

CITY OF CANEY, KANSAS

Independent Auditor's Report and
Financial Statement with
Supplementary Information

For the Year Ended December 31, 2022

CITY OF CANEY, 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 Council
City of Caney, 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 Caney, 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 Caney, 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 Caney, 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 Caney, 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.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Caney, Kansas as of and for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated August 29, 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 23, 2023, on our consideration of the City of Caney, 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 Caney, 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 Caney, Kansas’ internal control over financial reporting and compliance.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 23, 2023
Chanute, Kansas

CITY OF CANEY, KANSAS

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

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Add Encumbrances and Accounts Payable	Cash Balance December 31, 2022
General Fund	\$ 587,278.06	\$ 2,246,009.75	\$ 2,312,861.69	\$ 520,426.12	\$ 54,339.53	\$ 574,765.65
Special Purpose Funds:						
Industrial	9,759.11	3,229.99	8,811.60	4,177.50	-	4,177.50
Library	0.03	61,458.00	61,458.00	0.03	-	0.03
Special Parks	10,873.81	298.29	2,364.41	8,807.69	-	8,807.69
Employee Benefits	361,411.20	182,589.54	209,624.14	334,376.60	(973.72)	333,402.88
Vehicle Identification	4,825.28	4,116.24	2,978.00	5,963.52	-	5,963.52
Special Highway	61,928.68	59,180.29	52,450.32	68,658.65	554.29	69,212.94
Tourism	4,861.49	17,419.91	-	22,281.40	-	22,281.40
Police, Fire, and Ambulance Equipment	39,385.84	34,315.64	34,316.58	39,384.90	2,772.91	42,157.81
Street Sales Tax	77,910.99	93,881.00	17,254.00	154,537.99	-	154,537.99
Grant Projects	150,167.41	486,890.36	72,059.00	564,998.77	-	564,998.77
Capital Project Funds:						
Wastewater Improvement Project	(415,564.28)	2,160,833.03	1,763,649.48	(18,380.73)	-	(18,380.73)
Capital Project	5.00	-	-	5.00	-	5.00
Bond and Interest Funds:						
General Obligation Bond and Interest	243,293.47	497,293.00	309,366.62	431,219.85	2,035.00	433,254.85
Business Funds:						
Water Utility	387,163.93	640,384.68	697,862.84	329,685.77	13,450.85	343,136.62
Sewer Utility	229,957.90	487,147.80	630,747.09	86,358.61	2,380.51	88,739.12
Sewer Treatment Replacement	24,492.78	7,696.63	-	32,189.41	-	32,189.41
Solid Waste Utility	90,248.95	254,412.35	248,013.62	96,647.68	18,942.02	115,589.70
Grocery Store Utility	110,223.03	1,580,380.77	1,685,071.08	5,532.72	22,650.37	28,183.09
Total Primary Government (Excluding Agency Funds)	\$ 1,978,222.68	\$ 8,817,537.27	\$ 8,108,888.47	\$ 2,686,871.48	\$ 116,151.76	\$ 2,803,023.24

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

CITY OF CANEY, KANSAS

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

	2022
Total Cash to be accounted for:	\$ 2,803,023.24
Composition of Cash:	
Utility Cash on Hand.....	\$ 250.00
General Petty Cash on Hand.....	200.00
Police Petty Cash on Hand.....	201.00
Grocery Store Petty Cash on Hand.....	2,100.00
Checking Accounts:	
General Account	124,785.80
Grant Checking Account.....	5.00
Money Market Account	2,677,619.68
Total Cash	2,805,161.48
Agency Funds per Schedule 3	(2,138.24)
Total Reporting Entity (Excluding Agency Funds)	\$ 2,803,023.24

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

CITY OF CANEY, KANSAS

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

The City of Caney, Kansas (the City) is a municipal corporation governed by a Mayor and elected eight member council. This financial statement presents the City of Caney, Kansas.

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

Caney City Library - The Caney City Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Separate financial information can be obtained from the Library.

Caney Recreation Commission - The Caney Recreation Commission oversees the City's recreation activities. The Caney Recreation Commission operates as a separate governing body but the City may appoint board members to the Recreation Commission. Separate financial information can be obtained from the Recreation Commission.

Regulatory Basis Fund Types

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

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

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types (Continued)

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 Presentation – Regulatory Basis of Accounting

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

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

Pension Plan

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

Reimbursed Expenses

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Special Assessments

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

Budgetary Information

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

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

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, Industrial Fund, Water Utility Fund, Sewer Utility Fund, Solid Waste Utility Fund, and Grocery Store Utility Fund.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (Continued)

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

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

- Grant Projects Fund

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1, the City was in apparent violation of K.S.A. 10-1113, as the City has obligated expenditures in excess of available monies in the Wastewater Improvement Project Fund, however, K.S.A. 10-1116 provides that under certain situations, the fund can end the year with a negative unencumbered cash balance and therefore, exempt from the cash basis laws of Kansas. The Wastewater Improvement Project Fund met the criteria under the statutes and therefore, it is not deemed to be in violation of the Kansas cash basis laws. As shown in Schedule 1, the City was in compliance with the budget laws of Kansas.

The City was in apparent violation of K.S.A. 12-1608 which requires the treasurer of first and second class cities to publish the quarterly statements showing the total amount received into each fund and the total amount expended from each fund and the cash balances of each fund at the beginning and close of each quarter. Such quarterly statements shall show the amount of outstanding registered warrants, temporary notes, bonds and all other obligations and liabilities of the City. The fourth quarterly statement was not published within the 30 day requirement.

Management is not aware of any other material statutory violations.

3. DEPOSITS AND INVESTMENTS

K.S.A 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City’s funds have a main branch or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the bank 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.

3. DEPOSITS AND INVESTMENTS (Continued)

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 \$2,802,410.48 and the bank balance was \$2,816,787.95. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$249,110.74 was covered by FDIC insurance and \$2,567,677.21 was collateralized with a repurchase agreement.

4. RIGHT TO USE CONTRACTS

As of December 31, 2022 the City has entered into a right to use contract for office equipment. Rent expense for the year ended December 31, 2022, was \$1,527.59. There are no future minimum rental payments.

5. FINANCE LEASE OBLIGATIONS

The City has entered into a finance lease agreement in order finance the purchase of a 2004 Sewer Pumper Truck. Payments are made annually including interest at 3.50%. Final maturity of the lease is September 15, 2024. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 5,819.07
2024	<u>4,754.08</u>
	10,573.15
Less imputed interest	<u>(583.72)</u>
Net Present Value of Minimum	
Lease Payments	9,989.43
Less: Current Maturities	<u>(5,432.17)</u>
Long-Term Finance Lease Obligations	<u>\$ 4,557.26</u>

5. FINANCE LEASE OBLIGATIONS (Continued)

The City has entered into a finance lease agreement in order finance the purchase of Canon Copier Machines. Payments are made monthly including interest at 5.717%. Final maturity of the lease is June 12, 2024. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 2,057.52
2024	<u>1,029.76</u>
	3,087.28
Less imputed interest	<u>(135.44)</u>
Net Present Value of Minimum Lease Payments	2,951.84
Less: Current Maturities	<u>(1,939.06)</u>
Long-Term Finance Lease Obligations	<u>\$ 1,012.78</u>

The City has entered into a finance lease agreement in order finance the purchase of 2021 Ford E450 Ambulance. Payments are made monthly including interest at 3.25%. Final maturity of the lease is August 1, 2025. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2023	\$ 30,227.01
2024	32,974.92
2025	<u>21,983.28</u>
	85,185.21
Less imputed interest	<u>(3,583.92)</u>
Net Present Value of Minimum Lease Payments	81,601.29
Less: Current Maturities	<u>(28,175.43)</u>
Long-Term Finance Lease Obligations	<u>\$ 53,425.86</u>

6. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	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 Utility Receipts:									
Series 2020-A	1.375%	June 24, 2020	\$ 540,000.00	June 24, 2060	\$ 529,780.00	\$ -	\$ (10,360.52)	\$ 519,419.48	\$ 7,284.48
Series 2020-B	1.375%	June 24, 2020	2,741,000.00	June 24, 2060	2,689,127.75	-	(52,585.49)	2,636,542.26	36,975.51
Series 2020-C	1.375%	June 24, 2020	693,000.00	June 24, 2060	679,884.75	-	(13,295.58)	666,589.17	9,348.42
Series 2020-D	1.1-2%	September 1, 2020	2,710,000.00	December 1, 2040	2,450,000.00	-	(280,000.00)	2,170,000.00	46,112.50
Series 2022-A	1.375%	August 10, 2022	668,000.00	August 10, 2062	-	668,000.00	-	668,000.00	-
Series 2022-B	1.50%	August 10, 2022	577,000.00	August 10, 2062	-	577,000.00	-	577,000.00	-
Temporary Notes									
Paid by Utility Receipts:									
Series 2020-1	4.00%	February 19, 2020	1,252,000.00	March 1, 2022	712,000.00	-	(712,000.00)	-	2,768.89
Series 2022-1	0.550%	January 6, 2022	740,000.00	February 15, 2024	-	740,000.00	-	740,000.00	2,475.92
Finance Leases									
Maintenance Equipment	1.95%	March 16, 2016	85,990.32	March 1, 2023	16,177.71	-	(16,177.71)	-	324.16
Sewage Pumper Truck	3.50%	May 25, 2017	40,000.00	September 15, 2024	15,237.90	-	(5,248.47)	9,989.43	670.54
Canon Copiers	5.72%	June 12, 2019	8,930.21	June 12, 2024	4,783.39	-	(1,831.55)	2,951.84	225.97
Ambulance	3.25%	August 4, 2020	176,546.00	August 1, 2025	111,396.99	-	(29,795.70)	81,601.29	3,179.22
Total Contractual Indebtedness					<u>\$ 7,208,388.49</u>	<u>\$ 1,985,000.00</u>	<u>\$ (1,121,295.02)</u>	<u>\$ 8,072,093.47</u>	<u>\$ 109,365.61</u>

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
Principal							
General Obligation Bonds							
Series 2020-A	\$ 10,502.98	\$ 10,628.23	\$ 10,793.54	\$ 10,941.95	\$ 11,092.40	\$ 57,757.87	\$ 61,859.57
Series 2020-B	53,308.54	53,944.22	54,783.27	55,536.54	56,300.17	293,153.61	313,972.13
Series 2020-C	13,478.40	13,639.12	13,851.26	14,041.72	14,234.79	74,120.23	79,383.93
Series 2020-D	290,000.00	290,000.00	225,000.00	240,000.00	240,000.00	545,000.00	130,000.00
Series 2022-A	12,639.00	12,812.79	12,988.96	13,167.56	13,348.61	69,547.22	74,461.90
Series 2022-B	10,635.00	10,794.52	10,956.44	11,120.79	11,287.60	59,029.09	63,591.09
Temporary Notes							
Series 2022-1	-	740,000.00	-	-	-	-	-
Finance Leases							
Sewage Pumper Truck	5,432.17	4,557.26	-	-	-	-	-
Canon Copiers	1,939.06	1,012.78	-	-	-	-	-
Ambulance	28,175.43	31,708.10	21,717.76	-	-	-	-
Total Principal Payments	426,110.58	1,169,097.02	350,091.23	344,808.56	346,263.57	1,098,608.02	723,268.62
Interest							
General Obligation Bonds							
Series 2020-A	7,142.02	7,016.77	6,851.46	6,703.05	6,552.60	30,467.13	26,365.43
Series 2020-B	36,252.46	35,616.78	34,777.73	34,024.46	33,260.83	154,651.39	133,832.87
Series 2020-C	9,165.60	9,004.88	8,792.74	8,602.28	8,409.21	39,099.77	33,836.07
Series 2020-D	40,512.50	34,712.50	28,912.50	134,412.50	19,612.50	50,102.50	23,632.50
Series 2022-A	9,185.00	9,011.21	8,835.04	8,656.44	8,475.39	39,572.78	34,658.10
Series 2022-B	8,655.00	8,495.48	8,333.56	8,169.21	8,002.40	37,420.91	32,858.91
Temporary Notes							
Series 2022-1	2,035.00	2,035.00	2,035.00	-	-	-	-
Finance Leases							
Sewage Pumper Truck	386.90	196.82	-	-	-	-	-
Canon Copiers	118.46	16.98	-	-	-	-	-
Ambulance	2,051.58	1,266.82	265.52	-	-	-	-
Total Interest Payments	115,504.52	107,373.24	98,803.55	200,567.94	84,312.93	351,314.48	285,183.88
Total Principal and Interest	\$ 541,615.10	\$ 1,276,470.26	\$ 448,894.78	\$ 545,376.50	\$ 430,576.50	\$ 1,449,922.50	\$ 1,008,452.50

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	2038-2042	2043-2047	2048-2052	2053-2057	2058-2062	Total
Principal						
General Obligation Bonds						
Series 2020-A	\$ 66,232.78	\$ 70,915.19	\$ 75,923.08	\$ 81,298.98	\$ 51,472.91	\$ 519,419.48
Series 2020-B	336,168.60	359,934.46	385,352.32	412,638.04	261,450.36	2,636,542.26
Series 2020-C	84,996.03	91,004.93	97,431.52	104,330.37	66,076.87	666,589.17
Series 2020-D	210,000.00	-	-	-	-	2,170,000.00
Series 2022-A	79,723.88	85,357.72	91,389.68	97,847.89	104,714.79	668,000.00
Series 2022-B	68,505.67	73,800.05	79,503.62	85,647.99	92,128.14	577,000.00
Temporary Notes						
Series 2022-1	-	-	-	-	-	740,000.00
Finance Leases						
Sewage Pumper Truck	-	-	-	-	-	9,989.43
Canon Copiers	-	-	-	-	-	2,951.84
Ambulance	-	-	-	-	-	81,601.29
Total Principal Payments	845,626.96	681,012.35	729,600.22	781,763.27	575,843.07	8,072,093.47
Interest						
General Obligation Bonds						
Series 2020-A	21,992.22	17,309.81	12,301.92	6,926.02	1,422.05	151,050.48
Series 2020-B	111,636.40	87,870.54	62,452.68	35,166.96	7,225.80	766,768.90
Series 2020-C	28,223.97	22,215.07	15,788.48	8,889.63	1,825.81	193,853.51
Series 2020-D	8,400.00	-	-	-	-	340,297.50
Series 2022-A	29,396.12	23,762.28	17,730.32	11,272.11	4,357.52	204,912.31
Series 2022-B	27,944.33	22,649.95	16,946.38	10,802.01	4,182.80	194,460.94
Temporary Notes						
Series 2022-1	-	-	-	-	-	6,105.00
Finance Leases						
Sewage Pumper Truck	-	-	-	-	-	583.72
Canon Copiers	-	-	-	-	-	135.44
Ambulance	-	-	-	-	-	3,583.92
Total Interest Payments	227,593.04	173,807.65	125,219.78	73,056.73	19,013.98	1,861,751.72
Total Principal and Interest	\$ 1,073,220.00	\$ 854,820.00	\$ 854,820.00	\$ 854,820.00	\$ 594,857.05	\$ 9,933,845.19

7. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial 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. 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 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.90% for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were \$125,516.09 for KPERS 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 \$1,397,555.00. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and nonemployer 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.

8. CAPITAL PROJECTS

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

<u>PROJECT NAME</u>	<u>AUTHORIZED</u>	<u>EXPENDED THRU 12/31/22</u>	<u>ESTIMATED COMPLETION</u>
Wastewater Improvement Project	\$ 7,440,000.00	\$ 6,889,261.90	2023

9. 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. Full time employees will be granted paid vacation time according to the following schedules:

Months Continuous Employment:	1-24	25-72	73-144	145-216	217-276	277+
Hours Granted per Year:	4	6	9	10	18	12

Accrued vacation benefits must be used within the employee’s annual period (hire date to hire date).

Sick leave accrues to all full-time employees at the rate of one sick day per month to a maximum of 60 days. In the event of termination, an employee shall not be paid for any accrued sick leave.

The City has no policy regarding compensatory time, however it is accumulated.

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

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

In accordance with the above criteria, the City has accrued a liability for annual leave and compensatory time, which has been earned, but not taken, by City employees. The estimated liability at December 31, 2022, was \$19,016.89 for annual leave. In accordance with the above criteria, the City has not recorded a liability for sick pay, inasmuch as the amount cannot be reasonably estimated.

Other Post Employment Benefits:

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, 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.

10. 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.

11. RELATED PARTY

Main Street Auto and Tire, LLC is an auto repair and tire shop owned by a council member. During the year, the City paid \$20,836.36 to Main Street Auto and Tire, LLC.

12. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
Sewer Utility	General Obligation Bond and Interest	K.S.A. 12-825d	\$ 307,908.00
Water Utility	Grocery Store Utility	K.S.A. 12-825d	50,000.00

13. SUBSEQUENT EVENTS

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

SUPPLEMENTARY INFORMATION

CITY OF CANEY, 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	\$ 1,757,771.00	\$ 769,690.28	\$ 2,527,461.28	\$ 2,312,861.69	\$ (214,599.59)
Special Purpose Funds:					
Industrial	8,812.00	-	8,812.00	8,811.60	(0.40)
Library	63,000.00	-	63,000.00	61,458.00	(1,542.00)
Special Parks	2,500.00	-	2,500.00	2,364.41	(135.59)
Employee Benefits	380,542.00	-	380,542.00	209,624.14	(170,917.86)
Vehicle Identification	5,100.00	-	5,100.00	2,978.00	(2,122.00)
Special Highway	67,865.00	-	67,865.00	52,450.32	(15,414.68)
Tourism	14,900.00	-	14,900.00	-	(14,900.00)
Police, Fire, and Ambulance Equipment	53,457.00	-	53,457.00	34,316.58	(19,140.42)
Street Sales Tax	65,000.00	-	65,000.00	17,254.00	(47,746.00)
Bond and Interest Fund:					
General Obligation Bond and Interest	470,126.00	-	470,126.00	309,366.62	(160,759.38)
Business Funds:					
Water Utility	816,603.00	-	816,603.00	697,862.84	(118,740.16)
Sewer Utility	641,981.00	-	641,981.00	630,747.09	(11,233.91)
Sewer Treatment Replacement	-	-	-	-	-
Solid Waste Utility	271,000.00	-	271,000.00	248,013.62	(22,986.38)
Grocery Store Utility	1,758,738.00	-	1,758,738.00	1,685,071.08	(73,666.92)

CITY OF CANEY, KANSAS
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipt				
Ad Valorem Property Tax	\$ 287,279.77	\$ 236,586.92	\$ 253,840.00	\$ (17,253.08)
Delinquent Tax	15,355.25	17,139.46	14,000.00	3,139.46
Motor Vehicle Tax	37,004.38	35,067.73	41,194.00	(6,126.27)
Recreational Vehicle Tax	317.16	361.66	358.00	3.66
16/20M Truck Tax	365.78	198.96	343.00	(144.04)
Commercial Vehicle Tax	345.51	370.89	446.00	(75.11)
Rental Excise Tax	23.13	3.20	-	3.20
Watercraft Tax	129.87	100.27	44.00	56.27
Franchise Taxes	245,387.77	257,558.61	-	257,558.61
Local Alcoholic Liquor Tax	493.21	298.27	-	298.27
Compensating Use Tax	201,334.87	233,464.65	-	233,464.65
Local Sales Tax	261,455.79	283,273.40	381,000.00	(97,726.60)
Intergovernmental				
Federal Grants	2,810.53	2,480.69	-	2,480.69
State Grants	-	25,905.68	-	25,905.68
Local Grants	13,380.00	-	-	-
Licenses and Permits				
Licenses, Permits & Fees	5,022.00	4,754.00	541,500.00	(536,746.00)
Charges for Services				
Swimming Pool	31,774.64	20,130.81	-	20,130.81
Accident Reports & Finger Printing	-	451.00	-	451.00
Cemetery Lots & Settings	13,320.00	12,067.00	-	12,067.00
Ambulance Fees	58,882.91	91,689.05	-	91,689.05
County Ambulance Assistance	70,130.82	56,330.01	12,000.00	44,330.01
Fines, Forfeitures and Penalties				
Fines	152,159.07	149,738.50	109,500.00	40,238.50
Use of Money and Property				
Bond Proceeds	-	736,107.60	-	736,107.60
Interest Income	19,040.39	12,639.68	889,636.00	(876,996.32)
Sale of Assets	-	200.00	-	200.00
Other Receipts				
Insurance Premium Return	18,292.39	13,252.20	92,880.00	(79,627.80)
Reimbursed Expense	1,690.23	5,196.31	-	5,196.31
Miscellaneous	26,599.23	50,643.20	13,999.00	36,644.20
Residual Transfer from				
Capital Project Fund	204,919.37	-	-	-
Total Receipts	1,667,514.07	2,246,009.75	\$ 2,350,740.00	\$ (104,730.25)

CITY OF CANEY, KANSAS
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures				
City Administrator Department				
Personal Services	\$ 53,019.95	\$ 61,719.21	\$ 57,083.00	\$ 4,636.21
Contractual Services	156,209.42	211,650.97	258,880.00	(47,229.03)
Commodities	22,792.74	7,766.31	23,612.00	(15,845.69)
Capital Outlay	1,378.52	785.00	-	785.00
Street Department				
Personal Services	17,437.75	8,279.44	13,000.00	(4,720.56)
Contractual Services	37,834.67	38,852.51	52,000.00	(13,147.49)
Commodities	45,216.00	61,048.67	66,465.00	(5,416.33)
Capital Outlay	5,769.96	-	-	-
Parks Department				
Contractual Services	7,692.03	7,148.67	7,500.00	(351.33)
Commodities	15.00	-	-	-
Pool Department				
Personal Services	37,624.88	41,131.96	43,000.00	(1,868.04)
Contractual Services	3,769.95	4,741.39	21,000.00	(16,258.61)
Commodities	22,639.75	15,600.18	-	15,600.18
Capital Outlay	-	-	158,631.00	(158,631.00)
Police Department				
Personal Services	274,835.98	372,057.02	390,000.00	(17,942.98)
Contractual Services	65,899.16	74,034.78	89,000.00	(14,965.22)
Commodities	35,167.33	65,553.82	67,500.00	(1,946.18)
Capital Outlay	14,987.71	69,191.18	67,000.00	2,191.18
Fire Department				
Personal Services	9,098.19	13,080.72	74,700.00	(61,619.28)
Contractual Services	30,559.25	28,769.86	-	28,769.86
Commodities	4,987.30	19,255.25	-	19,255.25
Ambulance Department				
Personal Services	209,495.30	237,238.81	251,000.00	(13,761.19)
Contractual Services	24,549.18	56,760.64	75,600.00	(18,839.36)
Commodities	10,699.66	13,621.60	-	13,621.60
Cemetery Department				
Personal Services	990.91	-	41,800.00	(41,800.00)
Contractual Services	35,224.03	36,026.00	-	36,026.00
Commodities	1,000.00	2,670.76	-	2,670.76

CITY OF CANEY, KANSAS
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures (Continued)				
Debt Service				
Principal	\$ 118,040.00	\$ 837,222.84	\$ -	\$ 837,222.84
Interest	57,599.85	28,654.10	-	28,654.10
Total Certified Budget			1,757,771.00	555,090.69
Adjustments for Qualifying Budget Credits			769,690.28	(769,690.28)
Total Expenditures	1,304,534.47	2,312,861.69	\$ 2,527,461.28	\$ (214,599.59)
Receipts Over(Under) Expenditures	362,979.60	(66,851.94)		
Unencumbered Cash, Beginning	224,298.46	587,278.06		
Unencumbered Cash, Ending	\$ 587,278.06	\$ 520,426.12		

CITY OF CANEY, KANSAS
INDUSTRIAL FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipt				
Ad Valorem Property Tax	\$ -	\$ 3,218.17	\$ 3,448.00	\$ (229.83)
Delinquent Tax	1.70	11.82	-	11.82
Total Receipts	<u>1.70</u>	<u>3,229.99</u>	<u>\$ 3,448.00</u>	<u>\$ (218.01)</u>
Expenditures				
General Government				
Contractual Services	230.00	2,625.00	\$ 2,625.00	\$ -
Capital Outlay	-	6,186.60	6,187.00	(0.40)
Total Expenditures	<u>230.00</u>	<u>8,811.60</u>	<u>\$ 8,812.00</u>	<u>\$ (0.40)</u>
Receipts Over(Under) Expenditures	(228.30)	(5,581.61)		
Unencumbered Cash, Beginning	<u>9,987.41</u>	<u>9,759.11</u>		
Unencumbered Cash, Ending	<u>\$ 9,759.11</u>	<u>\$ 4,177.50</u>		

CITY OF CANEY, KANSAS
LIBRARY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipt				
Ad Valorem Property Tax	\$ 53,517.68	\$ 51,385.22	\$ 55,115.00	\$ (3,729.78)
Delinquent Tax	2,971.81	3,290.66	-	3,290.66
Motor Vehicle Tax	7,210.92	6,586.66	7,663.00	(1,076.34)
Recreational Vehicle Tax	61.81	68.42	67.00	1.42
16/20M Truck Tax	71.28	38.78	64.00	(25.22)
Commercial Vehicle Tax	67.33	68.99	83.00	(14.01)
Rental Excise Tax	4.50	0.62	-	0.62
Watercraft Tax	25.31	18.65	8.00	10.65
Total Receipts	63,930.64	61,458.00	\$ 63,000.00	\$ (1,542.00)
Expenditures				
Culture and Recreation				
Library Board	63,930.64	61,458.00	\$ 63,000.00	\$ (1,542.00)
Total Expenditures	63,930.64	61,458.00	\$ 63,000.00	\$ (1,542.00)
Receipts Over(Under) Expenditures	-	-		
Unencumbered Cash, Beginning	0.03	0.03		
Unencumbered Cash, Ending	\$ 0.03	\$ 0.03		

CITY OF CANEY, KANSAS
SPECIAL PARKS FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipt				
Local Alcoholic Liquor Tax	\$ 493.21	\$ 298.29	\$ 420.00	\$ (121.71)
County Alcoholic Liquor Tax	2,385.03	-	900.00	(900.00)
Total Receipts	<u>2,878.24</u>	<u>298.29</u>	<u>\$ 1,320.00</u>	<u>\$ (1,021.71)</u>
Expenditures				
Culture and Recreation				
Contractual Services				
Commodities	-	2,364.41	\$ 2,500.00	\$ (135.59)
Total Expenditures	<u>-</u>	<u>2,364.41</u>	<u>\$ 2,500.00</u>	<u>\$ (135.59)</u>
Receipts Over(Under) Expenditures	2,878.24	(2,066.12)		
Unencumbered Cash, Beginning	<u>7,995.57</u>	<u>10,873.81</u>		
Unencumbered Cash, Ending	<u>\$ 10,873.81</u>	<u>\$ 8,807.69</u>		

CITY OF CANEY, KANSAS
EMPLOYEE BENEFITS FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipt				
Ad Valorem Property Tax	\$ 116,214.59	\$ 160,868.42	\$ 172,412.00	\$ (11,543.58)
Delinquent Tax	6,199.43	7,143.73	5,700.00	1,443.73
Motor Vehicle Tax	14,928.39	14,159.57	15,283.00	(1,123.43)
Recreational Vehicle Tax	127.95	146.00	133.00	13.00
16/20M Truck Tax	147.58	80.26	128.00	(47.74)
Commercial Vehicle Tax	139.39	149.78	166.00	(16.22)
Rental Excise Tax	9.33	1.29	-	1.29
Watercraft Tax	52.38	40.49	17.00	23.49
Total Receipts	137,819.04	182,589.54	\$ 193,839.00	\$ (11,249.46)
Expenditures				
General Government				
Personal Services	189,510.69	209,624.14	\$ 380,542.00	\$ (170,917.86)
Total Expenditures	189,510.69	209,624.14	\$ 380,542.00	\$ (170,917.86)
Receipts Over(Under) Expenditures	(51,691.65)	(27,034.60)		
Unencumbered Cash, Beginning	413,102.85	361,411.20		
Unencumbered Cash, Ending	\$ 361,411.20	\$ 334,376.60		

CITY OF CANEY, KANSAS
VEHICLE IDENTIFICATION FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
VIN Inspections	\$ 4,940.00	\$ 3,637.53	\$ 4,750.00	\$ (1,112.47)
Other Receipts				
Miscellaneous	-	478.71	-	478.71
Total Receipts	4,940.00	4,116.24	\$ 4,750.00	\$ (633.76)
Expenditures				
General Government				
Contractual Services	400.00	800.00	\$ 600.00	\$ 200.00
Commodities	2,888.39	2,178.00	4,500.00	(2,322.00)
Total Expenditures	3,288.39	2,978.00	\$ 5,100.00	\$ (2,122.00)
Receipts Over(Under) Expenditures	1,651.61	1,138.24		
Unencumbered Cash, Beginning	3,173.67	4,825.28		
Unencumbered Cash, Ending	\$ 4,825.28	\$ 5,963.52		

CITY OF CANEY, KANSAS
SPECIAL HIGHWAY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipt				
Motor Fuel Tax	\$ 56,836.10	\$ 50,033.76	\$ 51,000.00	\$ (966.24)
County Gas Tax	7,938.48	9,146.53	9,000.00	146.53
Other Receipts				
Miscellaneous	1,197.00	-	-	-
Total Receipts	65,971.58	59,180.29	\$ 60,000.00	\$ (819.71)
Expenditures				
General Government				
Personal Services	35,410.54	34,327.50	\$ 48,700.00	\$ (14,372.50)
Commodities	2,608.46	1,620.95	3,000.00	(1,379.05)
Capital Outlay	24,166.68	-	16,165.00	(16,165.00)
Debt Service				
Finance Lease	13,162.12	16,501.87	-	16,501.87
Total Expenditures	75,347.80	52,450.32	\$ 67,865.00	\$ (15,414.68)
Receipts Over(Under) Expenditures	(9,376.22)	6,729.97		
Unencumbered Cash, Beginning	71,304.90	61,928.68		
Unencumbered Cash, Ending	\$ 61,928.68	\$ 68,658.65		

CITY OF CANEY, KANSAS
TOURISM FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipt				
County Tourism Tax	\$ 15,406.49	\$ 17,419.91	\$ 9,200.00	\$ 8,219.91
Total Receipts	15,406.49	17,419.91	\$ 9,200.00	\$ 8,219.91
Expenditures				
General Government				
Contractual Services	10,545.00	-	\$ 14,900.00	\$ (14,900.00)
Total Expenditures	10,545.00	-	\$ 14,900.00	\$ (14,900.00)
Receipts Over(Under) Expenditures	4,861.49	17,419.91		
Unencumbered Cash, Beginning	-	4,861.49		
Unencumbered Cash, Ending	\$ 4,861.49	\$ 22,281.40		

CITY OF CANEY, KANSAS
POLICE, FIRE, AND AMBULANCE EQUIPMENT FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipt				
Ad Valorem Property Tax	\$ 49,249.35	\$ 25,276.91	\$ 27,163.00	\$ (1,886.09)
Delinquent Tax	2,576.84	2,868.59	400.00	2,468.59
Motor Vehicle Tax	6,309.57	5,993.32	7,044.00	(1,050.68)
Recreational Vehicle Tax	54.07	61.77	61.00	0.77
16/20M Truck Tax	62.37	33.92	59.00	(25.08)
Commercial Vehicle Tax	58.91	63.43	76.00	(12.57)
Rental Excise Tax	3.94	0.55	-	0.55
Watercraft Tax	22.14	17.15	8.00	9.15
Intergovernmental				
Federal Grants	50,000.00	-	-	-
Total Receipts	108,337.19	34,315.64	\$ 34,811.00	\$ (495.36)
Expenditures				
General Government				
Commodities	-	1,316.66	\$ 7,500.00	\$ (6,183.34)
Capital Outlay	64,824.35	-	13,162.00	(13,162.00)
Debt Service				
Finance Lease	36,664.56	32,999.92	32,795.00	204.92
Total Expenditures	101,488.91	34,316.58	\$ 53,457.00	\$ (19,140.42)
Receipts Over(Under) Expenditures	6,848.28	(0.94)		
Unencumbered Cash, Beginning	32,537.56	39,385.84		
Unencumbered Cash, Ending	<u>\$ 39,385.84</u>	<u>\$ 39,384.90</u>		

CITY OF CANEY, KANSAS
STREET SALES TAX FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Sales Tax	\$ 73,207.65	\$ 93,881.00	\$ 58,000.00	\$ 35,881.00
Total Receipts	73,207.65	93,881.00	\$ 58,000.00	\$ 35,881.00
Expenditures				
General Government				
Contractual Services	-	17,254.00	\$ 65,000.00	\$ (47,746.00)
Capital Outlay	90,988.00	-	-	-
Total Expenditures	90,988.00	17,254.00	\$ 65,000.00	\$ (47,746.00)
Receipts Over(Under) Expenditures	(17,780.35)	76,627.00		
Unencumbered Cash, Beginning	95,691.34	77,910.99		
Unencumbered Cash, Ending	\$ 77,910.99	\$ 154,537.99		

CITY OF CANEY, 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 - CDBG - CV	\$ 14,803.86	\$ -
Federal Grants - ARPA	150,167.41	486,890.36
Total Receipts	164,971.27	486,890.36
Expenditures		
General Government		
Contractual Services	14,803.86	33,855.00
Capital Outlay	-	38,204.00
Total Expenditures	14,803.86	72,059.00
Receipts Over(Under) Expenditures	150,167.41	414,831.36
Unencumbered Cash, Beginning	-	150,167.41
Unencumbered Cash, Ending	\$ 150,167.41	\$ 564,998.77

CITY OF CANEY, KANSAS
WASTEWATER IMPROVEMENT 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	\$ 480,066.20	\$ 915,833.03
Use of Money and Property		
Bond Proceeds	-	1,245,000.00
Operating Transfer from Sewer Utility Fund	33,268.11	-
Total Receipts	<u>513,334.31</u>	<u>2,160,833.03</u>
Expenditures		
Capital Improvements		
Contractual Services	215,427.00	98,833.72
Capital Outlay	2,527,350.13	1,664,815.76
Total Expenditures	<u>2,742,777.13</u>	<u>1,763,649.48</u>
Receipts Over(Under) Expenditures	(2,229,442.82)	397,183.55
Unencumbered Cash, Beginning	<u>1,813,878.54</u>	<u>(415,564.28)</u>
Unencumbered Cash, Ending	<u>\$ (415,564.28)</u>	<u>\$ (18,380.73)</u>

CITY OF CANEY, KANSAS
CAPITAL 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	\$ 97,374.78	\$ -
Total Receipts	97,374.78	-
Expenditures		
Capital Improvements		
Contractual Services	19,013.00	-
Capital Outlay	139,123.32	-
Residual Transfers to:		
General Fund	204,919.37	-
Grocery Store Utility Fund	448,036.03	-
Total Expenditures	811,091.72	-
Receipts Over(Under) Expenditures	(713,716.94)	-
Unencumbered Cash, Beginning	713,721.94	5.00
Unencumbered Cash, Ending	\$ 5.00	\$ 5.00

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

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Sales Tax	\$ 188,248.12	\$ 189,385.00	\$ 161,000.00	\$ 28,385.00
Operating Transfers from:				
Water Utility Fund	-	-	72,071.00	(72,071.00)
Sewer Utility Fund	151,900.00	307,908.00	235,837.00	72,071.00
Residual Transfers from:				
Water Plant Improvement Fund	52,791.29	-	-	-
Water Principal and Interest Fund	24,979.13	-	-	-
Sewer Principal and Interest Fund	44,780.10	-	-	-
Total Receipts	462,698.64	497,293.00	\$ 468,908.00	\$ 28,385.00
Expenditures				
Debt Service				
Principal	217,167.50	231,018.75	\$ 71,635.00	\$ 159,383.75
Interest	89,663.28	76,312.87	398,491.00	(322,178.13)
Cost of Issuance	-	2,035.00	-	2,035.00
Total Expenditures	306,830.78	309,366.62	\$ 470,126.00	\$ (160,759.38)
Receipts Over(Under) Expenditures	155,867.86	187,926.38		
Unencumbered Cash, Beginning	87,425.61	243,293.47		
Unencumbered Cash, Ending	\$ 243,293.47	\$ 431,219.85		

CITY OF CANEY, KANSAS
WATER UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Water Charges	\$ 631,191.84	\$ 613,255.75	\$ 610,000.00	\$ 3,255.75
Connection Fee	9,430.00	9,665.00	3,800.00	5,865.00
Other Receipts				
Miscellaneous	16,459.87	17,463.93	16,000.00	1,463.93
Total Receipts	<u>657,081.71</u>	<u>640,384.68</u>	<u>\$ 629,800.00</u>	<u>\$ 10,584.68</u>
Expenditures				
Administration, Production, and Distribution				
Personal Services	284,362.50	324,138.88	\$ 292,863.00	\$ 31,275.88
Contractual Services	163,056.43	141,699.03	45,011.00	96,688.03
Commodities	146,101.62	158,880.00	340,455.00	(181,575.00)
Capital Outlay	7,440.50	23,144.93	7,829.00	15,315.93
Operating Transfers to:				
General Obligation Bond and Interest Fund	-	-	130,445.00	(130,445.00)
Grocery Store Utility Fund	-	50,000.00	-	50,000.00
Total Expenditures	<u>600,961.05</u>	<u>697,862.84</u>	<u>\$ 816,603.00</u>	<u>\$ (118,740.16)</u>
Receipts Over(Under) Expenditures	56,120.66	(57,478.16)		
Unencumbered Cash, Beginning	<u>331,043.27</u>	<u>387,163.93</u>		
Unencumbered Cash, Ending	<u>\$ 387,163.93</u>	<u>\$ 329,685.77</u>		

CITY OF CANEY, KANSAS
WATER PLANT IMPROVEMENT 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		
Miscellaneous	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Residual Transfer to		
General Obligation Bond and		
Interest Fund	52,791.29	-
Total Expenditures	52,791.29	-
Receipts Over(Under) Expenditures	(52,791.29)	-
Unencumbered Cash, Beginning	52,791.29	-
Unencumbered Cash, Ending	\$ -	\$ -

CITY OF CANEY, KANSAS
WATER PRINCIPAL 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 Transfer from Water Utility Fund	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Residual Transfer to General Obligation Bond and Interest Fund	24,979.13	-
Total Expenditures	24,979.13	-
Receipts Over(Under) Expenditures	(24,979.13)	-
Unencumbered Cash, Beginning	24,979.13	-
Unencumbered Cash, Ending	\$ -	\$ -

CITY OF CANEY, KANSAS
SEWER UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Wastewater Charges	\$ 484,264.25	\$ 485,685.76	\$ 486,324.00	\$ (638.24)
Other Receipts				
Miscellaneous	1,207.00	1,462.04	-	1,462.04
Total Receipts	485,471.25	487,147.80	\$ 486,324.00	\$ 823.80
Expenditures				
Collection and Treatment				
Personal Services	194,356.13	183,893.85	\$ 199,000.00	\$ (15,106.15)
Contractual Services	75,464.86	124,562.08	-	124,562.08
Commodities	6,506.22	7,580.15	201,062.00	(193,481.85)
Capital Outlay	24,886.66	884.00	-	884.00
Debt Service				
Finance Lease	5,819.07	5,919.01	5,919.00	0.01
Operating Transfers to:				
Wastewater Improvement Project Fund	33,268.11	-	-	-
General Obligation				
Bond and Interest Fund	151,900.00	307,908.00	236,000.00	71,908.00
Total Expenditures	492,201.05	630,747.09	\$ 641,981.00	\$ (11,233.91)
Receipts Over(Under) Expenditures	(6,729.80)	(143,599.29)		
Unencumbered Cash, Beginning	236,687.70	229,957.90		
Unencumbered Cash, Ending	<u>\$ 229,957.90</u>	<u>\$ 86,358.61</u>		

CITY OF CANEY, KANSAS
SEWER TREATMENT REPLACEMENT FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Wastewater Charges	\$ 7,724.33	\$ 7,696.63	\$ -	\$ 7,696.63
Total Receipts	7,724.33	7,696.63	\$ -	\$ 7,696.63
Expenditures				
General Government				
Capital Outlay	-	-	\$ -	\$ -
Total Expenditures	-	-	\$ -	\$ -
Receipts Over(Under) Expenditures	7,724.33	7,696.63		
Unencumbered Cash, Beginning	16,768.45	24,492.78		
Unencumbered Cash, Ending	\$ 24,492.78	\$ 32,189.41		

CITY OF CANEY, KANSAS
SEWER PRINCIPAL 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 Transfer from Sewer Utility Fund	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Debt Service		
Principal	19,838.54	-
Interest	279.72	-
Commission and Postage	24.86	-
Residual Transfer to General Obligation Bond and Interest Fund	44,780.10	-
Total Expenditures	64,923.22	-
Receipts Over(Under) Expenditures	(64,923.22)	-
Unencumbered Cash, Beginning	64,923.22	-
Unencumbered Cash, Ending	\$ -	\$ -

CITY OF CANEY, KANSAS
SOLID WASTE UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Collections	\$ 238,518.18	\$ 254,412.35	\$ 280,000.00	\$ (25,587.65)
Total Receipts	238,518.18	254,412.35	\$ 280,000.00	\$ (25,587.65)
Expenditures				
Generation and Distribution				
Personal Services	25,465.02	33,765.67	\$ 38,000.00	\$ (4,234.33)
Contractual Services	201,029.51	214,247.95	225,000.00	(10,752.05)
Commodities	613.06	-	8,000.00	(8,000.00)
Total Expenditures	227,107.59	248,013.62	\$ 271,000.00	\$ (22,986.38)
Receipts Over(Under) Expenditures	11,410.59	6,398.73		
Unencumbered Cash, Beginning	78,838.36	90,248.95		
Unencumbered Cash, Ending	\$ 90,248.95	\$ 96,647.68		

CITY OF CANEY, KANSAS
GROCERY STORE UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Retail Sales	\$ 1,026,947.56	\$ 1,513,406.78	\$ 1,648,515.00	\$ (135,108.22)
Other Receipts				
Miscellaneous	45.92	16,973.99	-	16,973.99
Operating Transfers from				
Water Utility Fund	-	50,000.00	-	50,000.00
Residual Transfer from				
Capital Project Fund	448,036.03	-	-	-
Total Receipts	<u>1,475,029.51</u>	<u>1,580,380.77</u>	<u>\$ 1,648,515.00</u>	<u>\$ (68,134.23)</u>
Expenditures				
General Government				
Personal Services	275,044.68	312,422.61	\$ 312,300.00	\$ 122.61
Contractual Services	119,247.26	97,322.40	-	97,322.40
Commodities	970,601.33	1,275,326.07	1,446,438.00	(171,111.93)
Total Expenditures	<u>1,364,893.27</u>	<u>1,685,071.08</u>	<u>\$ 1,758,738.00</u>	<u>\$ (73,666.92)</u>
Receipts Over(Under) Expenditures	110,136.24	(104,690.31)		
Unencumbered Cash, Beginning	<u>86.79</u>	<u>110,223.03</u>		
Unencumbered Cash, Ending	<u>\$ 110,223.03</u>	<u>\$ 5,532.72</u>		

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

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Special Law Enforcement	\$ 2,138.24	\$ -	\$ -	\$ 2,138.24
	<u>\$ 2,138.24</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,138.24</u>

CITY OF CANEY, 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>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>					
Passed through the Kansas Department of Commerce					
Community Development Block Grant - Wastewater Improvements	19-PF-012	14.228	\$ -	\$ 6,250.00	\$ 6,250.00
Total U.S. Department of Housing and Urban Development			-	6,250.00	6,250.00
<u>U.S. DEPARTMENT OF AGRICULTURE</u>					
Direct Grant					
Water and Waste Disposal Systems for Rural Communities - Loan	N/A	10.760	-	1,245,000.00	1,245,000.00
Water and Waste Disposal Systems for Rural Communities - Grant	N/A	10.760	-	909,583.03	512,204.48
		Total 10.760	-	2,154,583.03	1,757,204.48
Community Facilities Loans and Grants Cluster					
Community Facilities Loans and Grants	N/A	10.766	-	-	26,300.00
Total U.S. Department of Agriculture			-	2,154,583.03	1,783,504.48
<u>U.S. DEPARTMENT OF THE TREASURY</u>					
Passed through Montgomery County, Kansas					
Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) - COVID-19	Not Assigned	21.027	-	336,722.95	72,059.00
Passed through the State of Kansas, Department of Administration					
Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) - COVID-19	Not Assigned	21.027	-	150,167.41	-
		Total 21.027	-	486,890.36	72,059.00
Total U.S. Department of the Treasury			-	486,890.36	72,059.00
<u>U.S. DEPARTMENT OF JUSTICE</u>					
Passed through the Office of Kansas Attorney General					
Equitable Sharing Program	Not Assigned	16.922	-	500.00	800.00
Total U.S. Department of Justice			-	500.00	800.00

CITY OF CANEY, 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					
Passed through the Office of Kansas Department of Transportation					
Highway Safety Cluster					
State and Community Highway Safety - Click Step	PT-1343-22	20.600	\$ -	\$ 58.06	\$ 58.06
State and Community Highway Safety - Click Step	PT-1343-23	20.600	-	1,922.63	3,085.53
State and Community Highway Safety	SP-1300-23	20.600	-	-	1,000.00
		Total 20.600	-	1,980.69	4,143.59
Total U.S. Department of Transportation			-	1,980.69	4,143.59
TOTAL FEDERAL AWARDS			\$ -	\$ 2,650,204.08	\$ 1,866,757.07

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 Caney, Kansas did not elect to use the 10% de minimis cost rate.

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Mayor and City Council
City of Caney, 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 Caney, 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 Caney, Kansas' basic financial statement, and have issued our report thereon dated June 23, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the City of Caney, 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 Caney, Kansas' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Caney, 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 Caney, 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 23, 2023

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Mayor and City Council
City of Caney, Kansas

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

We have audited the City of Caney, 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 Caney, Kansas' major federal programs for the year ended December 31, 2022. The City of Caney, 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 Caney, 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 Caney, 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 Caney, 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 Caney, 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 Caney, 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 Caney, 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 Caney, 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 Caney, 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 Caney, 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 23, 2023

CITY OF CANEY, KANSAS

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

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statement:

The auditors' report expresses an adverse opinion in accordance with generally accepted accounting principles, on the financial statement of City of Caney, Kansas and an unmodified opinion on the regulatory basis of accounting.

Internal Control over Financial Reporting:

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

Federal Awards:

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

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

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

U.S. DEPARTMENT OF AGRICULTURE

Water and Waste Disposal Systems for Rural Communities – CFDA No. 10.760

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

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

None

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

CITY OF CANEY, KANSAS

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

None