

CITY OF CHANUTE, KANSAS

Independent Auditor's Report and
Financial Statement with
Supplementary Information

For the Year Ended December 31, 2022

CITY OF CHANUTE, KANSAS
 For the Year Ended December 31, 2022
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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Commissioners
City of Chanute, 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 Chanute, 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 Chanute, 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 Chanute, 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 Chanute, 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, the schedule of receipts and expenditures – actual and budget regulatory basis, for each individual fund, and the 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.

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 schedule of required bond information (Schedule 4 as listed in the table of contents) is presented for purposes of additional analysis as required by bond agreements and is not a required part of the financial statement. Such information has not been subjected to the auditing procedures applied in the audit of the financial statement, and, accordingly, we express no opinion on it.

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 Chanute, Kansas as of and for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated July 6, 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 June 28, 2023, on our consideration of the City of Chanute, 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 Chanute, 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 Chanute, Kansas' internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 28, 2023
Chanute, Kansas

Statement 1

CITY OF CHANUTE, KANSAS

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

Funds	Beginning			Ending	Add	Encumbrances	Cash Balance
	Unencumbered	Receipts	Expenditures				
	\$ 774,236.27	\$ 9,162,621.23	\$ 9,147,589.29	\$ 789,268.21	\$ 140,422.53	\$ 929,690.74	2022
General Fund							
Special Purpose Funds:							
Industrial	198,791.53	15,412.20	-	214,203.73	-	-	214,203.73
Library	-	367,570.48	367,570.48	-	-	-	-
Library Employee Benefits	-	74,307.09	74,307.09	-	-	-	-
City Employee Benefits	123,704.20	1,319,217.58	1,225,126.56	217,795.22			217,795.22
Special Liability Expense	333,545.34	748.73	3,386.35	330,907.72	-	-	330,907.72
Recreation Complex	131,923.31	42,000.00	40,532.48	133,390.83	-	-	133,390.83
Special Parks and Recreation	18,886.36	53,820.90	-	72,707.26	-	-	72,707.26
Santa Fe Ball Complex	-	10,250.00	-	10,250.00	-	-	10,250.00
Special Alcohol Programs	88,851.19	19,496.88	10,211.69	98,136.38	-	-	98,136.38
Tourism and Convention	399,195.24	193,237.01	146,958.46	445,473.79	-	-	445,473.79
Special Highway Improvement	309,339.82	412,087.71	239,735.38	481,692.15	1,210.60	1,210.60	482,902.75
City Infrastructure	790,570.84	-	109,818.94	680,751.90	5,697.32	5,697.32	686,449.22
Sales Tax .25%	560,581.69	594,181.21	588,469.41	566,293.49	81,755.41	81,755.41	648,048.90
Emergency Telephone	33,681.86	57,464.82	-	91,146.68	-	-	91,146.68
Capital Improvement #1	885,531.34	254,032.86	68,719.48	1,070,844.72	-	-	1,070,844.72
Capital Improvement #2	21,147.75	228,189.35	154,531.54	94,805.56	-	-	94,805.56
Equipment Reserve	422,883.22	917,100.00	1,339,000.00	983.22	509,890.37	509,890.37	510,873.59
Efficiency Kansas Grant	174.59	7,346.80	7,194.91	326.48	-	-	326.48
Grant Projects	580,992.31	1,023,311.92	926,606.53	677,697.70	-	-	677,697.70
Capital Projects Funds:							
Orizon Project	-	4,788.00	4,788.00	-	-	-	-
Water Plant Project	9,000,000.00	60,208.37	1,256,820.15	7,803,388.22	38,919.00	38,919.00	7,842,307.22
Bond and Interest Funds:							
General Obligation Bond and Interest	1,670,555.38	2,005,163.59	3,351,175.51	324,543.46	-	-	324,543.46
Special Obligation Bond and Interest	12,542.22	58,930.81	58,724.00	12,749.03	-	-	12,749.03
Business Funds:							
Electric Utility	7,222,400.94	42,681,103.48	43,225,169.08	6,678,335.34	2,040,643.02	2,040,643.02	8,718,978.36
Water Utility	535,057.10	2,615,286.06	1,888,295.02	1,262,048.14	26,981.73	26,981.73	1,289,029.87
Gas Utility	160,712.58	7,220,030.34	7,082,640.43	298,102.49	23,322.76	23,322.76	321,425.25

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

Statement 1 (Continued)

CITY OF CHANUTE, KANSAS

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

Funds	Beginning	Receipts	Expenditures	Ending	Add	Encumbrances	Cash Balance
	Unencumbered					and Accounts	December 31,
Refuse Utility	\$ 219,427.67	\$ 1,650,989.68	\$ 1,401,228.31	\$ 469,189.04	\$ 22,776.79		\$ 491,965.83
Sewer Utility	85,734.21	2,142,744.90	2,146,776.46	81,702.65	35,528.15		117,230.80
Fiber/Communication Utility	349,486.94	734,443.36	992,186.83	91,743.47	8,658.69		100,402.16
Electric, Water & Gas Bond and Interest	348,653.95	1,450,845.00	226,461.03	1,573,037.92	-		1,573,037.92
Electric, Water & Gas Bond							
Depreciation and Replacement	301,589.73	-	-	301,589.73	-		301,589.73
I&I Sewer Project Reserve	2,837,691.28	657,702.82	64,259.17	3,431,134.93	-		3,431,134.93
Electrical Maintenance Substation	3,543,694.21	1,289,855.79	250,650.00	4,582,900.00	-		4,582,900.00
Landfill Closing Reserve	50,000.00	10,000.00	-	60,000.00	-		60,000.00
Landfill Bond and Interest	506,096.59	97,084.11	-	603,180.70			603,180.70
Vehicle Services	3,156.66	949,375.35	940,437.63	12,094.38	3,471.81		15,566.19
Utility Services	2,508.90	1,775,872.31	1,565,345.49	213,035.72	17,462.60		230,498.32
Public Works and Utility Complex	123,832.32	232,000.01	258,231.86	97,600.47	7,602.09		105,202.56
Total Reporting Entity (Excluding Agency Funds)	\$ 32,647,177.54	\$ 80,388,820.75	\$ 79,162,947.56	\$ 33,873,050.73	\$ 2,964,342.87		\$ 36,837,393.60
Composition of Cash:							
						Cash on Hand	\$ 4,390.00
						Checking Accounts:	
						City Treasurer	22,760,303.91
						Payroll Account	10,148.60
						ISF Check Account	8,588.62
						General Petty Cash	3,500.00
						Security Deposit Account	348,015.54
						Utility Petty Cash Account.....	1,075.00
						Golf Course Petty Cash Account.....	5,000.00
						Dispatch Checking Account.....	91,146.68
						Investments:	
						Certificates of Deposit	6,453,297.00
						UMB Escrow Accounts	9,000,030.44
						Total Cash	38,685,495.79
						Agency Funds Per Schedule 3	
						Total Reporting Entity (Excluding Agency Funds)	(1,848,102.19)
							\$ 36,837,393.60

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

CITY OF CHANUTE, KANSAS

Notes to Financial Statement For the Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Chanute, Kansas (the City) is incorporated as a city of the second class under the provisions of the Kansas Constitution, Article 12, Section 5 and K.S.A. 14-101 *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, electric, trash 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 Chanute, 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 principle 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.

Reporting Entity

The City of Chanute is a municipal corporation governed by an elected five-member commission. This financial statement presents the City of Chanute.

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:

Chanute Public Library – The City of Chanute Library Board operates the City's public library. Acquisition or disposition of real property or bond issuances must be approved by the City. Separate audited financial statement are prepared and are available at the Chanute Public Library.

The Housing Authority – The Housing Authority of the City of Chanute, Kansas operates the City's housing projects. The Housing Authority can sue and be sued, and can buy, sell, or lease real property. Bond ordinances must be approved by the City. Separate audited financial statement are prepared and are available at the Housing Authority of the City of Chanute, Kansas.

Regulatory Basis Fund Types

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its cash, liabilities, fund equity, revenues and expenditures. The various funds are grouped by type in the financial statement. The types of funds maintained by the City are as follows:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types (Continued)

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

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

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.

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 municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

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.

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)

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 revenue in the appropriate project. Special assessments received after the issuance of general obligation bonds are recorded as revenue 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.

Pension Plan

Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System or the State of Kansas Police and Fire Retirement System, both of which are multi-employer, state-wide pension plans. 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.

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 revenues. In the financial statement and budget comparison schedules presented in this report, reimbursements and refunds are recorded as revenues. 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.

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 20th. The City did not 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, General Obligation Bond and Interest Fund, Electric Utility Fund, Gas Utility Fund, and Fiber/Communication Utility Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, 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, trust funds, and the following special purpose fund:

- City Infrastructure Fund
- Capital Improvement # 1 Fund
- Capital Improvement # 2 Fund
- Equipment Reserve Fund
- Efficiency Kansas Grant Fund
- Grant Projects 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 Bond Ordinances

The City is required, under ordinances on general obligation utility bond issues and 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 as described below:

Electric Light and Gas Bond Reserves

The City has outstanding general obligation utility bonds segregated and defined as follows:

General Obligation Utility Bonds: Series 2019-A	Subordinate Lien Bonds
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2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

<u>Debt Service Reserves</u>	<u>REQUIRED RESEREVES</u>	<u>ACTUAL</u>
Electric Light and Gas Utility Systems refunding bonds \$4,990,000 general obligation bond issue, Series 2019-A, requires transfers monthly of 2/6 of next maturing interest and 2/12 of next maturing principal.	\$ 24,950.00	
Electric Light and Gas Utility Systems refunding taxable bonds \$4,525,000 general obligation bond issue, Series 2019-A, requires transfers monthly of 2/6 of next maturing interest and 2/12 of next maturing principal.	<u>8,900.00</u>	
Total	<u>33,850.00</u>	<u>\$ 324,543.46</u>
Depreciation and Replacement Reserve	<u>300,000.00</u>	<u>301,589.73</u>
Total Electric Light and Gas Debt Service Reserves	<u>\$ 333,850.00</u>	<u>\$ 626,133.19</u>

The City agrees to fix, establish, maintain and collect such rates, fees or charges for service furnished by or through the Electric System and Gas System which will be sufficient to enable the City to produce, in each fiscal year, Net Receipts in an amount that will be not less than 100% of the 2022 Annual Debt Service (as defined in the Indenture) of all Subordinate Lien Bonds (2019-A) of the City at the time outstanding. Net revenues are defined as gross operating revenues of the systems less operation and maintenance expenses, excluding items such as capital purchases, principal and interest payments, transfers, and administrative expenses not related to the operation of the system. Compliance is calculated as follows:

	<u>Electric Utility</u>	<u>Gas Utility</u>	<u>Total</u>
Receipts Over (Under) Expenditures	\$ (544,065.60)	\$ 137,389.91	\$ (406,675.69)
Add:			
Administrative Expenses:			
Administration and General	2,274,016.92	386,654.81	2,660,671.73
Debt Service	--	--	--
Transfers Out	<u>8,915,340.23</u>	<u>351,290.00</u>	<u>9,266,630.23</u>
Capital Outlays	<u>415,908.50</u>	<u>--</u>	<u>415,908.50</u>
Net Revenues as defined in the Indenture	<u>\$ 11,061,200.05</u>	<u>\$ 875,334.72</u>	<u>\$ 11,936,534.77</u>
Required Net Revenue as Defined in the Indenture			<u>\$ 203,100.00</u>

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

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 and Schedule 1, the City was in compliance with the budget laws of Kansas.

3. DEPOSITS AND INVESTMENTS

As of year-end, the City has the following investments.

Investment Type	Cost	Rating
Security Bank Kansas City – Fidelity Treasury	\$ 30.44	N/A
UMB – U.S. Treasury Bills	9,000,000.00	N/A

This investment is reflected at cost in these regulatory basis financial statement of the City of Chanute, Kansas.

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 provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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

Concentration of credit risk. State statutes place no limit on the amount the 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 at December 31, 2022.

Deposits: At year-end, the City's carrying amount of deposits was \$29,681,075.35 and the bank balance was \$29,805,564.86. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$1,250,000.00 was covered by FDIC insurance and \$28,555,564.86 was collateralized with pledged 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 Municipality will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. CAPITAL PROJECTS

At year end, capital projects authorizations, with approved change orders, compared with expenditures from inception are as follows:

	EXPENDITURES TO DATE	PROJECT AUTHORIZATION	COMPLETION DATE
Orizon Project	\$ 3,655,852.88	\$ 5,100,000.00	August 2026
Water Treatment Plan	1,386,820.15	9,130,000.00	Mid 2024

5. INDUSTRIAL REVENUE BONDS

The City has entered into various agreements to induce businesses to locate or expand operations in Chanute, 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. At December 31, 2022, there were five industrial revenue bond issues with principal balances due totaling \$35,596,242.65.

6. 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
General Obligation Bonds									
Paid by Tax Levies:									
Series 2016B	2.45%	October 27, 2016	\$ 1,500,000.00	November 1, 2031	\$ 1,500,000.00	-	\$ -	\$ 1,500,000.00	\$ 36,750.00
Series 2017A	2.0-3.0%	June 28, 2017	3,785,000.00	November 1, 2029	2,515,000.00	-	(325,000.00)	2,190,000.00	66,372.50
Paid by Tax Levies and Utility Receipts:									
Series 2021B	.40-.75%	December 15, 2021	3,330,000.00	November 1, 2024	3,330,000.00	-	(2,760,000.00)	570,000.00	13,035.01
Paid by Utility Receipts:									
Series 2016A	2.30%	July 15, 2016	1,325,000.00	November 1, 2031	1,325,000.00	-	-	1,325,000.00	30,475.00
Series 2019A	3.00%	September 12, 2019	4,990,000.00	November 1, 2030	4,990,000.00	-	-	4,990,000.00	149,700.00
Series 2019A - Taxable	2.30-2.40%	September 12, 2019	4,525,000.00	November 1, 2023	2,225,000.00	-	-	2,225,000.00	53,400.00
Series 2021A	.60-2.55%	December 15, 2021	9,130,000.00	November 1, 2041	9,130,000.00	-	-	9,130,000.00	142,268.03
Special Obligation Bonds									
Paid by Tax Levies:									
Tax Incentive Fund Series 2006	4.80%	September 27, 2006	703,000.00	September 1, 2026	254,000.00	-	(46,000.00)	208,000.00	11,664.00
Revolving Loans									
Kansas Water Pollution Control 1930	2.42%	January 23, 2012	1,267,362.00	September 1, 2033	565,047.68	-	(41,110.22)	523,937.46	13,426.94
Kansas Water Pollution Control 2045	2.15%	March 14, 2018	947,228.70	September 1, 2039	2,857,669.28	-	(131,560.64)	2,726,108.64	60,736.54
Kansas Public Water Supply 2722	4.01%	October 30, 2012	112,638.60	August 1, 2032	39,761.37	-	(2,940.63)	36,820.74	1,565.23
Kansas Public Water Supply 2837	2.74%	September 3, 2013	424,000.00	August 1, 2035	316,975.26	-	(18,856.65)	298,118.61	8,556.83
Kansas Public Water Supply 2931	2.13%	July 1, 2019	765,185.00	August 1, 2039	689,886.52	-	(31,817.89)	658,068.63	14,526.05
Finance Lease									
Street Sweeper	1.83%	January 1, 2017	218,000.00	November 1, 2022	45,198.84	-	(45,198.84)	-	829.47
Complex Copier	11.60%	April 6, 2019	5,495.00	May 6, 2024	2,957.89	-	(1,170.85)	1,787.04	281.15
Police Department Copier	24.35%	May 20, 2019	8,637.00	May 23, 2023	2,338.41	-	(2,338.41)	-	568.71
2020 Aerial Fire Truck	2.25%	April 10, 2020	1,330,000.00	April 10, 2030	1,209,908.76	-	(122,793.29)	1,087,115.47	27,222.95
2021 Dump Truck #1	1.55%	October 20, 2020	85,000.00	October 1, 2025	68,464.16	-	(16,723.56)	51,740.60	1,061.19
Vac-Con Combination Truck	1.72%	October 20, 2020	360,000.00	October 1, 2025	290,177.55	-	(70,701.07)	219,476.48	4,991.05
Cat Front End Loader	1.72%	December 1, 2020	160,000.00	October 1, 2025	128,716.65	-	(31,361.50)	97,355.15	2,213.93
2021 Dump Truck #2	1.55%	October 20, 2020	95,000.00	October 1, 2025	76,518.76	-	(18,691.04)	57,827.72	1,186.04
2021 Trash Truck	1.75%	March 5, 2021	94,000.00	March 5, 2026	94,000.00	-	(18,153.96)	75,846.04	1,645.00
Fire Department Copier	4.45%	April 11, 2022	3,450.00	March 11, 2027	-	3,450.00	(480.97)	2,969.03	95.03
Total Contractual Indebtedness					\$ 31,656,621.13	\$ 3,450.00	\$ (3,684,899.52)	\$ 27,975,171.61	\$ 642,570.65

6. 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:

Issue	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038-2041	Total
Principal									
General Obligation Bonds									
Paid by Tax Levies:									
Series 2016-B	\$ -	\$ 170,000.00	\$ 175,000.00	\$ 180,000.00	\$ 185,000.00	\$ 790,000.00	\$ -	\$ -	\$ 1,500,000.00
Series 2017-A	330,000.00	335,000.00	345,000.00	350,000.00	360,000.00	470,000.00	-	-	2,190,000.00
Paid by Tax Levies and Utility Receipts:									
Series 2021-B	310,000.00	260,000.00	-	-	-	-	-	-	570,000.00
Paid by Utility Receipts:									
Series 2016-A	-	155,000.00	155,000.00	160,000.00	165,000.00	690,000.00	-	-	1,325,000.00
Series 2019-A	-	650,000.00	670,000.00	690,000.00	710,000.00	2,270,000.00	-	-	4,990,000.00
Series 2019-A Taxable	2,225,000.00	-	-	-	-	-	-	-	2,225,000.00
Series 2021-A	425,000.00	425,000.00	430,000.00	435,000.00	435,000.00	2,280,000.00	2,500,000.00	2,200,000.00	9,130,000.00
Special Obligation Bonds									
Paid by Tax Levies:									
Tax Incentive Fund Series 2006	48,000.00	52,000.00	52,000.00	56,000.00	-	-	-	-	208,000.00
Revolving Loans									
Kansas Water Pollution Control 1930	42,111.12	43,136.37	44,186.58	45,262.37	46,364.34	249,313.57	53,563.11	-	523,937.46
Kansas Water Pollution Control 2045	134,404.41	137,309.63	140,277.66	143,309.83	146,407.56	780,898.53	869,024.67	374,476.35	2,726,108.64
Kansas Public Water Supply 2722	3,059.71	3,183.64	3,312.58	3,446.75	3,586.36	20,231.70	-	-	36,820.74
Kansas Public Water Supply 2837	19,376.85	19,911.43	20,460.74	21,025.19	21,605.23	117,302.51	78,436.66	-	298,118.61
Kansas Public Water Supply 2931	32,499.22	33,195.14	33,905.97	34,632.00	35,373.60	188,559.66	209,631.53	90,271.51	658,068.63
Finance Lease									
Complex Copier	1,313.59	473.45	-	-	-	-	-	-	1,787.04
2020 Aerial Fire Truck	125,556.14	128,321.88	131,268.40	134,221.94	137,241.93	430,505.18	-	-	1,087,115.47
2021 Dump Truck #1	16,982.78	17,244.53	17,513.29	-	-	-	-	-	51,740.60
Vac-Con Combination Truck	71,917.13	73,147.15	74,412.20	-	-	-	-	-	219,476.48
Cat Front End Loader	31,900.92	32,446.53	33,007.70	-	-	-	-	-	97,355.15
2021 Dump Truck #2	18,980.76	19,273.31	19,573.65	-	-	-	-	-	57,827.72
2021 Trash Truck	18,471.65	18,792.16	19,123.77	19,458.46	-	-	-	-	75,846.04
Fire Department Copier	649.05	678.52	709.36	741.52	190.58	-	-	-	2,969.03
Total Principal Payments	3,855,223.33	2,574,113.74	2,364,751.90	2,273,098.06	2,245,769.60	8,286,811.15	3,710,655.97	2,664,747.86	27,975,171.61

6. 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:

Issue	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038-2041	Total
Interest									
General Obligation Bonds									
Paid by Tax Levies:									
Series 2016-B	\$ 36,750.00	\$ 32,585.00	\$ 28,297.50	\$ 23,887.50	\$ 19,355.00	\$ 29,645.00	\$ -	\$ -	\$ 170,520.00
Series 2017-A	59,060.00	50,810.00	42,435.00	33,807.00	24,360.00	17,100.00	-	-	227,572.00
Paid by Tax Levies and Utility Receipts:									
Series 2021-B	3,810.00	1,950.00	-	-	-	-	-	-	5,760.00
Paid by Utility Receipts:									
Series 2016-A	30,475.00	30,475.00	26,910.00	23,345.00	19,665.00	40,250.00	-	-	171,120.00
Series 2019-A	149,700.00	149,700.00	130,200.00	110,100.00	89,400.00	137,550.00	-	-	766,650.00
Series 2019-A Taxable	53,400.00	-	-	-	-	-	-	-	53,400.00
Series 2021-A	162,076.50	159,527.50	156,340.00	152,470.00	147,902.50	644,282.50	428,230.00	136,737.50	1,987,566.50
Special Obligation Bonds									
Paid by Tax Levies:									
Tax Incentive Fund Series 2006	9,408.00	7,056.00	4,560.00	2,016.00	-	-	-	-	23,040.00
Revolving Loans									
Kansas Water Pollution Control 1930	12,426.04	11,400.79	10,350.58	9,274.79	8,172.82	23,372.23	974.05	-	75,971.30
Kansas Water Pollution Control 2045	57,983.77	54,987.55	52,019.52	48,987.35	45,889.62	180,587.37	92,461.23	10,118.01	543,034.42
Kansas Public Water Supply 2722	1,446.15	1,322.22	1,193.28	1,059.11	919.50	2,297.60	-	-	8,237.86
Kansas Public Water Supply 2837	8,036.63	7,502.05	6,952.74	6,388.29	5,808.25	19,764.89	3,803.78	-	58,256.63
Kansas Public Water Supply 2931	13,844.72	13,148.80	12,437.97	11,711.94	10,970.34	43,160.04	22,088.17	2,416.37	129,778.35
Finance Lease									
Complex Copier	138.41	11.55	-	-	-	-	-	-	149.96
2020 Aerial Fire Truck	24,460.10	21,694.36	18,747.84	15,794.30	12,774.31	19,543.53	-	-	113,014.44
2021 Dump Truck #1	801.97	540.22	271.46	-	-	-	-	-	1,613.65
Vac-Con Combination Truck	3,774.99	2,544.97	1,279.92	-	-	-	-	-	7,599.88
Cat Front End Loader	1,674.51	1,128.90	567.73	-	-	-	-	-	3,371.14
2021 Dump Truck #2	896.32	603.77	303.43	-	-	-	-	-	1,803.52
2021 Trash Truck	1,327.31	1,006.80	675.19	340.50	-	-	-	-	3,349.80
Fire Department Copier	118.95	89.48	58.64	26.48	1.42	-	-	-	294.97
Total Interest Payments	631,609.37	548,084.96	493,600.80	439,208.26	385,218.76	1,157,553.16	547,557.23	149,271.88	4,352,104.42
Total Principal and Interest	\$ 4,486,832.70	\$ 3,122,198.70	\$ 2,858,352.70	\$ 2,712,306.32	\$ 2,630,988.36	\$ 9,444,364.31	\$ 4,258,213.20	\$ 2,814,019.74	\$ 32,327,276.03

7. FINANCE LEASE OBLIGATIONS

The City has entered into a finance lease agreement in order to finance the acquisition of a copier for the fire department. Payments are made monthly, including interest at 4.45%. Final maturity of the lease is March 11, 2027. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 768.00
2024	768.00
2025	768.00
2026	768.00
2027	<u>192.00</u>
	3,264.00
Less imputed interest	<u>(294.97)</u>
Net Present Value of Minimum Lease Payments	2,969.03
Less: Current Maturities	<u>(649.05)</u>
Long-Term Finance Lease Obligations	<u>\$ 2,319.98</u>

The City has entered into a finance lease agreement in order to finance the acquisition of a copier for the utility complex. Payments are made monthly, including interest at 11.60%. Final maturity of the lease is May 6, 2024. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 1,452.00
2024	<u>485.00</u>
	1,937.00
Less imputed interest	<u>(149.96)</u>
Net Present Value of Minimum Lease Payments	1,787.04
Less: Current Maturities	<u>(1,313.59)</u>
Long-Term Finance Lease Obligations	<u>\$ 473.45</u>

The City has entered into a finance lease agreement in order to finance the acquisition of a 2020 Sutphen Aerial Fire Truck. Payments are made annually, including interest at 2.25%. Final maturity of the lease is April 10, 2030. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 150,016.24
2024	150,016.24
2025	150,016.24
2026	150,016.24
2027	150,016.24
2028-2030	<u>450,048.71</u>
	1,200,129.91
Less imputed interest	<u>(113,014.44)</u>
Net Present Value of Minimum Lease Payments	1,087,115.47
Less: Current Maturities	<u>(125,556.14)</u>
Long-Term Finance Lease Obligations	<u>\$ 961,559.33</u>

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

The City has entered into a finance lease agreement in order to finance the acquisition of a 2021 Ford Dump Truck. Payments are made annually, including interest at 1.55%. Final maturity of the lease is October 1, 2025. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 17,784.75
2024	17,784.75
2025	<u>17,784.75</u>
	53,354.25
Less imputed interest	<u>(1,613.65)</u>
Net Present Value of Minimum	
Lease Payments	51,740.60
Less: Current Maturities	<u>(16,982.78)</u>
Long-Term Finance Lease Obligations	<u>\$ 34,757.82</u>

The City has entered into a finance lease agreement in order to finance the acquisition of a Vac-Con Combination Truck. Payments are made annually, including interest at 1.72%. Final maturity of the lease is October 1, 2025. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 75,692.12
2024	75,692.12
2025	<u>75,692.12</u>
	227,076.36
Less imputed interest	<u>(7,599.88)</u>
Net Present Value of Minimum	
Lease Payments	219,476.48
Less: Current Maturities	<u>(71,917.13)</u>
Long-Term Finance Lease Obligations	<u>\$ 147,559.35</u>

The City has entered into a finance lease agreement in order to finance the acquisition of a frontend loader. Payments are made annual, including interest at 1.72%. Final maturity of the lease is October 1, 2025. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 33,575.43
2024	33,575.43
2025	<u>33,575.43</u>
	100,726.29
Less imputed interest	<u>(3,371.14)</u>
Net Present Value of Minimum	
Lease Payments	97,355.15
Less: Current Maturities	<u>(31,900.92)</u>
Long-Term Finance Lease Obligations	<u>\$ 65,454.23</u>

7. FINANCE LEASE OBLIGATIONS (Continued)

The City has entered into a finance lease agreement in order to finance the acquisition of a 2021 Ford Dump Truck that includes hydraulics to run a snowplow. Payments are made annually, including interest at 1.55%. Final maturity of the lease is October 1, 2025. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 19,877.08
2024	19,877.08
2025	<u>19,877.08</u>
	59,631.24
Less imputed interest	<u>(1,803.52)</u>
Net Present Value of Minimum	
Lease Payments	57,827.72
Less: Current Maturities	<u>(18,980.76)</u>
Long-Term Finance Lease Obligations	<u>\$ 38,846.96</u>

The City has entered into a finance lease agreement in order to finance the acquisition of a 2021 Freightliner Trash Truck. Payments are made annually, including interest at 1.75%. Final maturity of the lease is March 5, 2026. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 19,798.96
2024	19,798.96
2025	19,798.96
2026	<u>19,798.96</u>
	79,195.84
Less imputed interest	<u>(3,349.80)</u>
Net Present Value of Minimum	
Lease Payments	75,846.04
Less: Current Maturities	<u>(18,471.65)</u>
Long-Term Finance Lease Obligations	<u>\$ 57,374.39</u>

8. RIGHT TO USE CONTRACTS

As of December 31, 2022 the City has entered into four contracts for copiers and an contract for a postage machine. The City has also entered into numerous month to month agreements for the use of a skid steer, excavator, fuel tanks, slush machine, and an ice machine. Rent expense for the year ended December 31, 2022, was \$73,473.42. Under the current agreements, the future minimum payments are as follows:

2023	\$ 1,641.12
2024	410.28

As of December 31, 2022 the City has entered an contract for a five acre tract of land for monitoring wells, renewable annually. Rent expense for the year ended December 31, 2022, was \$3,500.00.

9. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The City of Chanute 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 statement and required supplementary information. KPERS' financial statement are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. 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 with a 0% moratorium for the year ended December 31, 2022 for the Death and Disability Program) and the statutory contribution rate was 8.90% for KPERS and 22.99% for KP&F for the fiscal year ended December 31, 2022. Contributions to the pension plan from City of Chanute were \$798,773.11 for KPERS and \$482,517.89 for KP&F 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 \$8,190,007.00 and \$4,977,575.00 for KP&F. 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 or can be obtained as described above.

10. NOTES RECEIVABLE AND LOANS RECEIVABLE

The City has established an Economic Development Revolving Loan Fund. The Fund is the recipient of money paid back to the City by Chanute industries which received Community Development Block Grants in earlier years. As repayment is made by these industries, the City makes loans to other qualifying industries. The loans due to the City at December 31, 2022, through the Economic Development Revolving Loan Fund are as follows:

Get Lit	\$ 35,528.05
LaRue Machine	53,748.99
Magna Tech, Inc.	88,265.05
Renewable Concepts	3,314.43
Sidewayz Productions, LLC	3,571.70
Threadworks, LLC	33,290.22
Tioga Suites, LLC	<u>81,115.85</u>
 TOTAL NOTES RECEIVABLE	 <u>\$ 298,834.29</u>

These notes receivable and loans are not reflected in the regulatory basis financial statement of the City of Chanute, Kansas.

11. ECONOMIC DEPENDENCY

During 2022, the City collected 50.40% of its electric utility revenues and provided 60.50% of its kilowatt hours produced to Ash Grove Cement Company.

12. 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 with one year of employment are eligible for vacation benefits in varying annual amounts. Vacation must be used by each anniversary date. In the event of termination, unused accrued vacation time is paid.

Sick leave accrues to all full-time employees at the rate of one day per month and is limited to 120 days. Employees who terminate by other than retirement or death will not be paid for accumulated sick leave. An employee shall be paid for accumulated sick leave up to 120 days upon termination by death or retirement.

The City accrues a liability for compensated absences which meet the following criteria:

1. The City's obligation relating to employees' rights to receive compensation for future absences is attributed to employee's 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.

12. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

In accordance with the above criteria, the City has an unfunded liability for vacation benefits at December 31, 2022 of \$260,090.09, and has not estimated a liability for sick pay which has been earned, but not taken by City employees, in as much 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, 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 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. There is no cost to the City under this program.

13. 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 the Kansas Eastern Region Insurance Trust (KERIT). The City participates in the decision making of KERIT through trustee representation. KERIT files its annual audited financial statement with the Kansas Insurance Commissioner. The City pays annual premium to KERIT for its workers' compensation insurance coverage. The agreement to participate provides that KERIT will be self-sustaining through member premiums and will reinsurance 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 KERIT management.

The City has established a Special Liability Fund. The purpose of this fund is to provide the cost for an investigation of, a defense to and the payment of any claim which the City is legally obligated to pay pursuant to the Kansas Tort Claims Act, to the extent that any such claim may be uninsured by the City. The Special Liability Fund is funded by charges to other funds.

The City has established a Health Insurance Fund. The purpose of this fund is to provide for an employee welfare benefit plan for health insurance. Contributions from eligible employees and the City are deposited in the name of the plan, subject to withdrawal for purposes of paying approved claims and expenses. The City has contracted with Blue Cross Blue Shield of Kansas to be the claims supervisor. The supervisor reviews all claims for allowability and issues monthly reports to the City. The City has a stop-gap policy which pays any aggregate claims over \$60,000.00.

14. MUNICIPAL SOLID WASTE LANDFILL CLOSURE AND POST CLOSURE CARE

The City operates a municipal solid waste landfill which is regulated by state and federal agencies, including the State of Kansas Department of Health and Environment and the United States Environmental Protection Agency. The City's permitted landfill area is presently 80 acres with 10 acres currently open. Regulations require the City to properly close each cell upon reaching maximum capacity and to monitor the landfill for 30 years after closure. The cost of closure and post-closure care will be paid when due from funds accumulated for the purpose in restricted cash accounts, from allocation of ad valorem tax collections, from the proceeds of debt, or a combination of these, therefore there is no liability recorded in the regulatory basis financial statement.

The following estimates have been developed by management of the landfill as of May 2022, which is considered to be substantially the same at December 31, 2022:

<u>Kansas SW Permit #274</u>	<u>Dated May 2022</u>	
City of Chanute, KS, Sanitary Landfill	Closure Cost Estimates	\$ 1,064,636
City of Chanute, KS, Construction and Demolition Landfill	Closure Cost Estimates	64,750
City of Chanute, KS, Tire Monofill	Closure Cost Estimates	101,821
	Post-Closure Cost Estimates	1,660,014
Total Estimated Closure Costs liability as of 12/31/2022		2,891,221
Total Estimated Closure Costs remaining to be recognized after 12/31/2022		2,891,221
Percentage of Landfill Capacity at 12/31/2022		68.28%
Estimated remaining landfill life in years		49 Years

15. COMMITMENTS AND CONTINGENCIES

The City has entered into multiyear agreements with the various unions representing policemen, firemen, and electrical and public works employees, and other utility workers effective until December 31, 2024.

The City has entered into a ten year agreement with Municipal Energy Resource Corporation for the purchase of natural gas effective until December 31, 2023.

The City has entered into an five year agreement with Southern Star Central Gas Pipeline, Inc. for natural gas transportation and storage effective until October 1, 2026.

The City has entered into a ten year agreement with the United States Department of Energy Southwestern Power Administration for peak power purchasing and selling of electricity effective until May 31, 2034.

The City has entered into a perpetuity agreement with Cunningham Sandblasting & Painting Co., Inc. for the maintenance of the water tower located in the industrial park effective until May 4, 2023.

The City has entered into a twenty year agreement with Westar Energy, Inc. for the purchase of renewable energy effective until January 20, 2036.

16. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	General Obligation Bond and Interest	K.S.A. 12-197	\$ 36,750.00
General	Special Obligation Bond and Interest	K.S.A. 12-197	58,900.00
Electric Utility	General	K.S.A. 12-825d	3,000,000.00
Electric Utility	Employee Benefits	K.S.A. 12-825d	200,000.00
Electric Utility	Grant Projects	K.S.A. 12-825d	131,792.94
Electric Utility	Orizion Project	K.S.A. 12-825d	4,788.00
Electric Utility	Capital Improvement #1	K.S.A. 12-1,118	200,000.00
Electric Utility	Capital Improvement #2	K.S.A. 12-1,118	152,437.50
Electric Utility	General Obligation Bond and Interest	K.S.A. 12-825d	1,792,636.00
Electric Utility	Equipment Reserve	K.S.A. 12-1,117	726,000.00
Electric Utility	Electric, Water, and Gas Bond and Interest	K.S.A. 12-197	1,417,830.00
Electric Utility	Electric Maintenance Substation	K.S.A. 12-1,118	1,289,855.79
Water Utility	General	K.S.A. 12-825d	80,000.00
Water Utility	General Obligation Bond and Interest	K.S.A. 12-825d	133,552.00
Water Utility	Capital Improvement #1	K.S.A. 12-1,118	50,000.00
Water Utility	Equipment Reserve	K.S.A. 12-1,117	50,000.00
Sewer Utility	General	K.S.A. 12-825d	30,000.00
Sewer Utility	I&I Sewer Project Reserve	K.S.A. 12-631o	657,702.82
Refuse Utility	General	K.S.A. 12-825d	50,000.00
Refuse Utility	Electric, Water, and Gas Bond and Interest	K.S.A. 12-825d	33,015.00
Refuse Utility	Landfill Bond and Interest	K.S.A. 12-825d	97,084.11
Refuse Utility	Landfill Closing Reserve	K.S.A. 12-825d	10,000.00
Gas Utility	General	K.S.A. 12-825d	250,000.00
Gas Utility	Equipment Reserve	K.S.A. 12-1,118	100,000.00
Gas Utility	General Obligation Bond and Interest	K.S.A. 12-825d	1,290.00

17. SUBSEQUENT EVENTS

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

SUPPLEMENTARY INFORMATION

Schedule 1

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

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General Fund	\$ 9,635,987.00	\$ 6,185.23	\$ 9,642,172.23	\$ 9,147,589.29	\$ (494,582.94)
Special Purpose Funds:					
Library	389,200.00	-	389,200.00	367,570.48	(21,629.52)
Library Employee Benefit	77,565.00	-	77,565.00	74,307.09	(3,257.91)
City Employee Benefit	1,238,691.00	2,583.57	1,241,274.57	1,225,126.56	(16,148.01)
Special Liability Expense	75,000.00	-	75,000.00	3,386.35	(71,613.65)
Recreation Complex	42,500.00	-	42,500.00	40,532.48	(1,967.52)
Special Parks & Recreation	22,667.00	-	22,667.00	-	(22,667.00)
Special Alcohol Programs	22,765.00	-	22,765.00	10,211.69	(12,553.31)
Tourism and Convention	160,000.00	-	160,000.00	146,958.46	(13,041.54)
Special Highway Improvement	421,657.00	-	421,657.00	239,735.38	(181,921.62)
Sales Tax .25%	600,000.00	-	600,000.00	588,469.41	(11,530.59)
Bond and Interest Funds:					
General Obligation Bond and Interest	3,351,858.00	-	3,351,858.00	3,351,175.51	(682.49)
Special Obligation Bond and Interest	58,724.00	-	58,724.00	58,724.00	-
Business Funds:					
Electric Utility	43,272,359.00	-	43,272,359.00	43,225,169.08	(47,189.92)
Water Utility	1,991,846.00	-	1,991,846.00	1,888,295.02	(103,550.98)
Gas Utility	7,274,840.00	-	7,274,840.00	7,082,640.43	(192,199.57)
Refuse Utility	1,445,237.00	-	1,445,237.00	1,401,228.31	(44,008.69)
Sewer Utility	2,552,818.00	-	2,552,818.00	2,146,776.46	(406,041.54)
Fiber/Communication Utility	1,064,769.00	-	1,064,769.00	992,186.83	(72,582.17)
Electric, Water & Gas Bond and Interest	1,963,435.00	-	1,963,435.00	226,461.03	(1,736,973.97)

CITY OF CHANUTE, 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)

	Current Year				Variance - Over (Under)
	Prior Year Actual	Actual	Budget		
Receipts					
Taxes and Shared Receipts					
Ad Valorem Property Tax	\$ 961,465.63	\$ 859,162.01	\$ 946,354.00	\$ (87,191.99)	
Delinquent Tax	30,422.55	20,978.21	40,000.00	(19,021.79)	
Motor Vehicle Tax	156,522.88	132,395.98	133,367.00	(971.02)	
Commercial Vehicle Tax	4,301.58	3,394.67	3,650.00	(255.33)	
Rental Motor Vehicle Tax	-	-	1,000.00	(1,000.00)	
Recreational Vehicle Tax	1,475.07	1,227.85	1,289.00	(61.15)	
16M-20M Truck Tax	635.08	565.10	582.00	(16.90)	
Watercraft Taxes	50.02	-	412.00	(412.00)	
Sales Tax	2,892,176.08	3,020,579.87	2,675,000.00	345,579.87	
Franchise Taxes	354,181.10	361,504.08	372,000.00	(10,495.92)	
Special Assessments	15,499.94	24,063.35	69,000.00	(44,936.65)	
Intergovernmental					
State Aid - KDOT	9,500.00	-	-	-	
Federal Grants - Police	-	500.00	-	500.00	
Highway Connecting Links	27,830.82	27,850.00	28,000.00	(150.00)	
Local Alcoholic Liquor Tax	21,653.60	19,446.41	21,667.00	(2,220.59)	
Licenses and Permits					
Business Licenses, Permits & Fees	17,635.00	16,522.47	18,400.00	(1,877.53)	
Non-Business Licenses, Permits & Fees	25,903.55	41,503.20	42,250.00	(746.80)	
Charges for Services					
General Government Services	1,350.00	850.00	1,750.00	(900.00)	
Fire Contracts	92,805.98	91,123.50	92,000.00	(876.50)	
Public Works Services - Sidewalks	-	-	2,500.00	(2,500.00)	
Animal Control Fees	9,799.50	9,843.00	8,500.00	1,343.00	
Swimming Pool Fees	53,507.38	61,315.83	64,500.00	(3,184.17)	
Golf Course Fees	277,041.69	305,508.22	281,000.00	24,508.22	
Culture and Recreation Services	24,788.48	20,205.25	33,050.00	(12,844.75)	
Fines, Forfeitures and Penalties					
Fines	159,398.11	140,017.51	180,000.00	(39,982.49)	
Use of Money and Property					
Interest Income	13,522.47	82,671.11	500.00	82,171.11	
Rents & Royalties	49,463.67	51,616.82	52,000.00	(383.18)	
Sale of Equipment and Property	151,179.59	417,833.31	130,000.00	287,833.31	
Other Receipts					
Miscellaneous	3,168.13	35,758.25	7,200.00	28,558.25	
Reimbursed Expense	70,404.62	6,185.23	32,000.00	(25,814.77)	

CITY OF CHANUTE, 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)

	Current Year				Variance - Over (Under)
	Prior Year Actual	Actual	Budget		
Receipts (Continued)					
Operating Transfers from:					
Electric Utility Fund	\$ 2,750,000.00	\$ 3,000,000.00	\$ 2,750,000.00	\$ 250,000.00	
Water Utility Fund	80,000.00	80,000.00	80,000.00	-	
Sewer Utility Fund	65,000.00	30,000.00	65,000.00	(35,000.00)	
Refuse Utility Fund	50,000.00	50,000.00	50,000.00	-	
Gas Utility Fund	223,101.31	250,000.00	250,000.00	-	
Total Receipts	8,593,783.83	9,162,621.23	\$ 8,432,971.00	\$ 729,650.23	
Expenditures					
City Commission					
Personal Services	25,410.00	25,360.65	\$ 29,000.00	\$ (3,639.35)	
Contractual Services	14,680.10	15,992.54	13,800.00	2,192.54	
Commodities	-	-	200.00	(200.00)	
Outside Appropriations	72,163.37	56,503.27	66,500.00	(9,996.73)	
Municipal Court					
Personal Services	90,285.41	99,916.54	85,660.00	14,256.54	
Contractual Services	51,426.76	54,990.54	64,600.00	(9,609.46)	
Commodities	910.25	1,728.14	1,500.00	228.14	
City Manager's Office					
Personal Services	26,700.85	29,506.77	27,583.00	1,923.77	
Contractual Services	19,470.58	22,985.40	44,400.00	(21,414.60)	
Commodities	2,356.84	1,290.98	6,500.00	(5,209.02)	
Capital Outlay	1,059.96	-	4,000.00	(4,000.00)	
General Administrative Services					
Contractual Services	314,875.13	324,498.37	1,070,996.00	(746,497.63)	
Human Resource Services					
Personal Services	25,860.71	25,993.45	27,459.00	(1,465.55)	
Contractual Services	6,331.73	8,217.60	15,000.00	(6,782.40)	
Commodities	3,188.88	3,064.03	2,300.00	764.03	
Capital Outlay	1,059.96	-	1,200.00	(1,200.00)	
Community Development					
Personal Services	321,292.24	342,319.44	339,221.00	3,098.44	
Contractual Services	142,138.78	184,215.33	137,588.00	46,627.33	
Commodities	4,078.69	1,110.40	4,500.00	(3,389.60)	
Capital Outlay	3,022.84	747.47	10,400.00	(9,652.53)	

CITY OF CHANUTE, 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)

	Current Year			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Expenditures (Continued)				
Legal Services				
Personal Services	\$ 121,249.12	\$ 128,357.87	\$ 126,858.00	\$ 1,499.87
Contractual Services	36,114.90	41,126.36	44,000.00	(2,873.64)
Commodities	298.28	497.74	1,000.00	(502.26)
Special Projects				
Contractual Services	17,265.72	19,929.20	16,500.00	3,429.20
Public Buildings & Grounds				
Personal Services	24,336.06	25,115.61	26,850.00	(1,734.39)
Contractual Services	273,342.31	342,964.61	332,850.00	10,114.61
Commodities	8,431.90	11,210.99	31,500.00	(20,289.01)
Police Department				
Personal Services	1,466,696.93	1,455,133.97	1,384,520.00	70,613.97
Contractual Services	186,685.24	208,743.37	270,503.00	(61,759.63)
Commodities	62,454.26	68,443.30	122,500.00	(54,056.70)
Capital Outlay	36,759.87	10,139.80	49,000.00	(38,860.20)
Dispatch				
Personal Services	556,004.43	579,251.78	690,451.00	(111,199.22)
Contractual Services	92,581.85	63,057.49	117,450.00	(54,392.51)
Commodities	6,157.84	11,227.04	8,900.00	2,327.04
Capital Outlay	883.48	2,655.85	10,000.00	(7,344.15)
Debt Service	2,907.12	2,907.12	-	2,907.12
Fire Department				
Personal Services	1,307,130.82	1,215,363.59	1,171,913.00	43,450.59
Contractual Services	94,187.27	93,975.16	110,819.00	(16,843.84)
Commodities	57,716.37	37,656.97	52,150.00	(14,493.03)
Capital Outlay	-	-	3,000.00	(3,000.00)
Debt Service	150,016.24	150,016.24	150,017.00	(0.76)
Animal Control				
Personal Services	102,916.42	126,869.66	125,163.00	1,706.66
Contractual Services	12,481.78	17,419.52	21,047.00	(3,627.48)
Commodities	8,867.01	5,785.50	15,800.00	(10,014.50)
Capital Outlay	1,933.95	-	3,000.00	(3,000.00)
Civil Defense				
Contractual Services	7,658.30	7,340.18	7,550.00	(209.82)
Capital Outlay	6,384.00	6,384.00	6,500.00	(116.00)
Streets and Roads				
Personal Services	608,808.39	650,948.81	722,632.00	(71,683.19)
Contractual Services	167,651.09	117,692.23	125,287.00	(7,594.77)
Commodities	35,122.47	38,724.26	93,420.00	(54,695.74)
Capital Outlay	26,500.00	-	84,000.00	(84,000.00)
Debt Service	83,685.74	83,690.14	-	83,690.14

CITY OF CHANUTE, 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)

	Current Year				Variance - Over (Under)
	Prior Year Actual	Actual	Budget		
Expenditures (Continued)					
Cemetery					
Personal Services	\$ 185,422.22	\$ 200,328.95	\$ 187,277.00	\$ 13,051.95	
Contractual Services	26,290.94	28,524.80	27,821.00	703.80	
Commodities	3,272.57	7,626.06	5,650.00	1,976.06	
Capital Outlay	8,970.00	4,425.00	-	4,425.00	
Airport					
Personal Services	110,839.83	117,530.63	136,335.00	(18,804.37)	
Contractual Services	82,307.11	75,647.06	74,412.00	1,235.06	
Commodities	57,136.90	141,449.84	101,500.00	39,949.84	
Capital Outlay	30,875.00	-	25,000.00	(25,000.00)	
Parks					
Personal Services	231,992.89	302,701.21	227,454.00	75,247.21	
Contractual Services	142,997.64	72,979.46	70,256.00	2,723.46	
Commodities	47,880.12	33,271.15	51,900.00	(18,628.85)	
Capital Outlay	1,895.00	4,425.00	1,000.00	3,425.00	
Tree Program					
Contractual Services	300.00	150.00	5,000.00	(4,850.00)	
Swimming Pool					
Personal Services	143,396.46	134,056.22	136,000.00	(1,943.78)	
Contractual Services	87,918.94	35,872.31	38,250.00	(2,377.69)	
Commodities	57,680.46	57,340.11	58,050.00	(709.89)	
Baseball/Softball Parks					
Personal Services	-	34,976.00	45,000.00	(10,024.00)	
Contractual Services	8,077.39	103,814.80	5,000.00	98,814.80	
Commodities	-	24,046.71	-	24,046.71	
Capital Outlay	281,215.77	424,848.99	-	424,848.99	
Golf Course					
Personal Services	208,116.12	221,252.77	203,823.00	17,429.77	
Contractual Services	62,208.20	115,653.83	60,403.00	55,250.83	
Commodities	94,670.95	95,296.81	92,200.00	3,096.81	
Capital Outlay	25,119.99	53,133.65	30,000.00	23,133.65	
Auditorium Management Services					
Personal Services	27,633.81	28,708.39	30,419.00	(1,710.61)	
Contractual Services	2,852.58	5,237.39	9,100.00	(3,862.61)	
Commodities	2,787.15	485.62	3,900.00	(3,414.38)	
Capital Outlay	-	7,087.25	2,000.00	5,087.25	
Economic Development					
Contractual Services	2,681.45	-	2,000.00	(2,000.00)	

CITY OF CHANUTE, 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)

	Current Year			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Expenditures (Continued)				
Operating Transfers to:				
Capital Improvement #2 Fund	\$ 30,000.00	\$ -	\$ 8,000.00	\$ (8,000.00)
General Obligation				
Bond and Interest Fund	36,750.00	36,750.00	36,750.00	-
Special Obligation Bond				
and Interest Fund	58,900.00	58,900.00	58,900.00	-
Equipment Reserve Fund	-	-	25,000.00	(25,000.00)
Total Certified Budget			9,635,987.00	(488,397.71)
Adjustments for Qualifying				
Budget Credits			6,185.23	(6,185.23)
Total Expenditures	8,749,731.73	9,147,589.29	\$ 9,642,172.23	\$ (494,582.94)
Receipts Over(Under) Expenditures	(155,947.90)	15,031.94		
Unencumbered Cash, Beginning	930,184.17	774,236.27		
Unencumbered Cash, Ending	\$ 774,236.27	\$ 789,268.21		

**CITY OF CHANUTE, 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)

	Current Year			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Receipts				
Charges for Services				
Landfill Fees - Tires	\$ 1,313.40	\$ 15,412.20	\$ 3,500.00	\$ 11,912.20
Total Receipts	1,313.40	15,412.20	\$ 3,500.00	\$ 11,912.20
Expenditures				
General Government				
Contractual Services	-	-	\$ -	\$ -
Total Expenditures	-	-	\$ -	\$ -
Receipts Over(Under) Expenditures	1,313.40	15,412.20		
Unencumbered Cash, Beginning	197,478.13	198,791.53		
Unencumbered Cash, Ending	\$ 198,791.53	\$ 214,203.73		

CITY OF CHANUTE, 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)

	Current Year				Variance - Over (Under)
	Prior Year Actual	Actual	Budget		
Receipts					
Taxes and Shared Receipts					
Ad Valorem Property Tax	\$ 333,871.30	\$ 312,204.49	\$ 341,115.00	\$ (28,910.51)	
Delinquent Tax	11,131.87	7,531.46	-	7,531.46	
Motor Vehicle Tax	48,410.18	46,051.84	46,387.00	(335.16)	
Commercial Vehicle Tax	1,330.40	1,180.78	1,270.00	(89.22)	
Recreational Vehicle Tax	456.19	427.10	448.00	(20.90)	
16M-20M Truck Tax	211.40	174.81	203.00	(28.19)	
Watercraft Taxes	16.42	-	143.00	(143.00)	
Total Receipts	395,427.76	367,570.48	\$ 389,566.00	\$ (21,995.52)	
Expenditures					
Culture and Recreation					
Library Appropriations	395,427.76	367,570.48	\$ 389,200.00	\$ (21,629.52)	
Total Expenditures	395,427.76	367,570.48	\$ 389,200.00	\$ (21,629.52)	
Receipts Over(Under) Expenditures	-	-			
Unencumbered Cash, Beginning	-	-			
Unencumbered Cash, Ending	\$ -	\$ -			

CITY OF CHANUTE, KANSAS
LIBRARY 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)

	Current Year				Variance - Over (Under)
	Prior Year Actual	Actual	Budget		
Receipts					
Taxes and Shared Receipts					
Ad Valorem Property Tax	\$ 61,770.61	\$ 64,059.44	\$ 70,099.00	\$ (6,039.56)	
Delinquent Tax	2,013.92	1,401.75	-	1,401.75	
Motor Vehicle Tax	9,285.37	8,515.08	8,576.00	(60.92)	
Commercial Vehicle Tax	255.17	218.33	235.00	(16.67)	
Recreational Vehicle Tax	87.52	78.94	83.00	(4.06)	
16M-20M Truck Tax	38.10	33.55	37.00	(3.45)	
Watercraft Taxes	3.09	-	26.00	(26.00)	
Total Receipts	73,453.78	74,307.09	\$ 79,056.00	\$ (4,748.91)	
Expenditures					
Culture and Recreation					
Library Appropriations	73,453.78	74,307.09	\$ 77,565.00	\$ (3,257.91)	
Total Expenditures	73,453.78	74,307.09	\$ 77,565.00	\$ (3,257.91)	
Receipts Over(Under) Expenditures	-	-			
Unencumbered Cash, Beginning	-	-			
Unencumbered Cash, Ending	\$ -	\$ -			

CITY OF CHANUTE, KANSAS
CITY 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)

	Current Year				Variance - Over (Under)
	Prior Year Actual	Actual	Budget		
Receipts					
Taxes and Shared Receipts					
Ad Valorem Property Tax	\$ 836,376.28	\$ 978,167.22	\$ 1,057,688.00	\$ (79,520.78)	
Delinquent Tax	25,092.58	17,973.19	-	17,973.19	
Motor Vehicle Tax	97,611.85	115,624.73	116,471.00	(846.27)	
Commercial Vehicle Tax	2,682.58	2,964.62	3,188.00	(223.38)	
Rental Motor Vehicle Tax	-	-	-	-	
Recreational Vehicle Tax	919.90	1,072.31	1,126.00	(53.69)	
16M-20M Truck Tax	402.15	352.40	509.00	(156.60)	
Watercraft Taxes	37.32	-	360.00	(360.00)	
Use of Money and Property					
Interest Income	479.54	479.54	-	479.54	
Other Receipts					
Reimbursed Expense	19,908.56	2,583.57	-	2,583.57	
Operating Transfers from Electric Utility Fund	300,000.00	200,000.00	-	200,000.00	
Total Receipts	1,283,510.76	1,319,217.58	\$ 1,179,342.00	\$ 139,875.58	
Expenditures					
General Government					
Employee Benefits	1,186,702.96	1,225,126.56	\$ 1,238,691.00	\$ (13,564.44)	
Total Certified Budget			1,238,691.00	(13,564.44)	
Adjustments for Qualifying Budget Credits			2,583.57	(2,583.57)	
Total Expenditures	1,186,702.96	1,225,126.56	\$ 1,241,274.57	\$ (16,148.01)	
Receipts Over(Under) Expenditures	96,807.80	94,091.02			
Unencumbered Cash, Beginning	26,896.40	123,704.20			
Unencumbered Cash, Ending	\$ 123,704.20	\$ 217,795.22			

CITY OF CHANUTE, KANSAS
SPECIAL LIABILITY EXPENSE 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	
Receipts				
Use of Money and Property				
Interest Income	\$ 748.73	\$ 748.73	\$ -	\$ 748.73
Total Receipts	748.73	748.73	\$ -	\$ 748.73
Expenditures				
General Government				
Contractual Services	6,780.48	3,386.35	\$ 75,000.00	\$ (71,613.65)
Total Expenditures	6,780.48	3,386.35	\$ 75,000.00	\$ (71,613.65)
Receipts Over(Under) Expenditures	(6,031.75)	(2,637.62)		
Unencumbered Cash, Beginning	339,577.09	333,545.34		
Unencumbered Cash, Ending	\$ 333,545.34	\$ 330,907.72		

CITY OF CHANUTE, KANSAS
RECREATION COMPLEX 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		
Receipts					
Use of Money and Property					
Rents & Royalties	\$ 42,000.00	\$ 42,000.00	\$ 42,000.00	\$	-
Total Receipts	<u>42,000.00</u>	<u>42,000.00</u>	<u>\$ 42,000.00</u>	<u>\$</u>	<u>-</u>
Expenditures					
General Government					
Contractual Services	30,289.68	40,532.48	\$ 42,500.00	\$	(1,967.52)
Commodities	<u>458.71</u>	<u>-</u>	<u>-</u>	<u>\$</u>	<u>-</u>
Total Expenditures	<u>30,748.39</u>	<u>40,532.48</u>	<u>\$ 42,500.00</u>	<u>\$</u>	<u>(1,967.52)</u>
Receipts Over(Under) Expenditures	11,251.61	1,467.52			
Unencumbered Cash, Beginning	<u>120,671.70</u>	<u>131,923.31</u>			
Unencumbered Cash, Ending	<u>\$ 131,923.31</u>	<u>\$ 133,390.83</u>			

**CITY OF CHANUTE, 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)

	Current Year			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Local Alcoholic Liquor Tax	\$ 21,653.59	\$ 19,446.42	\$ 22,667.00	\$ (3,220.58)
Intergovernmental				
Federal Grants - FEMA	-	28,089.38	-	28,089.38
State Grants - FEMA	-	3,745.25	-	3,745.25
State Grants - Fisheries	2,492.60	2,492.60	-	2,492.60
Use of Money and Property				
Interest Income	47.25	47.25	-	47.25
Total Receipts	24,193.44	53,820.90	\$ 22,667.00	\$ 31,153.90
Expenditures				
Culture and Recreation				
Capital Outlay	60,000.00	-	\$ 22,667.00	\$ (22,667.00)
Total Expenditures	60,000.00	-	\$ 22,667.00	\$ (22,667.00)
Receipts Over(Under) Expenditures	(35,806.56)	53,820.90		
Unencumbered Cash, Beginning	54,692.92	18,886.36		
Unencumbered Cash, Ending	\$ 18,886.36	\$ 72,707.26		

**CITY OF CHANUTE, KANSAS
SANTA FE BALL COMPLEX 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	
Receipts				
Use of Money and Property				
Rental Receipts	\$	-	\$ 4,250.00	\$ - 4,250.00
Other Receipts				
Donations	-	6,000.00	-	6,000.00
Total Receipts	-	10,250.00	\$ -	\$ 10,250.00
Expenditures				
Culture and Recreation				
Capital Outlay	-	-	\$ -	\$ -
Total Expenditures	-	-	\$ -	\$ -
Receipts Over(Under) Expenditures	-	10,250.00		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	\$ -	\$ 10,250.00		

CITY OF CHANUTE, KANSAS
SPECIAL ALCOHOL PROGRAMS 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	
Receipts				
Taxes and Shared Receipts				
Local Alcoholic Liquor Tax	\$ 21,653.58	\$ 19,446.42	\$ 22,667.00	\$ (3,220.58)
Use of Money and Property				
Interest Income	50.45	50.46	-	50.46
Total Receipts	21,704.03	19,496.88	\$ 22,667.00	\$ (3,170.12)
Expenditures				
Culture and Recreation				
Personal Services	1,767.00	2,587.84	\$ 10,765.00	\$ (8,177.16)
Contractual Services	-	-	10,000.00	(10,000.00)
Commodities	-	5,813.11	-	5,813.11
Capital Outlay	2,161.24	1,810.74	2,000.00	(189.26)
Total Expenditures	3,928.24	10,211.69	\$ 22,765.00	\$ (12,553.31)
Receipts Over(Under) Expenditures	17,775.79	9,285.19		
Unencumbered Cash, Beginning	71,075.40	88,851.19		
Unencumbered Cash, Ending	\$ 88,851.19	\$ 98,136.38		

**CITY OF CHANUTE, KANSAS
TOURISM AND CONVENTION 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	
Receipts				
Taxes and Shared Receipts				
Transient Guest Tax	\$ 175,593.98	\$ 193,131.60	\$ 160,000.00	\$ 33,131.60
Use of Money and Property				
Interest Income	105.40	105.41	-	105.41
Other Receipts				
Donations	8,158.97	-	-	-
Total Receipts	183,858.35	193,237.01	\$ 160,000.00	\$ 33,237.01
Expenditures				
General Government				
Contractual Services	108,248.41	143,600.00	\$ 160,000.00	\$ (16,400.00)
Capital Outlay	9,769.64	3,358.46	-	3,358.46
Total Expenditures	118,018.05	146,958.46	\$ 160,000.00	\$ (13,041.54)
Receipts Over(Under) Expenditures	65,840.30	46,278.55		
Unencumbered Cash, Beginning	<u>333,354.94</u>	<u>399,195.24</u>		
Unencumbered Cash, Ending	<u>\$ 399,195.24</u>	<u>\$ 445,473.79</u>		

CITY OF CHANUTE, KANSAS
SPECIAL HIGHWAY 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)

	Current Year			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Motor Fuel Tax	\$ 261,713.37	\$ 238,340.67	\$ 232,520.00	\$ 5,820.67
Intergovernmental				
Highway Connecting Links	111,752.22	-	-	-
Federal Grants - FEMA	-	153,803.69	-	153,803.69
State Grants - FEMA	-	19,943.35	-	19,943.35
Total Receipts	261,713.37	412,087.71	\$ 232,520.00	\$ 179,567.71
Expenditures				
General Government				
Personal Services	76,778.23	80,857.12	\$ 91,657.00	\$ (10,799.88)
Contractual Services	1,700.00	-	-	-
Commodities	16,235.30	34,228.22	-	34,228.22
Capital Outlay	383,493.75	91,074.61	330,000.00	(238,925.39)
Debt Service				
Lease Payment	33,575.43	33,575.43	-	33,575.43
Total Expenditures	511,782.71	239,735.38	\$ 421,657.00	\$ (181,921.62)
Receipts Over(Under) Expenditures	(138,317.12)	172,352.33		
Unencumbered Cash, Beginning	447,656.94	309,339.82		
Unencumbered Cash, Ending	\$ 309,339.82	\$ 481,692.15		

CITY OF CHANUTE, KANSAS
CITY INFRASTRUCTURE 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	Actual
Receipts		
Intergovernmental		
Connecting Links	\$ -	\$ -
Total Receipts	- -	- -
Expenditures		
Capital Improvements		
Capital Outlay	- -	109,818.94
Total Expenditures	- -	109,818.94
Receipts Over(Under) Expenditures	- -	(109,818.94)
Unencumbered Cash, Beginning	790,570.84	790,570.84
Unencumbered Cash, Ending	<u>\$ 790,570.84</u>	<u>\$ 680,751.90</u>

CITY OF CHANUTE, KANSAS
SALES TAX .25% 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	
Receipts				
Taxes and Shared Receipts				
Sales Tax - CRDA	\$ 281,875.15	\$ 297,090.59	\$ 300,000.00	\$ (2,909.41)
Sales Tax - City	281,875.16	297,090.62	300,000.00	(2,909.38)
Total Receipts	563,750.31	594,181.21	\$ 600,000.00	\$ (5,818.79)
Expenditures				
Economic Development				
Contractual Services	143,025.82	291,378.82	\$ 300,000.00	\$ (8,621.18)
Outside Appropriations	281,875.15	297,090.59	300,000.00	(2,909.41)
Total Expenditures	424,900.97	588,469.41	\$ 600,000.00	\$ (11,530.59)
Receipts Over(Under) Expenditures	138,849.34	5,711.80		
Unencumbered Cash, Beginning	421,732.35	560,581.69		
Unencumbered Cash, Ending	\$ 560,581.69	\$ 566,293.49		

CITY OF CHANUTE, KANSAS
EMERGENCY TELEPHONE 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	
Receipts				
Taxes and Shared Revenue				
Emergency Telephone Tax	\$ 18,672.54	\$ 57,177.18	\$ -	\$ 57,177.18
Use of Money and Property				
Interest Income	9.32	287.64	-	287.64
Total Receipts	18,681.86	57,464.82	\$ -	\$ 57,464.82
Expenditures				
General Government				
Capital Outlay	-	-	\$ -	\$ -
Total Expenditures	-	-	\$ -	\$ -
Receipts Over(Under) Expenditures	18,681.86	57,464.82		
Unencumbered Cash, Beginning	15,000.00	33,681.86		
Unencumbered Cash, Ending	\$ 33,681.86	\$ 91,146.68	\$ -	\$ -

**CITY OF CHANUTE, KANSAS
CAPITAL IMPROVEMENT #1 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 Income	\$ 7,140.80	\$ 4,032.86
Operating Transfers from:		
Gas Utility Fund	100,000.00	-
Water Utility Fund	50,000.00	50,000.00
Electric Utility Fund	200,000.00	200,000.00
Total Receipts	357,140.80	254,032.86
Expenditures		
Capital Projects		
Capital Outlay	58,465.00	68,719.48
Total Expenditures	58,465.00	68,719.48
Receipts Over(Under) Expenditures	298,675.80	185,313.38
Unencumbered Cash, Beginning	<u>586,855.54</u>	<u>885,531.34</u>
Unencumbered Cash, Ending	\$ 885,531.34	\$ 1,070,844.72

CITY OF CHANUTE, KANSAS
CAPITAL IMPROVEMENT #2 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		
Sale of Property and Materials	\$ -	\$ 62,500.00
Interest Income	19,338.97	13,251.85
Other Receipts		
Reimbursed Expense	26,236.46	-
Operating Transfers from:		
General Fund	30,000.00	-
Electric Utility Fund	-	152,437.50
Total Receipts	75,575.43	228,189.35
 Expenditures		
Capital Projects		
Capital Outlay	54,713.63	154,531.54
Total Expenditures	54,713.63	154,531.54
 Receipts Over(Under) Expenditures	20,861.80	73,657.81
 Unencumbered Cash, Beginning	285.95	21,147.75
 Unencumbered Cash, Ending	\$ 21,147.75	\$ 94,805.56

CITY OF CHANUTE, KANSAS
EQUIPMENT RESERVE 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		
Loan Proceeds	\$ 94,000.00	\$ -
Sale of Property and Materials	217,820.00	41,100.00
Operating Transfers from:		
Electric Utility Fund	200,000.00	726,000.00
Water Utility Fund	25,000.00	50,000.00
Gas Utility Fund	100,000.00	100,000.00
Total Receipts	636,820.00	917,100.00
Expenditures		
Equipment and Machinery		
Capital Outlay	681,120.15	1,263,307.88
Debt Service		
Leases Payment	75,692.12	75,692.12
Total Expenditures	756,812.27	1,339,000.00
Receipts Over(Under) Expenditures	(119,992.27)	(421,900.00)
Unencumbered Cash, Beginning	542,875.49	422,883.22
Unencumbered Cash, Ending	\$ 422,883.22	\$ 983.22

**CITY OF CHANUTE, KANSAS
EFFICIENCY KANSAS 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		
Charges for Services		
Utility Collections	\$ 7,070.06	\$ 7,084.80
Service Fees	264.00	262.00
 Total Receipts	 7,334.06	 7,346.80
 Expenditures		
Special Projects		
Contractual Services	7,291.80	7,194.91
 Total Expenditures	 7,291.80	 7,194.91
Receipts Over(Under) Expenditures	42.26	151.89
 Unencumbered Cash, Beginning	 132.33	 174.59
 Unencumbered Cash, Ending	 \$ 174.59	 \$ 326.48

**CITY OF CHANUTE, KANSAS
GRANT 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		
Federal Grants - FAA	\$ 315,242.00	\$ 95,613.00
Federal Grants - CDBG-CV	1,650.00	-
Federal Grants - CARES	800,000.00	-
State Grants - E Rate	24,960.00	24,960.00
State Grants - Mural	-	9,000.00
State Grants - Airport	-	72,000.00
American Rescue Plan Act	689,945.98	689,945.98
Operating Transfer from Electric Utility Fund	-	131,792.94
Total Receipts	1,831,797.98	1,023,311.92
Expenditures		
Special Projects		
Capital Outlay	459,455.31	926,606.53
Total Expenditures	459,455.31	926,606.53
Receipts Over(Under) Expenditures	1,372,342.67	96,705.39
Unencumbered Cash, Beginning	(791,350.36)	580,992.31
Unencumbered Cash, Ending	\$ 580,992.31	\$ 677,697.70

CITY OF CHANUTE, KANSAS
ORIZON PROJECT 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 Transfer from Electric Utility Fund	\$ 4,788.00	\$ 4,788.00
Total Receipts	<u>4,788.00</u>	<u>4,788.00</u>
Expenditures		
Capital Improvements	4,788.00	4,788.00
Capital Outlay	-	-
Economic Incentive Payments	-	-
Total Expenditures	<u>4,788.00</u>	<u>4,788.00</u>
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

**CITY OF CHANUTE, KANSAS
I&I PROJECT 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		
Revolving Loan Proceeds - KDHE	\$ 1,801,667.82	\$ -
Operating Transfer from		
I&I Sewer Project Reserve Fund	14,058.32	-
Total Receipts	1,815,726.14	-
 Expenditures		
Capital Improvements		
Capital Outlay	1,802,635.14	-
Total Expenditures	1,802,635.14	-
 Receipts Over(Under) Expenditures	13,091.00	-
 Unencumbered Cash, Beginning	(13,091.00)	-
 Unencumbered Cash, Ending	\$ -	\$ -

CITY OF CHANUTE, KANSAS
CDBG SEWER PROJECT 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		
Federal Grants - CDBG	\$ 2,000.00	\$ -
Total Receipts	2,000.00	-
Expenditures		
Capital Improvements		
Capital Outlay	2,000.00	-
Total Expenditures	2,000.00	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

CITY OF CHANUTE, KANSAS
WATER PLANT PROJECT 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		
Bond Proceeds	\$ 9,130,000.00	\$ -
Interest Income	- -	48,510.00
Other Receipts		
Reimbursed Expense	- -	11,698.37
 Total Receipts	 9,130,000.00	 60,208.37
 Expenditures		
Capital Improvements		
Capital Outlay	- -	1,256,820.15
Debt Service		
Cost of Issuance	130,000.00	- -
 Total Expenditures	 130,000.00	 1,256,820.15
 Receipts Over(Under) Expenditures	 9,000,000.00	 (1,196,611.78)
 Unencumbered Cash, Beginning	 - -	 9,000,000.00
 Unencumbered Cash, Ending	 \$ 9,000,000.00	 \$ 7,803,388.22

CITY OF CHANUTE, 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)

	Current Year				Variance - Over (Under)
	Prior Year Actual	Actual	Budget		
Receipts					
Taxes and Shared Receipts					
Ad Valorem Property Tax	\$ 69,746.21	\$ 28,970.88	\$ 34,472.00	\$ (5,501.12)	
Delinquent Tax	4,014.26	1,990.92	-	1,990.92	
Motor Vehicle Tax	16,379.28	9,580.14	9,650.00	(69.86)	
Commercial Vehicle Tax	450.14	245.65	264.00	(18.35)	
Recreational Vehicle Tax	154.35	88.85	93.00	(4.15)	
16M-20M Truck Tax	101.28	59.15	42.00	17.15	
Watercraft Tax	4.44	-	30.00	(30.00)	
Use of Money and Property					
Bond Proceeds	1,485,055.00	-	-	-	
Operating Transfers from:					
General Fund	36,750.00	36,750.00	36,750.00	-	
Electric Utility Fund	935,602.00	1,792,636.00	1,387,636.00	405,000.00	
Water Utility Fund	172,897.00	133,552.00	133,551.00	1.00	
Gas Utility Fund	6,560.00	1,290.00	7,095.00	(5,805.00)	
Total Receipts	2,727,713.96	2,005,163.59	\$ 1,609,583.00	\$ 395,580.59	
Expenditures					
Debt Service					
Bond Principal	2,225,000.00	3,085,000.00	\$ 3,085,000.00	\$ -	
Bond Interest	302,935.63	265,857.51	265,858.00	(0.49)	
Bond Issuance Costs	31,800.97	318.00	-	318.00	
Operating Transfer to					
Electrical Maintenance					
Substation Fund	-	-	1,000.00	(1,000.00)	
Total Expenditures	2,559,736.60	3,351,175.51	\$ 3,351,858.00	\$ (682.49)	
Receipts Over(Under) Expenditures	167,977.36	(1,346,011.92)			
Unencumbered Cash, Beginning	<u>1,502,578.02</u>	<u>1,670,555.38</u>			
Unencumbered Cash, Ending	<u>\$ 1,670,555.38</u>	<u>\$ 324,543.46</u>			

CITY OF CHANUTE, KANSAS
SPECIAL 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)

	Current Year				Variance - Over (Under)
	Prior Year Actual	Actual	Budget		
	Actual	Actual	Budget		
Receipts					
Use of Money and Property					
Interest Income	\$ 0.48	\$ 30.81	\$ -	\$ 30.81	
Operating Transfers from General Fund	<u>58,900.00</u>	<u>58,900.00</u>	<u>58,900.00</u>	<u>-</u>	
Total Receipts	58,900.48	58,930.81	\$ 58,900.00	\$ 30.81	
Expenditures					
Debt Service					
Bond Principal	44,000.00	46,000.00	\$ 46,000.00	\$ -	
Bond Interest	13,776.00	11,664.00	11,664.00		
Debt Service Cost	<u>1,160.00</u>	<u>1,060.00</u>	<u>1,060.00</u>	<u>-</u>	
Total Expenditures	58,936.00	58,724.00	\$ 58,724.00	\$ -	
Receipts Over(Under) Expenditures	(35.52)	206.81			
Unencumbered Cash, Beginning	<u>12,577.74</u>	<u>12,542.22</u>			
Unencumbered Cash, Ending	\$ 12,542.22	\$ 12,749.03			

CITY OF CHANUTE, 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)

	Current Year				Variance - Over (Under)	
	Prior Year		Actual			
	Actual	Actual	Budget			
Receipts						
Charges for Services						
Electric Sales	\$ 21,009,787.28	\$ 25,030,898.72	\$ 21,605,900.00	\$ 3,424,998.72		
Service Fees	27,238.48	275.00	805,000.00	(804,725.00)		
Franchise Fees	324,528.99	334,891.07	335,000.00		(108.93)	
Use of Money and Property						
Sale of Property and Materials	32,224.03	8,363.47	5,000.00	3,363.47		
Interest Income	14,784.25	4,250.00	10,000.00		(5,750.00)	
Other Receipts						
Claims	15,859.20	8,657.75	-	8,657.75		
Recovery of Bad Debts	1,418.88	(1,480.02)	2,500.00		(3,980.02)	
Miscellaneous	7,564.00	7,564.00	22,500.00		(14,936.00)	
Refunds & Reimbursements	18,195.99	144,403.42	25,000.00	119,403.42		
Generation Reimbursement	9,818,451.73	17,143,280.07	6,500,000.00	10,643,280.07		
Total Receipts	31,270,052.83	42,681,103.48	\$ 29,310,900.00	\$ 13,370,203.48		
Expenditures						
Production						
Personal Services	1,846,180.05	1,876,003.09	\$ 2,003,743.00	\$ (127,739.91)		
Contractual Services	542,088.37	872,845.48	470,000.00	402,845.48		
Commodities	15,710,175.72	26,801,611.02	29,443,000.00		(2,641,388.98)	
Capital Outlay	359,885.60	59,003.20	175,000.00		(115,996.80)	
Distribution						
Personal Services	1,326,974.07	1,392,251.11	1,507,930.00	(115,678.89)		
Contractual Services	51,093.48	51,115.62	111,850.00	(60,734.38)		
Commodities	766,917.56	517,657.01	688,750.00		(171,092.99)	
Capital Outlay	437,242.89	356,905.30	391,000.00		(34,094.70)	
Administration and General						
Personal Services	96,750.51	99,080.41	114,088.00	(15,007.59)		
Contractual Services	1,964,458.39	2,174,936.51	1,526,532.00	648,404.51		
Street & Special Lighting						
Contractual Services	84,865.14	108,420.10	100,000.00	8,420.10		
Operating Transfers to:						
General Fund	2,750,000.00	3,000,000.00	3,080,000.00	(80,000.00)		
Employee Benefits Fund	300,000.00	200,000.00	-	200,000.00		
Capital Improvement #1 Fund	200,000.00	200,000.00	200,000.00		-	
Capital Improvement #2 Fund	-	152,437.50	-	152,437.50		
Grant Projects Fund	-	131,792.94	-	131,792.94		
Orizon Project Fund	4,788.00	4,788.00	-	4,788.00		

CITY OF CHANUTE, 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)

	Current Year				Variance - Over (Under)	
	Prior Year		Budget			
	Actual	Actual	Budget	(Under)		
Expenditures (Continued)						
Operating Transfers to: (Continued)						
Electrical Maintenance						
Substation Fund	\$ 1,550,000.00	\$ 1,289,855.79	\$ -	\$ 1,289,855.79		
General Obligation Bond and Interest Fund	935,602.00	1,792,636.00	1,387,636.00	405,000.00		
Equipment Reserve Fund	200,000.00	726,000.00	250,000.00	476,000.00		
Electric, Water, and Gas Bond and Interest Fund	2,122,620.00	1,417,830.00	1,822,830.00	(405,000.00)		
Total Expenditures	31,249,641.78	43,225,169.08	\$ 43,272,359.00	\$ (47,189.92)		
Receipts Over(Under) Expenditures	20,411.05	(544,065.60)				
Unencumbered Cash, Beginning	7,201,989.89	7,222,400.94				
Unencumbered Cash, Ending	\$ 7,222,400.94	\$ 6,678,335.34				

**CITY OF CHANUTE, 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)

	Current Year				Variance - Over (Under)
	Prior Year Actual	Actual	Budget		
Receipts					
Charges for Services					
Water Sales	\$ 2,142,189.21	\$ 2,603,925.97	\$ 1,975,500.00	\$ 628,425.97	
Use of Money and Property					
Sale of Property and Materials	954.02	233.80	1,500.00	(1,266.20)	
Other Receipts					
Recovery of Bad Debts	535.62	(2,449.91)	-	(2,449.91)	
Refunds & Reimbursements	262.04	-	-	-	
Miscellaneous	13,703.57	13,576.20	12,500.00	1,076.20	
Total Receipts	2,157,644.46	2,615,286.06	\$ 1,989,500.00	\$ 625,786.06	
Expenditures					
Source of Supply					
Contractual Services	13,620.88	16,667.17	\$ 20,000.00	\$ (3,332.83)	
Treatment Plant					
Personal Services	435,980.65	450,783.95	454,618.00	(3,834.05)	
Contractual Services	188,945.83	145,711.47	171,570.00	(25,858.53)	
Commodities	220,295.77	258,020.04	240,600.00	17,420.04	
Capital Outlay	3,923.99	3,872.00	4,500.00	(628.00)	
Transmission and Distribution					
Personal Services	336,239.00	310,755.99	374,422.00	(63,666.01)	
Contractual Services	17,766.34	20,991.58	38,400.00	(17,408.42)	
Commodities	76,282.78	65,137.19	61,500.00	3,637.19	
Capital Outlay	-	97.67	-	97.67	
Administration and General					
Personal Services	94,964.61	97,875.17	109,088.00	(11,212.83)	
Contractual Services	111,141.34	126,567.51	125,330.00	1,237.51	
Debt Service - Revolving Loan					
Principal	52,858.92	53,615.17	53,617.00	(1.83)	
Interest	21,690.88	21,031.56	24,649.00	(3,617.44)	
Service Fees	3,713.48	3,616.55	-	3,616.55	
Operating Transfers to:					
General Fund	80,000.00	80,000.00	80,000.00	-	
Capital Improvement #1 Fund	50,000.00	50,000.00	50,000.00	-	
Equipment Reserve Fund	25,000.00	50,000.00	133,552.00	(83,552.00)	
General Obligation Bond and Interest Fund	172,897.00	133,552.00	50,000.00	83,552.00	
Total Expenditures	1,905,321.47	1,888,295.02	\$ 1,991,846.00	\$ (103,550.98)	
Receipts Over(Under) Expenditures	252,322.99	726,991.04			
Unencumbered Cash, Beginning	282,734.11	535,057.10			
Unencumbered Cash, Ending	\$ 535,057.10	\$ 1,262,048.14			

**CITY OF CHANUTE, KANSAS
GAS 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)

	Current Year				Variance - Over (Under)	
	Prior Year Actual		Actual			
			Budget			
Receipts						
Charges for Services						
Gas Sales	\$ 4,920,422.44	\$ 7,179,057.16	\$ 6,986,500.00	\$ 192,557.16		
Service Fees	-	-	2,000.00	(2,000.00)		
Use of Money and Property						
Sale of Property and Materials	5,680.01	6,468.45	5,000.00	1,468.45		
Interest Income	5,533.13	5,266.83	3,500.00	1,766.83		
Other Receipts						
Claims	203.91	877.64	-	877.64		
Recovery of Bad Debts	1,312.06	(386.79)	500.00	(886.79)		
Refunds & Reimbursements	15.60	27,647.05	-	27,647.05		
Miscellaneous	1,633.60	1,100.00	1,500.00	(400.00)		
Total Receipts	4,934,800.75	7,220,030.34	\$ 6,999,000.00	\$ 221,030.34		
Expenditures						
Gas Supply						
Contractual Services	626,527.56	617,754.49	\$ 1,100,000.00	\$ (482,245.51)		
Commodities	3,235,725.45	4,832,335.18	4,000,000.00	832,335.18		
Distribution						
Personal Services	644,877.61	622,849.72	761,039.00	(138,189.28)		
Contractual Services	137,144.66	211,505.39	132,150.00	79,355.39		
Commodities	93,958.87	60,250.84	148,850.00	(88,599.16)		
Capital Outlay	210,572.39	-	93,500.00	(93,500.00)		
Administration and General						
Personal Services	85,082.91	88,166.42	88,585.00	(418.58)		
Contractual Services	282,272.29	298,488.39	293,621.00	4,867.39		
Operating Transfers to:						
General Fund	223,101.31	250,000.00	250,000.00	-		
Capital Improvement #1 Fund	100,000.00	-	50,000.00	(50,000.00)		
Equipment Reserve Fund	100,000.00	100,000.00	50,000.00	50,000.00		
General Obligation Bond and Interest Fund	6,560.00	1,290.00	307,095.00	(305,805.00)		
Electric, Water, and Gas Bond and Interest Fund	300,535.00	-	-	-		
Total Expenditures	6,046,358.05	7,082,640.43	\$ 7,274,840.00	\$ (192,199.57)		
Receipts Over(Under) Expenditures	(1,111,557.30)	137,389.91				
Unencumbered Cash, Beginning	1,272,269.88	160,712.58				
Unencumbered Cash, Ending	\$ 160,712.58	\$ 298,102.49				

CITY OF CHANUTE, 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)

	Current Year			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Receipts				
Charges for Services				
Utility Collections	\$ 1,196,864.75	\$ 1,311,789.35	\$ 1,164,000.00	\$ 147,789.35
Landfill Fees	210,425.71	340,141.70	250,000.00	90,141.70
Other Receipts				
Recovery of Bad Debts	(200.27)	(1,066.37)	200.00	(1,266.37)
Refuse Licenses & Permits	475.00	125.00	1,000.00	(875.00)
Total Receipts	1,407,565.19	1,650,989.68	\$ 1,415,200.00	\$ 235,789.68
Expenditures				
Collections				
Personal Services	352,762.73	368,356.10	\$ 384,100.00	\$ (15,743.90)
Contractual Services	6,503.17	5,607.08	9,400.00	(3,792.92)
Commodities	18,583.56	23,195.62	26,150.00	(2,954.38)
Refuse Landfill				
Personal Services	194,218.87	256,738.75	265,732.00	(8,993.25)
Contractual Services	30,601.15	55,821.47	76,810.00	(20,988.53)
Commodities	132,725.06	136,274.20	107,350.00	28,924.20
Capital Outlay	903.03	695.00	1,500.00	(805.00)
Administration and General				
Personal Services	92,681.91	95,182.95	104,084.00	(8,901.05)
Contractual Services	218,704.31	249,459.07	257,096.00	(7,636.93)
Debt Service				
Finance Lease Payment	-	19,798.96	-	19,798.96
Operating Transfers to:				
General Fund	50,000.00	50,000.00	50,000.00	-
Electric, Water, and Gas Bond and Interest Fund	33,015.00	33,015.00	33,015.00	-
Equipment Reserve Fund			20,000.00	(20,000.00)
Landfill Closing Reserve Fund	10,000.00	10,000.00	10,000.00	-
Landfill Bond and Interest Fund	96,502.29	97,084.11	100,000.00	(2,915.89)
Total Expenditures	1,237,201.08	1,401,228.31	\$ 1,445,237.00	\$ (44,008.69)
Receipts Over(Under) Expenditures	170,364.11	249,761.37		
Unencumbered Cash, Beginning	<u>49,063.56</u>	<u>219,427.67</u>		
Unencumbered Cash, Ending	<u>\$ 219,427.67</u>	<u>\$ 469,189.04</u>		

**CITY OF CHANUTE, 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)

	Current Year				Variance - Over (Under)
	Prior Year Actual	Actual	Budget		
Receipts					
Charges for Services					
Sewer Sales	\$ 2,128,730.43	\$ 2,139,533.41	\$ 2,232,500.00	\$ (92,966.59)	
Service Fees	500.00	300.00	500.00		(200.00)
Use of Money and Property					
Sale of Property and Materials	-	149.70	-		149.70
Other Receipts					
Refunds & Reimbursements	-	-	200,000.00		(200,000.00)
Recovery of Bad Debts	326.02	(1,808.75)	-		(1,808.75)
Miscellaneous	3,440.95	4,570.54	2,500.00		2,070.54
Total Receipts	2,132,997.40	2,142,744.90	\$ 2,435,500.00	\$ (292,755.10)	
Expenditures					
Collections					
Personal Services	204,603.98	200,220.68	\$ 221,426.00	\$ (21,205.32)	
Contractual Services	12,298.53	4,085.81	14,100.00		(10,014.19)
Commodities	23,875.34	6,902.12	36,500.00		(29,597.88)
Pumping					
Contractual Services	6,371.63	6,339.96	7,800.00		(1,460.04)
Commodities	4,827.17	8,403.88	10,000.00		(1,596.12)
Treatment and Disposal					
Personal Services	463,561.14	473,981.59	482,926.00		(8,944.41)
Contractual Services	148,161.22	151,679.83	189,350.00		(37,670.17)
Commodities	54,716.86	44,101.69	71,900.00		(27,798.31)
Storm Drainage					
Contractual Services	13,750.32	32,804.58	5,500.00		27,304.58
Commodities	21,067.14	36,531.50	77,500.00		(40,968.50)
Administration and General					
Personal Services	84,694.74	86,926.62	89,084.00		(2,157.38)
Contractual Services	136,440.97	160,261.04	141,585.00		18,676.04
Debt Service - Revolving Loan					
Principal	169,407.90	172,670.86	195,519.00		(22,848.14)
Interest	68,610.24	65,714.01	81,628.00		(15,913.99)
Service Fee	8,816.20	8,449.47	-		8,449.47
Operating Transfers to:					
General Fund	65,000.00	30,000.00	65,000.00		(35,000.00)
I&I Sewer Project Reserve Fund	657,702.82	657,702.82	850,000.00		(192,297.18)

CITY OF CHANUTE, 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)

	Current Year			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
	\$	\$	\$	
Expenditures (Continued)				
Operating Transfers to: (Continued)				
General Obligation Bond and Interest Fund	\$ -	\$ -	\$ 13,000.00	\$ (13,000.00)
Total Expenditures	<u>2,143,906.20</u>	<u>2,146,776.46</u>	<u>\$ 2,552,818.00</u>	<u>\$ (406,041.54)</u>
Receipts Over(Under) Expenditures	(10,908.80)	(4,031.56)		
Unencumbered Cash, Beginning	<u>96,643.01</u>	<u>85,734.21</u>		
Unencumbered Cash, Ending	<u>\$ 85,734.21</u>	<u>\$ 81,702.65</u>		

**CITY OF CHANUTE, KANSAS
FIBER/COMMUNICATION 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)

	Current Year			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Receipts				
Charges for Services				
Communications - Service	\$ 591,598.15	\$ 735,004.23	\$ 1,500.00	\$ 733,504.23
Use of Money and Property				
Sale of Property and Materials	85.75	37.68	683,500.00	(683,462.32)
Other Receipts				
Refunds & Reimbursements	-	-	2,000.00	(2,000.00)
Recovery of Bad Debts	-	(598.55)	-	(598.55)
Total Receipts	591,683.90	734,443.36	\$ 687,000.00	\$ 47,443.36
Expenditures				
Fiber/Communications				
Personal Services	124,508.36	133,807.79	\$ 124,045.00	\$ 9,762.79
Contractual Services	185,601.25	375,975.14	340,300.00	35,675.14
Commodities	53,021.24	367,965.13	410,000.00	(42,034.87)
Capital Outlay	4,156.44	114,438.77	190,424.00	(75,985.23)
Total Expenditures	367,287.29	992,186.83	\$ 1,064,769.00	\$ (72,582.17)
Receipts Over(Under) Expenditures	224,396.61	(257,743.47)		
Unencumbered Cash, Beginning	<u>125,090.33</u>	<u>349,486.94</u>		
Unencumbered Cash, Ending	<u>\$ 349,486.94</u>	<u>\$ 91,743.47</u>		

CITY OF CHANUTE, KANSAS
ELECTRIC, WATER, AND GAS 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)

	Current Year				Variance - Over (Under)
	Prior Year Actual	Actual	Budget		
Receipts					
Use of Money and Property					
Bond Proceeds	\$ 1,844,945.00	\$ -	\$ -	\$ -	-
Operating Transfers from:					
Gas Utility Fund	300,535.00	-	300,000.00	(300,000.00)	
Refuse Utility Fund	33,015.00	33,015.00	33,015.00	-	
Electric Utility Fund	2,122,620.00	1,417,830.00	1,822,830.00	(405,000.00)	
Total Receipts	<u>4,301,115.00</u>	<u>1,450,845.00</u>	<u>\$ 2,155,845.00</u>	<u>\$ (705,000.00)</u>	
Expenditures					
Debt Service					
Bond Principal	3,970,000.00	-	\$ 1,840,000.00	\$ (1,840,000.00)	
Bond Interest	174,055.00	226,143.03	123,435.00	102,708.03	
Service Charges	-	318.00	-	318.00	
Total Expenditures	<u>4,144,055.00</u>	<u>226,461.03</u>	<u>\$ 1,963,435.00</u>	<u>\$ (1,736,973.97)</u>	
Receipts Over(Under) Expenditures	157,060.00	1,224,383.97			
Unencumbered Cash, Beginning	<u>191,593.95</u>	<u>348,653.95</u>			
Unencumbered Cash, Ending	<u>\$ 348,653.95</u>	<u>\$ 1,573,037.92</u>			

CITY OF CHANUTE, KANSAS
ELECTRIC, WATER, AND GAS BOND
DEPRECIATION AND REPLACEMENT 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 Income	\$ -	\$ -
Total Receipts	- -	- -
Expenditures		
Debt Service		
Bond Principal	- -	- -
Total Expenditures	- -	- -
Receipts Over(Under) Expenditures	- -	- -
Unencumbered Cash, Beginning	<u>301,589.73</u>	<u>301,589.73</u>
Unencumbered Cash, Ending	<u>\$ 301,589.73</u>	<u>\$ 301,589.73</u>

CITY OF CHANUTE, KANSAS
I&I SEWER PROJECT RESERVE 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 Sewer Utility Fund	\$ 657,702.82	\$ 657,702.82
Total Receipts	<u>657,702.82</u>	<u>657,702.82</u>
Expenditures		
Capital Improvements		
Contractual Services	<u>36,259.74</u>	<u>64,259.17</u>
Total Expenditures	<u>36,259.74</u>	<u>64,259.17</u>
Receipts Over(Under) Expenditures	621,443.08	593,443.65
Unencumbered Cash, Beginning	<u>2,216,248.20</u>	<u>2,837,691.28</u>
Unencumbered Cash, Ending	<u>\$ 2,837,691.28</u>	<u>\$ 3,431,134.93</u>

CITY OF CHANUTE, KANSAS
ELECTRICAL MAINTENANCE SUBSTATION 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 Electric Utility Fund	\$ 1,550,000.00	\$ 1,289,855.79
Total Receipts	<u>1,550,000.00</u>	<u>1,289,855.79</u>
Expenditures		
Capital Improvements		
Capital Outlay	-	250,650.00
Total Expenditures	<u>-</u>	<u>250,650.00</u>
Receipts Over(Under) Expenditures	1,550,000.00	1,039,205.79
Unencumbered Cash, Beginning	<u>1,993,694.21</u>	<u>3,543,694.21</u>
Unencumbered Cash, Ending	<u>\$ 3,543,694.21</u>	<u>\$ 4,582,900.00</u>

CITY OF CHANUTE, KANSAS
LANDFILL CLOSING RESERVE 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 Refuse Utility Fund	\$ 10,000.00	\$ 10,000.00
Total Receipts	10,000.00	10,000.00
Expenditures		
Capital Improvements	-	-
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	10,000.00	10,000.00
Unencumbered Cash, Beginning	40,000.00	50,000.00
Unencumbered Cash, Ending	\$ 50,000.00	\$ 60,000.00

CITY OF CHANUTE, KANSAS
LANDFILL BOND AND INTEREST 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 Refuse Utility Fund	\$ 96,502.29	\$ 97,084.11
Total Receipts	<u>96,502.29</u>	<u>97,084.11</u>
Expenditures		
Debt Service	-	-
Bond Principal	-	-
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over(Under) Expenditures	96,502.29	97,084.11
Unencumbered Cash, Beginning	<u>409,594.30</u>	<u>506,096.59</u>
Unencumbered Cash, Ending	<u>\$ 506,096.59</u>	<u>\$ 603,180.70</u>

**CITY OF CHANUTE, KANSAS
VEHICLE SERVICES 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		
Internal Vehicle Service Charges	\$ 855,000.07	\$ 945,000.00
Use of Money and Property		
Interest Income	69.99	44.99
Other Receipts		
Miscellaneous	1,784.84	4,330.36
 Total Receipts	 856,854.90	 949,375.35
 Expenditures		
Vehicle Service Shop		
Personal Services	264,857.31	276,297.22
Contractual Services	222,833.83	196,716.37
Commodities	364,039.00	461,989.04
Capital Outlay	10,535.00	5,435.00
 Total Expenditures	 862,265.14	 940,437.63
 Receipts Over(Under) Expenditures	 (5,410.24)	 8,937.72
 Unencumbered Cash, Beginning	 8,566.90	 3,156.66
 Unencumbered Cash, Ending	 \$ 3,156.66	 \$ 12,094.38

CITY OF CHANUTE, KANSAS
UTILITY SERVICES 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		
Utility Internal Service Charges	\$ 1,329,545.35	\$ 1,579,999.85
Utility Service Initiation Fee	18,984.70	18,500.30
Utility Service Reconnection Fee	5,877.82	5,990.00
Utility Late Payment Fees	136,154.09	172,827.16
Bad Check Charges	890.54	1,175.73
Other Receipts		
Recovery of Bad Debts	(1,054.45)	(2,749.33)
Miscellaneous	379.80	128.60
Total Receipts	1,490,777.85	1,775,872.31

Expenditures		
Utility Business Office		
Personal Services	224,867.57	218,394.20
Contractual Services	165,223.60	194,258.94
Commodities	3,540.30	5,243.91
Capital Outlay	3,094.00	581.40
Utility Administrative		
Personal Services	395,803.67	411,797.11
Contractual Services	51,753.56	58,932.21
Commodities	10,652.66	5,173.24
Capital Outlay	3,895.68	21.99
Data Processing		
Personal Services	275,333.41	307,738.16
Contractual Services	93,442.04	93,280.80
Commodities	12,682.69	18,952.67
Capital Outlay	22,766.98	36,292.57
Meter Reading		
Personal Services	198,139.58	204,487.82
Contractual Services	7,629.92	8,833.85
Commodities	663.38	908.17

CITY OF CHANUTE, KANSAS
UTILITY SERVICES 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
Expenditures (Continued)		
Information Service		
Personal Services	\$ 37,527.70	\$ -
Contractual Services	4,373.17	448.45
Commodities	292.25	-
 Total Expenditures	 1,511,682.16	 1,565,345.49
 Receipts Over(Under) Expenditures	 (20,904.31)	 210,526.82
 Unencumbered Cash, Beginning	 23,413.21	 2,508.90
 Unencumbered Cash, Ending	 \$ 2,508.90	 \$ 213,035.72

CITY OF CHANUTE, KANSAS
PUBLIC WORKS AND UTILITY COMPLEX 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		
Public Works Internal Charges	\$ 232,000.01	\$ 232,000.01
Total Receipts	232,000.01	232,000.01
Expenditures		
Public Works and Utility Complex		
Personal Services	114,842.82	130,405.81
Contractual Services	73,830.26	114,162.76
Commodities	8,463.26	11,048.73
Capital Outlay	-	1,162.56
Debt Service	1,452.00	1,452.00
Total Expenditures	198,588.34	258,231.86
Receipts Over(Under) Expenditures	33,411.67	(26,231.85)
Unencumbered Cash, Beginning	90,420.65	123,832.32
Unencumbered Cash, Ending	\$ 123,832.32	\$ 97,600.47

CITY OF CHANUTE, 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
Payroll Clearing	\$ 197,736.82	\$ 2,655,798.27	\$ 2,640,148.18	\$ 213,386.91
Health Insurance Fund	722,877.12	2,570,899.00	2,547,381.91	746,394.21
CID Sales Tax	68,031.71	175,802.38	162,957.15	80,876.94
Sales Tax Collections	(150,131.93)	700,925.76	677,344.20	(126,550.37)
State Water Fees	2,151.10	7,826.09	7,829.84	2,147.35
Kansas Solid Waste Fees	33,398.92	17,040.77	10,525.80	39,913.89
Southwind Energy Group	40.18	206,968.75	206,954.33	54.60
Utility Security Deposit	613,500.90	163,115.25	134,077.85	642,538.30
Utility Security Deposit Interest	47,157.93	2,178.21	3,858.90	45,477.24
Alliance of Churches Utility Aid	240.83	76.09	-	316.92
Katy Park Project	1,852.50	-	-	1,852.50
Law Enforcement Drug Funds	8,046.32	8,580.00	6,041.98	10,584.34
Law Enforcement Forfeiture	64,294.86	45,579.38	7,683.11	102,191.13
Law Enforcement Drug Tax	1,775.30	-	-	1,775.30
Law Enforcement KFAA	-	2,209.51	-	2,209.51
Donations/Contributions	34,279.05	6,581.50	3,500.49	37,360.06
Franchise Fee Refund Fund	51.35	86.19	86.19	51.35
City Revolving Loan	-	24,000.00	12,000.00	12,000.00
Chanute Land Bank	16,781.25	30,496.68	21,172.95	26,104.98
Fire Insurance Proceeds	10,263.67	-	1,500.00	8,763.67
City Events	653.36	-	-	653.36
	<hr/> <u>\$ 1,673,001.24</u>	<hr/> <u>\$ 6,618,163.83</u>	<hr/> <u>\$ 6,443,062.88</u>	<hr/> <u>\$ 1,848,102.19</u>

CITY OF CHANUTE, KANSAS
Schedule of Required Bond Information
December 31, 2022

	Date <u>Expires</u>	Amount
 Travelers Indemnity Company:		
Coverages:		
Buildings and Contents	12/31/2022	\$ 90,012,269.00
Liability		2,000,000.00
Deductible:		1,000.00
Premium:		179,813.14

Total electric and gas users for the beginning and end of the fiscal year 2022 were as follows:

	<u>12/31/2022</u>	<u>1/1/2022</u>
Electric	6,171	6,022
Gas	4,091	4,116

CITY OF CHANUTE, KANSAS

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

Federal Grantor/ Pass Through Grantor/ Program Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Provided to Sub Recipients	Receipts	Disbursements/ Expenditures
U.S. DEPARTMENT OF TRANSPORTATION					
Direct Grant					
Airport Improvement Program 3-20-0009-014-2019	N/A	20.106	\$ -	\$ 16,751.00	\$ -
Airport Improvement Program 3-20-0009-012-2022	N/A	20.106	-	78,862.00	110,132.79
		Total 20.106	-	95,613.00	110,132.79
Total U.S. Department of Transportation				95,613.00	110,132.79
U.S. DEPARTMENT OF HOMELAND SECURITY					
Passed through the Kansas Division of Emergency Management					
Public Assistance Grant		FEMA-4449-DR-KS	97.036		
			-	181,893.00	181,893.00
Total U.S. Department of Homeland Security				181,893.00	181,893.00
U.S. DEPARTMENT OF THE TREASURY					
Passed through State of Kansas, Department of Administration					
Coronavirus State and Local Fiscal Recovery Funds (ARPF Funds)	Not Assigned	21.027			
			-	689,945.98	762,402.91
Total U.S. Department of the Treasury				689,945.98	762,402.91
U.S. DEPARTMENT OF JUSTICE					
Passed through the Office of Kansas Attorney General					
Equitable Sharing Program	Not Assigned	16.922			
			-	500.00	500.00
Total U.S. Department of Justice				500.00	500.00
TOTAL FEDERAL AWARDS				\$ 967,951.98	\$ 1,054,928.70

Notes to the Schedule of Expenditures of Federal Awards:

NOTE A -- BASIS OF PRESENTATION

Federal expenditures are recorded on the accrual basis of accounting, which records expenses when the goods or services are received, and not necessarily when paid.

NOTE B -- INDIRECT COST RATE

City of Chanute, 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 Commissioners
City of Chanute, 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 the City of Chanute, 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 Chanute, Kansas' basic financial statement, and have issued our report thereon dated June 28, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the City of Chanute, 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 the City of Chanute, Kansas' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Chanute, 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 the City of Chanute, 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
June 28, 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 Commissioners
City of Chanute, Kansas
Chanute, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Chanute, 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 the City of Chanute, Kansas' major federal programs for the year ended December 31, 2022. The City of Chanute, 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, the City of Chanute, 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 the City of Chanute, 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 the City of Chanute, 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 the City of Chanute, 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 the City of Chanute, 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 the City of Chanute, 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 the City of Chanute, 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 the City of Chanute, 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 the City of Chanute, 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
June 28, 2023

CITY OF CHANUTE, 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 the City of Chanute, 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?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
Significant deficiencies identified?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	None
				Reported
Noncompliance or other matters required to be reported under <i>Government Auditing Standards</i>	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

Federal Awards:

Internal control over major programs:	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
Material weakness(es) identified?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	None
Significant deficiencies identified?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	Reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major programs:

U.S. DEPARTMENT OF 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 No

II. FINANCIAL STATEMENT FINDINGS

NONE

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

CITY OF CHANUTE, KANSAS

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

NONE