction	52,853	-	52,853	3,018	[49,835]
Bond and Interest Funds:					
Bond and Interest	3,130,798	-	3,130,798	2,941,720	[189,078]
Business Funds:					
Water Utility	5,626,946	-	5,626,946	4,984,469	[642,477]
Sewer Utility	8,659,731	-	8,659,731	5,991,808	[2,667,923]
Sanitation Utility	1,933,111	-	1,933,111	1,767,486	[165,625]
Stormwater Utility	346,287	-	346,287	223,633	[122,654]

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 General Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 3,186,634	\$ 3,786,577	\$ 3,954,128	\$ [167,551]
Delinquent tax	126,723	155,915	115,000	40,915
Motor vehicle tax	460,961	414,556	448,423	[33,867]
Recreational vehicle tax	4,110	4,225	4,102	123
16/20M truck tax	9,446	7,772	7,983	[211]
Neighborhood revitalization	[82,765]	[93,256]	[100,000]	6,744
Compensating use tax	467,958	471,022	340,000	131,022
Sales tax	1,918,336	1,985,825	1,750,000	235,825
Franchise tax	1,443,118	1,376,141	1,134,000	242,141
Special assessments	44,449	28,410	38,236	[9,826]
Intergovernmental				
Local alcoholic liquor tax	13,412	15,516	14,128	1,388
Federal grant	83,113	239,578	20,000	219,578
State grant	22,670	28,466	22,575	5,891
Licenses and permits				
Licenses, permits and fees	189,123	181,654	96,250	85,404
Charges and services				
Cemetery permits/deeds	19,465	19,795	19,500	295
Rural fire contracts	438,643	476,681	390,000	86,681
County ambulance fees	195,130	195,130	180,000	15,130
Other ambulance fees	561,165	609,592	550,000	59,592
Fines, forfeitures and penalties				
Fines	357,500	380,107	311,650	68,457
Use of money and property				
Interest	20,005	89,852	6,000	83,852
Sale of assets	56,482	128,070	65,000	63,070
Rental income	54,983	38,977	41,200	[2,223]
Other receipts				
Donations	20,832	16,200	5,000	11,200
Reimbursed expense	190,133	158,499	85,000	73,499
Loan repayment from hospital	-	-	1,000,000	[1,000,000]
Lease proceeds	396,302	755,153	835,000	[79,847]
Miscellaneous	34,137	78,684	15,500	63,184
Operating transfers from				
Water Utility Fund	400,000	1,325,000	500,000	825,000
Sewer Utility Fund	550,000	-	625,000	[625,000]
Sanitation Utility Fund	200,000	-	200,000	[200,000]
Total Receipts	<u>11,382,065</u>	<u>12,874,141</u>	<u>\$ 12,673,675</u>	<u>\$ 200,466</u>

See independent auditor's report on the financial statements.

SCHEDULE 2 - 1 (Continued)

CITY OF ARKANSAS CITY, KANSAS
 General Fund - Continued
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Expenditures				
General administrative services				
Personal services	\$ 846,936	\$ 907,457	\$ 1,020,745	\$ [113,288]
Contractual services	387,479	1,525,428	1,397,580	127,848
Commodities	36,524	42,608	44,900	[2,292]
Capital outlay	<u>275,641</u>	<u>816,577</u>	<u>34,500</u>	<u>782,077</u>
Total general administrative services	<u>1,546,580</u>	<u>3,292,070</u>	<u>2,497,725</u>	<u>794,345</u>
Municipal court/legal				
Personal services	75,696	114,850	83,449	31,401
Contractual services	154,758	162,666	150,800	11,866
Commodities	3,724	2,091	2,850	[759]
Capital outlay	<u>4,198</u>	<u>8,585</u>	<u>-</u>	<u>8,585</u>
Total municipal court/legal	<u>238,376</u>	<u>288,192</u>	<u>237,099</u>	<u>51,093</u>
Neighborhood services				
Personal services	285,252	288,213	310,644	[22,431]
Contractual services	24,350	48,428	37,960	10,468
Commodities	41,435	23,627	65,680	[42,053]
Capital outlay	35,458	16,054	28,000	[11,946]
Fleet management lease	<u>5,704</u>	<u>10,870</u>	<u>15,800</u>	<u>[4,930]</u>
Total neighborhood services	<u>392,199</u>	<u>387,192</u>	<u>458,084</u>	<u>[70,892]</u>
Fire/EMT services				
Personal services	2,534,870	2,550,206	2,975,286	[425,080]
Contractual services	84,107	86,333	71,000	15,333
Commodities	103,672	175,669	144,150	31,519
Capital outlay	100,684	68,956	897,000	[828,044]
Debt service	160,781	106,331	110,644	[4,313]
Fleet management lease	<u>-</u>	<u>21,119</u>	<u>21,119</u>	<u>-</u>
Total fire/EMT services	<u>2,984,114</u>	<u>3,008,614</u>	<u>4,219,199</u>	<u>[1,210,585]</u>
Law enforcement				
Personal services	2,727,036	3,010,884	3,219,772	[208,888]
Contractual services	124,094	152,494	133,000	19,494
Commodities	153,277	158,329	131,000	27,329
Capital outlay	292,893	156,908	147,000	9,908
Fleet management lease	<u>9,776</u>	<u>53,879</u>	<u>61,000</u>	<u>[7,121]</u>
Total law enforcement	<u>3,307,076</u>	<u>3,532,494</u>	<u>3,691,772</u>	<u>[159,278]</u>

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 General Fund - Continued
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year	Current Year		Variance- Over [Under]
		Actual	Budget	
Expenditures - Continued				
Parks and facilities				
Personal services	\$ 636,911	\$ 654,516	\$ 710,332	\$ [55,816]
Contractual services	139,191	167,494	201,700	[34,206]
Commodities	162,188	135,226	213,300	[78,074]
Capital outlay	87,400	101,322	48,500	52,822
Fleet management lease	17,158	19,096	37,500	[18,404]
Total parks and facilities	<u>1,042,848</u>	<u>1,077,654</u>	<u>1,211,332</u>	<u>[133,678]</u>
Public works/streets				
Personal services	486,347	504,318	509,343	[5,025]
Contractual services	247,531	268,500	308,799	[40,299]
Commodities	76,844	47,732	76,550	[28,818]
Capital outlay	724	-	3,500	[3,500]
Fleet management lease	-	12,813	-	12,813
Total public works/streets	<u>811,446</u>	<u>833,363</u>	<u>898,192</u>	<u>[64,829]</u>
Northwest Community Center				
Personal services	51,193	55,436	55,887	[451]
Contractual services	9,709	12,239	14,300	[2,061]
Commodities	7,029	14,864	7,500	7,364
Capital outlay	-	28	500	[472]
Total Northwest Community Center	<u>67,931</u>	<u>82,567</u>	<u>78,187</u>	<u>4,380</u>
Senior center				
Personal services	188,039	209,716	244,195	[34,479]
Contractual services	31,016	35,563	35,801	[238]
Commodities	16,013	17,412	18,100	[688]
Total senior center	<u>235,068</u>	<u>262,691</u>	<u>298,096</u>	<u>[35,405]</u>
EMS				
Personal services	8,522	2,165	13,000	[10,835]
Contractual services	69,470	75,881	90,500	[14,619]
Commodities	92,580	165,133	238,950	[73,817]
Fleet management lease	624	5,933	7,800	[1,867]
Total senior center	<u>171,196</u>	<u>249,112</u>	<u>350,250</u>	<u>[101,138]</u>
Emergency reserve	-	-	450,000	[450,000]
Total Expenditures	<u>10,796,834</u>	<u>13,013,949</u>	<u>\$ 14,389,936</u>	<u>\$ [1,375,987]</u>
Receipts Over [Under] Expenditures	585,231	[139,808]		
Unencumbered Cash, Beginning	<u>1,754,667</u>	<u>2,339,898</u>		
Unencumbered Cash, Ending	<u>\$ 2,339,898</u>	<u>\$ 2,200,090</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2 - 2

CITY OF ARKANSAS CITY, KANSAS
 Special Recreation and Parks Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Local alcoholic liquor tax	\$ 13,412	\$ 15,516	\$ [14,128]	\$ 29,644
Total Receipts	<u>13,412</u>	<u>15,516</u>	<u>\$ [14,128]</u>	<u>\$ 29,644</u>
Expenditures				
Culture and recreation				
Commodities	8,173	7,585	\$ 57,041	\$ [49,456]
Total Expenditures	<u>8,173</u>	<u>7,585</u>	<u>\$ 57,041</u>	<u>\$ [49,456]</u>
Receipts Over [Under] Expenditures	5,239	7,931		
Unencumbered Cash, Beginning	<u>35,913</u>	<u>41,152</u>		
Unencumbered Cash, Ending	<u>\$ 41,152</u>	<u>\$ 49,083</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
Special Street and Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Highway gas tax	\$ 318,357	\$ 322,525	\$ 324,440	\$ [1,915]
County gas tax	50,331	54,365	48,750	5,615
Intergovernmental				
KDOT federal exchange funds	362,145	678,525	450,000	228,525
Other receipts				
Reimbursed expense	-	10	-	10
Lease proceeds	127,500	-	-	-
Total Receipts	<u>858,333</u>	<u>1,055,425</u>	<u>\$ 823,190</u>	<u>\$ 232,235</u>
Expenditures				
General government				
Contractual services	725,242	359,113	\$ 40,000	\$ 319,113
Commodities	156,561	110,879	204,000	[93,121]
Capital outlay	256,711	470,553	1,001,008	[530,455]
Fleet management lease	-	52,049	44,100	7,949
Total Expenditures	<u>1,138,514</u>	<u>992,594</u>	<u>\$ 1,289,108</u>	<u>\$ [296,514]</u>
Receipts Over [Under] Expenditures	[280,181]	62,831		
Unencumbered Cash, Beginning	<u>777,885</u>	<u>497,704</u>		
Unencumbered Cash, Ending	<u>\$ 497,704</u>	<u>\$ 560,535</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2 - 4

CITY OF ARKANSAS CITY, KANSAS
 Tourism Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
State guest tax	\$ 138,115	\$ 155,516	\$ 140,000	\$ 15,516
Other receipts				
Donations	<u>9,989</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total Receipts	<u>148,104</u>	<u>165,516</u>	<u>\$ 150,000</u>	<u>\$ 15,516</u>
Expenditures				
Culture and recreation				
Contractual services	<u>125,590</u>	<u>113,730</u>	<u>\$ 200,398</u>	<u>\$ [86,668]</u>
Total Expenditures	<u>125,590</u>	<u>113,730</u>	<u>\$ 200,398</u>	<u>\$ [86,668]</u>
Receipts Over [Under] Expenditures	22,514	51,786		
Unencumbered Cash, Beginning	<u>36,408</u>	<u>58,922</u>		
Unencumbered Cash, Ending	<u>\$ 58,922</u>	<u>\$ 110,708</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 Special Alcohol Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Local alcoholic liquor tax	\$ 13,413	\$ 15,515	\$ 14,128	\$ 1,387
Other receipts				
Donations	<u>1,350</u>	<u>2,325</u>	<u>-</u>	<u>2,325</u>
Total Receipts	<u>14,763</u>	<u>17,840</u>	<u>\$ 14,128</u>	<u>\$ 3,712</u>
Expenditures				
Culture and recreation				
Contractual services	7,800	1,000	\$ 4,500	\$ [3,500]
Commodities	<u>20,047</u>	<u>16,380</u>	<u>99,178</u>	<u>[82,798]</u>
Total Expenditures	<u>27,847</u>	<u>17,380</u>	<u>\$ 103,678</u>	<u>\$ [86,298]</u>
Receipts Over [Under] Expenditures	[13,084]	460		
Unencumbered Cash, Beginning	<u>94,225</u>	<u>81,141</u>		
Unencumbered Cash, Ending	<u>\$ 81,141</u>	<u>\$ 81,601</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 Library Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Ad valorem property tax	\$ 345,940	\$ 402,476	\$ 470,399	\$ [67,923]
Delinquent tax	13,856	16,945	12,000	4,945
Motor vehicle tax	47,251	45,020	48,690	[3,670]
Recreational vehicle tax	421	459	445	14
16/20M truck tax	987	835	866	[31]
Neighborhood revitalization	<u>[8,990]</u>	<u>[9,913]</u>	<u>[15,000]</u>	<u>5,087</u>
Total Receipts	<u>399,465</u>	<u>455,822</u>	<u>\$ 517,400</u>	<u>\$ [61,578]</u>
Expenditures				
Culture and recreation				
Appropriation to library board	<u>399,465</u>	<u>455,822</u>	<u>\$ 517,400</u>	<u>\$ [61,578]</u>
Total Expenditures	<u>399,465</u>	<u>455,822</u>	<u>\$ 517,400</u>	<u>\$ [61,578]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

CITY OF ARKANSAS CITY, KANSAS
 Land Bank Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Use of money and property				
Sale of assets	\$ 9,240	\$ -	\$ 3,500	\$ [3,500]
Total Receipts	<u>9,240</u>	<u>-</u>	<u>\$ 3,500</u>	<u>\$ [3,500]</u>
Expenditures				
General government				
Contractual services	1,075	342	\$ 11,211	\$ [10,869]
Total Expenditures	<u>1,075</u>	<u>342</u>	<u>\$ 11,211</u>	<u>\$ [10,869]</u>
Receipts Over [Under] Expenditures	8,165	[342]		
Unencumbered Cash, Beginning	<u>8,786</u>	<u>16,951</u>		
Unencumbered Cash, Ending	<u>\$ 16,951</u>	<u>\$ 16,609</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 Healthcare Sales Tax Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenue:				
Sales tax	\$ 1,822,419	\$ 1,886,534	\$ 2,400,000	\$ [513,466]
Use tax	<u>280,775</u>	<u>376,818</u>	<u>320,000</u>	<u>56,818</u>
Total Receipts	<u>2,103,194</u>	<u>2,263,352</u>	<u>\$ 2,720,000</u>	<u>\$ [456,648]</u>
Expenditures				
Debt Service				
Principal	440,000	460,000	\$ -	\$ 460,000
Interest	626,163	608,563	-	608,563
Appropriations to trustee	<u>1,037,031</u>	<u>1,194,789</u>	<u>2,720,000</u>	<u>[1,525,211]</u>
Total Expenditures	<u>2,103,194</u>	<u>2,263,352</u>	<u>\$ 2,720,000</u>	<u>\$ [456,648]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 Unpledged Healthcare Sales Tax Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenue:				
Sales tax	\$ 95,917	\$ 99,292	\$ 100,000	\$ [708]
Use tax	187,183	94,204	80,000	14,204
Use of money and property				
Interest	<u>508</u>	<u>590</u>	<u>200</u>	<u>390</u>
Total Receipts	<u>283,608</u>	<u>194,086</u>	<u>\$ 180,200</u>	<u>\$ 13,886</u>
Expenditures				
Healthcare appropriations	489,493	159,683	\$ -	\$ 159,683
Miscellaneous	<u>6,000</u>	<u>4,000</u>	<u>441,285</u>	<u>[437,285]</u>
Total Expenditures	<u>495,493</u>	<u>163,683</u>	<u>\$ 441,285</u>	<u>\$ [277,602]</u>
Receipts Over [Under] Expenditures	[211,885]	30,403		
Unencumbered Cash, Beginning	<u>211,885</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 30,403</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 CID Sales Tax Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Sales tax	\$ 71,079	\$ 74,819	\$ 90,000	\$ [15,181]
Total Receipts	<u>71,079</u>	<u>74,819</u>	<u>\$ 90,000</u>	<u>\$ [15,181]</u>
Expenditures				
Appropriations	<u>71,079</u>	<u>74,819</u>	<u>\$ 90,000</u>	<u>\$ [15,181]</u>
Total Expenditures	<u>71,079</u>	<u>74,819</u>	<u>\$ 90,000</u>	<u>\$ [15,181]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

CITY OF ARKANSAS CITY, KANSAS
 Special Law Enforcement Trust Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Years Ended December 31, 2023 and 2022

	<u>2022</u>	<u>2023</u>
Receipts		
Other receipts		
Donations	\$ -	\$ 2,658
Total Receipts	<u>-</u>	<u>2,658</u>
Expenditures		
Capital improvements		
Contractual services	-	850
Capital outlay	-	2,500
Total Expenditures	<u>-</u>	<u>3,350</u>
Receipts Over [Under] Expenditures	-	[692]
Unencumbered Cash, Beginning	<u>3,540</u>	<u>3,540</u>
Unencumbered Cash, Ending	<u>\$ 3,540</u>	<u>\$ 2,848</u>

* - This fund is not required to be budgeted.

SCHEDULE 2 - 12

CITY OF ARKANSAS CITY, KANSAS
 Equipment Reserve Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Years Ended December 31, 2023 and 2022

	<u>2022</u>	<u>2023</u>
Receipts		
Operating transfers from		
General Fund	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>
Expenditures		
Capital improvements		
Capital outlay	<u>16,200</u>	<u>-</u>
Total Expenditures	<u>16,200</u>	<u>-</u>
Receipts Over [Under] Expenditures	[16,200]	-
Unencumbered Cash, Beginning	<u>200,946</u>	<u>184,746</u>
Unencumbered Cash, Ending	<u>\$ 184,746</u>	<u>\$ 184,746</u>

* - This fund is not required to be budgeted.

CITY OF ARKANSAS CITY, KANSAS
 Capital Improvements Reserve Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Years Ended December 31, 2023 and 2022

	<u>2022</u>	<u>2023</u>
Receipts		
Use of money and property		
Interest	\$ 17,839	\$ 39,014
Other receipts		
Donations	-	58,875
Operating transfers from		
Bond and Interest Fund	<u>4,455,000</u>	<u>-</u>
Total Receipts	<u>4,472,839</u>	<u>97,889</u>
Expenditures		
General government		
Contractual services	3,123,709	1,365,417
Capital outlay	<u>305,557</u>	<u>8,280</u>
Total Expenditures	<u>3,429,266</u>	<u>1,373,697</u>
Receipts Over [Under] Expenditures	1,043,573	[1,275,808]
Unencumbered Cash, Beginning	<u>1,779,553</u>	<u>2,823,126</u>
Unencumbered Cash, Ending	<u>\$ 2,823,126</u>	<u>\$ 1,547,318</u>

* - This fund is not required to be budgeted.

CITY OF ARKANSAS CITY, KANSAS
Municipalities Fighting Addiction Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Sales tax	\$ 2,853	\$ 32,400	\$ 50,000	\$ [17,600]
Total Receipts	<u>2,853</u>	<u>32,400</u>	<u>\$ 50,000</u>	<u>\$ [17,600]</u>
Expenditures				
Appropriations	-	3,018	\$ 52,853	\$ [49,835]
Total Expenditures	<u>-</u>	<u>3,018</u>	<u>\$ 52,853</u>	<u>\$ [49,835]</u>
Receipts Over [Under] Expenditures	2,853	29,382		
Unencumbered Cash, Beginning	<u>-</u>	<u>2,853</u>		
Unencumbered Cash, Ending	<u>\$ 2,853</u>	<u>\$ 32,235</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 Bond and Interest Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Ad valorem property tax	\$ 518,733	\$ 509,447	\$ 519,369	\$ [9,922]
Delinquent tax	21,091	25,144	30,000	[4,856]
Motor vehicle tax	43,179	67,639	73,164	[5,525]
Recreational vehicle tax	385	689	669	20
16/20M truck tax	1,085	1,164	1,303	[139]
Neighborhood revitalization	[13,522]	[12,559]	[25,000]	12,441
Operating transfers from				
Water Utility	1,490,250	1,493,000	1,493,000	-
Other receipts				
Payment from Airport	-	393,072	393,072	-
Debt proceeds				
Sale of bonds	<u>4,470,000</u>	<u>516,668</u>	<u>515,000</u>	<u>1,668</u>
Total Receipts	<u>6,531,201</u>	<u>2,994,264</u>	<u>\$ 3,000,577</u>	<u>\$ [6,313]</u>
Expenditures				
Debt service				
Principal	1,595,000	1,830,000	\$ 1,830,000	\$ -
Interest	470,925	635,698	635,798	[100]
Cost of issuance	15,000	15,825	-	15,825
Operating transfers to				
Capital Improvements Reserve Fund	4,455,000	-	-	-
Capital outlay	-	460,197	515,000	[54,803]
Cash basis reserve	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>[150,000]</u>
Total Expenditures	<u>6,535,925</u>	<u>2,941,720</u>	<u>\$ 3,130,798</u>	<u>\$ [189,078]</u>
Receipts Over [Under] Expenditures	[4,724]	52,544		
Unencumbered Cash, Beginning	<u>113,108</u>	<u>108,384</u>		
Unencumbered Cash, Ending	<u>\$ 108,384</u>	<u>\$ 160,928</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
Water Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services				
Water receipts	\$ 4,800,300	\$ 4,703,722	\$ 4,800,000	\$ [96,278]
Connection fees	68,506	68,048	66,000	2,048
Use of money and property				
Interest	21,699	68,276	3,500	64,776
Other receipts				
Bad debt collection	259	319	-	319
Penalties	36,849	37,947	25,000	12,947
Reimbursed expense	6,018	1,273	-	1,273
Sale of assets	11,760	18,410	20,000	[1,590]
Miscellaneous	38,160	52,949	25,000	27,949
Total Receipts	<u>4,983,551</u>	<u>4,950,944</u>	<u>\$ 4,939,500</u>	<u>\$ 11,444</u>
Expenditures				
Treatment				
Personal services	224,765	240,692	\$ 222,131	\$ 18,561
Contractual services	936,628	696,265	593,700	102,565
Commodities	556,419	657,670	454,900	202,770
Capital outlay	-	55,209	300,000	[244,791]
Fleet management lease	33,603	52,799	40,000	12,799
Total treatment	<u>1,751,415</u>	<u>1,702,635</u>	<u>1,610,731</u>	<u>91,904</u>
Distribution				
Personal services	564,584	649,436	688,015	[38,579]
Contractual services	103,152	99,433	124,600	[25,167]
Commodities	270,307	238,230	255,000	[16,770]
Capital outlay	23,277	98,415	762,000	[663,585]
Total distribution	<u>961,320</u>	<u>1,085,514</u>	<u>1,829,615</u>	<u>[744,101]</u>
Administration				
Personal services	11,828	12,064	12,800	[736]
Contractual services	93,104	91,625	91,100	525
Commodities	28,968	30,483	37,200	[6,717]
Capital outlay	43,503	69,148	52,500	16,648
Total administration	<u>177,403</u>	<u>203,320</u>	<u>193,600</u>	<u>9,720</u>
Operating transfers to General Fund	1,890,250	1,993,000	1,993,000	-
Total Expenditures	<u>4,780,388</u>	<u>4,984,469</u>	<u>\$ 5,626,946</u>	<u>\$ [642,477]</u>
Receipts Over [Under] Expenditures	203,163	[33,525]		
Unencumbered Cash, Beginning	3,010,973	3,260,906		
Prior Year Cancelled Encumbrances	46,770	213,529		
Unencumbered Cash, Ending	<u>\$ 3,260,906</u>	<u>\$ 3,440,910</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
Sewer Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services				
Wastewater receipts	\$ 2,336,121	\$ 2,511,505	\$ 2,350,000	\$ 161,505
Use of money and property				
Interest	25,388	93,003	6,500	86,503
Sale of assets	-	143	15,000	[14,857]
Other receipts				
Penalties	21,531	25,616	20,000	5,616
Reimbursed expense	495	59	-	59
Federal grant	890,398	-	-	-
Miscellaneous	40,142	1,360	10,000	[8,640]
Loan proceeds	4,584,367	4,888,531	5,915,633	[1,027,102]
Total Receipts	<u>7,898,442</u>	<u>7,520,217</u>	<u>\$ 8,317,133</u>	<u>\$ [796,916]</u>
Expenditures				
Treatment				
Personal services	440,773	503,510	\$ 502,340	\$ 1,170
Contractual services	178,694	186,482	197,660	[11,178]
Commodities	130,437	133,780	130,500	3,280
Capital outlay	7,390,858	3,419,521	6,004,000	[2,584,479]
Total treatment	<u>8,140,762</u>	<u>4,243,293</u>	<u>6,834,500</u>	<u>[2,591,207]</u>
Collections				
Personal services	111,538	93,130	132,989	[39,859]
Contractual services	8,765	16,281	41,550	[25,269]
Commodities	84,106	62,584	77,150	[14,566]
Capital outlay	-	497,024	510,000	[12,976]
Total collections	<u>204,409</u>	<u>669,019</u>	<u>761,689</u>	<u>[92,670]</u>
Administration				
Personal services	7,097	7,238	7,500	[262]
Contractual services	39,295	28,493	48,800	[20,307]
Commodities	17,917	18,240	23,000	[4,760]
Capital outlay	30,279	52,188	38,500	13,688
Total administration	<u>94,588</u>	<u>106,159</u>	<u>117,800</u>	<u>[11,641]</u>
Debt service				
Principal	-	219,045	208,517	10,528
Interest	7,057	79,292	62,225	17,067
Total debt service	<u>7,057</u>	<u>298,337</u>	<u>270,742</u>	<u>27,595</u>
Operating transfers to				
General Fund	550,000	625,000	625,000	-
Stormwater Utility Fund	50,000	50,000	50,000	-
Total Expenditures	<u>9,046,816</u>	<u>5,991,808</u>	<u>\$ 8,659,731</u>	<u>\$ [2,667,923]</u>
Receipts Over [Under] Expenditures	[1,148,374]	1,528,409		
Unencumbered Cash, Beginning	3,398,382	2,250,008		
Prior Year Cancelled Encumbrances	-	183,029		
Unencumbered Cash, Ending	<u>\$ 2,250,008</u>	<u>\$ 3,961,446</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
 Sanitation Utility Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2023
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services				
Sanitation fees	\$ 1,471,660	\$ 1,638,382	\$ 1,500,000	\$ 138,382
Service fees	49,276	9,242	5,000	4,242
Use of money and property				
Interest	8,347	31,599	2,000	29,599
Sale of assets	696	6,700	-	6,700
Other receipts				
Penalties	14,598	15,610	13,000	2,610
Miscellaneous	574	140	-	140
Total Receipts	<u>1,545,151</u>	<u>1,701,673</u>	<u>\$ 1,520,000</u>	<u>\$ 181,673</u>
Expenditures				
General utility services				
Personal services	687,664	757,764	\$ 738,562	\$ 19,202
Contractual services	380,644	377,801	432,650	[54,849]
Commodities	166,493	146,745	172,550	[25,805]
Capital outlay	99,093	206,003	303,500	[97,497]
Total general utility services	<u>1,333,894</u>	<u>1,488,313</u>	<u>1,647,262</u>	<u>[158,949]</u>
Administration				
Personal services	10,730	4,825	19,349	[14,524]
Contractual services	27,919	30,673	25,000	5,673
Commodities	12,434	12,160	16,000	[3,840]
Capital outlay	20,835	31,515	25,500	6,015
Total administration	<u>71,918</u>	<u>79,173</u>	<u>85,849</u>	<u>[6,676]</u>
Operating transfers to General Fund	200,000	200,000	200,000	-
Total Expenditures	<u>1,605,812</u>	<u>1,767,486</u>	<u>\$ 1,933,111</u>	<u>\$ [165,625]</u>
Receipts Over [Under] Expenditures	[60,661]	[65,813]		
Unencumbered Cash, Beginning	<u>1,439,710</u>	<u>1,379,049</u>		
Unencumbered Cash, Ending	<u>\$ 1,379,049</u>	<u>\$ 1,313,236</u>		

See independent auditor's report on the financial statements.

CITY OF ARKANSAS CITY, KANSAS
Stormwater Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services				
Stormwater receipts	\$ 188,846	\$ 188,049	\$ 188,000	\$ 49
Use of money and property				
Interest	5,360	8,827	500	8,327
Other receipts				
Penalties	1,997	1,976	1,800	176
Miscellaneous	11	-	-	-
Operating transfers from				
Sewer Utility Fund	50,000	50,000	50,000	-
Total Receipts	<u>246,214</u>	<u>248,852</u>	<u>\$ 240,300</u>	<u>\$ 8,552</u>
Expenditures				
General utility services				
Personal services	142,611	172,552	\$ 198,687	\$ [26,135]
Contractual services	700	1,500	2,000	[500]
Commodities	4,427	4,912	21,600	[16,688]
Capital outlay	39,900	44,669	124,000	[79,331]
Total Expenditures	<u>187,638</u>	<u>223,633</u>	<u>\$ 346,287</u>	<u>\$ [122,654]</u>
Receipts Over [Under] Expenditures	58,576	25,219		
Unencumbered Cash, Beginning	<u>374,859</u>	<u>433,435</u>		
Unencumbered Cash, Ending	<u>\$ 433,435</u>	<u>\$ 458,654</u>		

See independent auditor's report on the financial statements.

SCHEDULE 3

CITY OF ARKANSAS CITY, KANSAS
 Agency Funds
 Summary of Receipts and Disbursements
 Regulatory Basis
 For the Year Ended December 31, 2023

<u>Fund</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
Municipal Court	\$ 21,513	\$ 66,282	\$ 78,279	\$ 9,516
	<u>\$ 21,513</u>	<u>\$ 66,282</u>	<u>\$ 78,279</u>	<u>\$ 9,516</u>

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