



*Certified Public Accountants*

# CITY OF DE SOTO, KANSAS

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FINANCIAL STATEMENT  
YEAR ENDED DECEMBER 31, 2024

CITY OF DE SOTO, KANSAS  
 FINANCIAL STATEMENT  
 REGULATORY BASIS  
 Year Ended December 31, 2024

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## INDEPENDENT AUDITORS' REPORT

Mayor and City Council  
City of De Soto, 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 De Soto, Kansas (the City) as of and for the year ended December 31, 2024 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 as of December 31, 2024, 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 as of December 31, 2024, 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 2.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditors' 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 2 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 2 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 2; 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 within one year after the date that the financial statement is issued or available to be issued.

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

In performing an audit in accordance with GAAS, we:

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

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

## Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (the financial statement) as a whole. The schedules listed under supplementary information in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the 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 financial statement as a whole, on the basis of accounting described in Note 2.

BT& Co., P.A.

April 10, 2025  
Topeka, Kansas

CITY OF DE SOTO, KANSAS  
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH - REGULATORY BASIS  
Year Ended December 31, 2024

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General fund	\$ 5,309,831	\$ -	\$ 12,136,596	\$ 8,952,064	\$ 8,494,363	\$ 222,027	\$ 8,716,390
Special purpose funds:							
Law enforcement	54,851	-	731,147	737,290	48,708	183,645	232,353
Special highway	47,130	-	176,946	200,000	24,076	-	24,076
Special parks and recreation	122,904	-	82,633	59,221	146,316	6,121	152,437
Transient guest tax	40,523	-	47,602	32,000	56,125	-	56,125
Sponsorship	40,403	-	375	777	40,001	-	40,001
Water development fee	148,576	-	85,050	42,828	190,798	14,714	205,512
Sewer development fee	37,023	-	60,225	67,827	29,421	14,714	44,135
Electric utility investment	1,679,586	-	235,077	114,092	1,800,571	-	1,800,571
Enhancement community fountain	36	-	-	-	36	-	36
Commerce Drive (Harps) tax increment	63,842	-	227,024	227,873	62,993	-	62,993
2019 Commerce Drive (Hike) TIF	805	-	133,571	134,103	273	-	273
Panasonic TIF	-	-	1,317	-	1,317	-	1,317
CDBG	-	-	90,000	90,000	-	-	-
Community center building maintenance	31,417	-	40,000	37,415	34,002	10,930	44,932
Aquatic center maintenance	4,412	-	30,000	27,364	7,048	6,883	13,931
Technology	11,087	-	172,000	136,770	46,317	5,794	52,111
Public art	5,297	-	25,000	21,200	9,097	10,000	19,097
Property tax relief	-	-	25,000	24,354	646	-	646
Park maintenance	7,339	-	35,000	18,248	24,091	-	24,091
Bond and interest fund	1,883,791	-	2,537,103	2,078,273	2,342,621	-	2,342,621
Capital project fund:							
Capital improvements	62,678,029	-	55,480,751	61,981,821	56,176,959	2,268,488	58,445,447
Business funds:							
Water system	644,936	-	2,468,952	2,583,216	530,672	52,761	583,433
Sewer system	307,275	-	853,459	861,309	299,425	22,448	321,873
Refuse system	41,735	-	687,941	655,919	73,757	489	74,246
Shop	990	-	158,081	158,530	541	3,268	3,809
Trust fund:							
Shughart trust	20,335	-	858	-	21,193	-	21,193
Total reporting entity (excluding agency fund)	<u>\$ 73,182,153</u>	<u>\$ -</u>	<u>\$ 76,521,708</u>	<u>\$ 79,242,494</u>	<u>\$ 70,461,367</u>	<u>\$ 2,822,282</u>	<u>\$ 73,283,649</u>

Composition of cash

Great American Bank:	
Checking accounts	\$ (3,796,168)
ICS (insured cash sweep)	2,713,880
Savings	2,502,466
Certificates of deposit	1,742,000
Tri-Century Bank:	
Checking accounts	30,378
ICS (insured cash sweep)	6,078,469
Schwab:	
Panasonic	54,893,290
Capital bonds	9,162,849
Trail project	44
Kansas Municipal Investment Pool	15
Total cash	<u>73,327,223</u>
Agency funds per Schedule 4	<u>(43,574)</u>
Total reporting entity (excluding agency fund)	<u>\$ 73,283,649</u>

See accompanying notes to financial statement.

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
December 31, 2024

1 - Municipal Financial Reporting Entity

The City of De Soto, Kansas (the City) is a municipal corporation governed by a mayor and five-member council. The financial statement presents the City as the primary government. The City has no related municipal entities.

2 - Summary of Significant Accounting Policies

(a) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis 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 City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

(b) 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 regulatory basis fund types comprise the financial activities of the City for the year ended December 31, 2024:

General Fund is used to account for the general operations of the City and is used to account for all unrestricted resources except those required to be accounted for in other funds.

Special Purpose Funds are used to account for the proceeds of specific tax levies and other specific revenue sources (other than major capital projects and tax levies for long-term debt) that are intended for specified purposes.

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

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

Business Funds are financed in whole or in part by fees charged to users of the goods or services.

Trust Funds are used to report assets held in trust for the benefit of the City.

Agency Funds are used to report assets held by the City in a purely custodial capacity.

(c) 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), the bond and interest fund, 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 1<sup>st</sup>.
2. Publication in local newspaper on or before August 5<sup>th</sup> of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25<sup>th</sup>.

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget is adjusted to on or before September 20<sup>th</sup>. The City held a revenue neutral rate hearing for the year ended December 31, 2024.

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. The City had budget amendments for the Law Enforcement Fund, Water System Fund, and Sewer System Fund for the year ended December 31, 2024.

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 statements are presented for each budgeted 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. 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.

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

A legal operating budget is not required for capital project funds, trust funds, agency funds, the Shop Fund, or the following special purpose funds: Electric Utility Investment, Enhancement Community Fountain, Commerce Drive (Harps) Tax Increment, Panasonic TIF, 2019 Commerce Drive (Hike) TIF, and CDBG.

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

(d) Annual Personal and Sick Leave Benefits

Under the terms of the City's personnel policy, City employees are granted annual personal and sick leave in varying amounts.

Full-time employees accrue vacation each year at the following rates:

One to four years of service	10 days
Five to nine years of service	15 days
10 to 14 years of service	20 days
15 to 19 years of service	25 days
20 or more years of service	30 days

Employees cannot carry over more than one half of the annual entitlement for the year in which it was earned. Upon termination or resignation, employees are compensated for unused vacation time, up to a maximum of the yearly amount of vacation time earned.

(e) Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase.

(f) Use of Estimates

The preparation of the financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

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 or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(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 (KMIP). The City has no investment policy that would further limit its investment choices.

The City may invest bond proceeds pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 12-1675 or include other investments such as the KMIP, direct obligations of the U.S. government or any agency thereof, and various other investments as specified in K.S.A. 10-131.

At December 31, 2024, the City had the following investments and maturities:

Investment Type	Cost	Investment Maturities (in Years)		Rating
		Less than a year	1 - 2 years	
Kansas Municipal Investment Pool	\$ 15	\$ 15	\$ -	N/A
U.S. government securities	64,004,534	63,004,001	1,000,533	Aa+
Total investments	<u>\$ 64,004,549</u>	<u>\$ 63,004,016</u>	<u>\$ 1,000,533</u>	

*Concentration of credit risk.* State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City’s allocation of investments as of December 31, 2024, is as follows:

Investment Type	Percentage of Investments
Kansas Municipal Investment Pool	0.00%
U.S. government securities	100.00%

*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. Kansas 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.

At December 31, 2024, the City’s carrying amount of deposits was \$ 9,322,674, and the bank balance was \$ 15,275,898. The City’s deposits were held by three banks resulting in a concentration of credit risk. Of the City’s bank balance, \$ 6,630,118 was covered by federal depository insurance, \$ 7,500,000 was collateralized with securities held by the pledging financial institutions’ agents in the City’s name, and the remaining \$ 1,145,780 was not secured.

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. At December 31, 2024, the City’s investments were not exposed to custodial credit risk.

At December 31, 2024, the City had invested \$ 15 in the State’s municipal investment pool (KMIP). KMIP is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

4 - Defined Benefit Pension Plan

General Information about the Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.26% for the fiscal year ended December 31, 2024. Contributions to the pension plan from the City were \$ 348,404 for the year ended December 31, 2024.

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Net Pension Liability

At December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was \$ 3,409,325. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

5 - Long-Term Debt

Changes in long-term debt for the City for the year ended December 31, 2024 were as follows:

Issue	Interest Rates	Date of Issue	Date of Final Maturity	Original Amount Issued	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General obligation bonds:									
Series 2015-A	2.00% - 4.00%	7/24/2015	9/1/2045	\$ 9,635,000	\$ 6,085,000	\$ -	\$ 480,000	\$ 5,605,000	\$ 199,988
Series 2015-B	0.85% - 4.00%	7/31/2015	9/1/2035	1,765,000	1,145,000	-	85,000	1,060,000	38,775
Series 2017-A	2.50% - 3.50%	9/28/2017	9/1/2039	2,285,000	1,815,000	-	110,000	1,705,000	56,813
Series 2019-A	3.00% - 4.00%	4/11/2019	9/1/2039	945,000	800,000	-	40,000	760,000	25,200
Series 2019-B	3.00% - 4.00%	6/27/2019	9/1/2039	975,000	835,000	-	40,000	795,000	26,300
Series 2021-A	2.00%	7/22/2021	9/1/2043	7,015,000	5,950,000	-	335,000	5,615,000	119,000
Series 2022-A	4.00% - 5.00%	12/15/2022	9/1/2052	13,375,000	6,590,000	-	-	6,590,000	276,668
Series 2022-B	4.00%	12/15/2022	9/1/2044	2,400,000	2,400,000	-	-	2,400,000	96,000
Series 2023-A	3.70%	7/26/2023	9/1/2033	1,220,000	1,220,000	-	100,000	1,120,000	49,529
Total general obligation bonds					26,840,000	-	1,190,000	25,650,000	888,273
Finance leases:									
2022 LP SD Trailer LP800	0.00%	3/1/2022	3/1/2027	84,985	53,825	-	16,997	36,828	-
2022 Chevy Traverse	0.00%	2/2/2022	2/2/2024	16,659	693	-	693	-	-
2023 F-150 Lightning	0.00%	12/27/2023	12/31/2028	57,830	57,830	-	11,566	46,264	-
2023 Chevy Silverado	0.00%	8/1/2023	7/30/2028	52,840	49,317	-	10,568	38,749	-
2023 John Deere Loader	0.00%	2/23/2028	2/23/2028	136,837	109,470	-	27,367	82,103	-
2023 Chevy Silverado 3500 Flatbed Truck	0.00%	3/27/2023	3/27/2028	62,129	52,810	-	12,426	40,384	-
2023 Bobcat E42 Mini Excavator	0.00%	5/1/2023	5/1/2028	65,039	56,367	-	13,008	43,359	-
2023 Chevy Silverado 2500	0.00%	8/29/2023	8/28/2028	64,574	60,269	-	12,915	47,354	-
2023 Silverado 3500HD Chassis	0.00%	6/20/2023	6/19/2028	75,683	66,854	-	15,136	51,718	-
2023 Bobcat Skid Steer	0.00%	8/15/2023	8/15/2026	54,562	46,984	-	18,187	28,797	-
2023 Kubota RTV	0.00%	7/1/2023	7/7/2027	25,099	22,485	-	6,275	16,210	-
2025 Chevy Travers	0.00%	8/30/2025	8/30/2025	37,981	-	37,981	2,532	35,449	-
2024 Case Compaction	0.00%	7/15/2024	7/15/2029	74,178	-	74,178	14,836	59,342	-
2024 Kubota Tractor	0.00%	4/5/2024	4/5/2028	31,850	-	31,850	5,972	25,878	-
2024 Kubota Mower	0.00%	11/18/2024	11/18/2027	12,964	-	12,964	720	12,244	-
2024 John Deere Backhoe Loader	5.85%	4/29/2024	5/29/2029	183,962	-	183,962	30,669	153,293	-
2023 Case Forklift	0.00%	6/10/2024	6/10/2029	55,510	-	55,510	11,102	44,408	-
Budgeting Software	0.00%	7/14/2023	7/13/2028	142,503	110,878	-	25,725	85,153	-
Total finance leases					687,782	396,445	236,694	847,533	-
Total contractual indebtedness					\$ 27,527,782	\$ 396,445	\$ 1,426,694	\$ 26,497,533	\$ 888,273

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

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

	2025	2026	2027	2028	2029	2030-2034	2035-2039	2040-2044	2045-2049	2050-2054	Total
General obligation bonds:											
Principal:											
Series 2015-A	\$ 490,000	\$ 495,000	\$ 505,000	\$ 510,000	\$ 515,000	\$ 1,620,000	\$ 540,000	\$ 760,000	\$ 170,000	\$ -	\$ 5,605,000
Series 2015-B	85,000	90,000	90,000	95,000	100,000	505,000	95,000	-	-	-	1,060,000
Series 2017-A	115,000	180,000	185,000	190,000	195,000	455,000	385,000	-	-	-	1,705,000
Series 2019-A	40,000	40,000	45,000	45,000	45,000	255,000	290,000	-	-	-	760,000
Series 2019-B	40,000	45,000	45,000	45,000	50,000	265,000	305,000	-	-	-	795,000
Series 2021-A	325,000	255,000	230,000	205,000	165,000	2,125,000	2,060,000	250,000	-	-	5,615,000
Series 2022-A	-	-	-	-	-	-	-	315,000	3,680,000	2,595,000	6,590,000
Series 2022-B	-	-	-	-	-	-	135,000	2,265,000	-	-	2,400,000
Series 2023-A	110,000	110,000	110,000	120,000	125,000	545,000	-	-	-	-	1,120,000
Total principal	1,205,000	1,215,000	1,210,000	1,210,000	1,195,000	5,770,000	3,810,000	3,590,000	3,850,000	2,595,000	25,650,000
Interest:											
Series 2015-A	185,588	170,888	156,038	140,888	125,588	394,790	247,782	123,632	6,588	-	1,551,782
Series 2015-B	36,225	33,675	30,975	28,275	25,425	75,400	3,800	-	-	-	233,775
Series 2017-A	53,512	50,062	45,562	40,938	35,238	105,726	40,952	-	-	-	371,990
Series 2019-A	23,600	22,000	20,400	19,050	17,700	66,750	26,550	-	-	-	196,050
Series 2019-B	24,700	23,100	21,300	19,950	18,600	70,050	28,200	-	-	-	205,900
Series 2021-A	112,300	105,800	100,700	96,100	92,000	386,100	125,800	10,600	-	-	1,029,400
Series 2022-A	276,669	276,669	276,669	276,669	276,669	1,383,344	1,383,344	1,383,344	1,036,587	240,600	6,810,564
Series 2022-B	96,000	96,000	96,000	96,000	96,000	480,000	480,000	288,000	-	-	1,728,000
Series 2023-A	41,440	37,370	33,300	29,230	24,790	51,245	-	-	-	-	217,375
Total interest	850,034	815,564	780,944	747,100	712,010	3,013,405	2,336,428	1,805,576	1,043,175	240,600	12,344,836
Total principal and interest	2,055,034	2,030,564	1,990,944	1,957,100	1,907,010	8,783,405	6,146,428	5,395,576	4,893,175	2,835,600	37,994,836
Finance leases:											
Principal:											
2022 LP SD Trailer LP800	16,997	16,997	2,834	-	-	-	-	-	-	-	36,828
2023 F-150 Lightning	11,566	11,566	11,566	11,566	-	-	-	-	-	-	46,264
2023 Chevy Silverado	10,568	10,568	10,568	7,045	-	-	-	-	-	-	38,749
2023 John Deere Loader	27,367	27,368	27,368	-	-	-	-	-	-	-	82,103
2023 Chevy Silverado 3500 Flatbed Truck	12,426	12,426	12,426	3,106	-	-	-	-	-	-	40,384
2023 Bobcat E42 Mini Excavator	13,008	13,008	13,008	4,335	-	-	-	-	-	-	43,359
2023 Chevy Silverado 2500	12,915	12,915	12,915	8,609	-	-	-	-	-	-	47,354
2023 Silverado 3500HD Chassis	15,136	15,136	15,136	6,310	-	-	-	-	-	-	51,718
2023 Bobcat Skid Steer	18,187	10,610	-	-	-	-	-	-	-	-	28,797
2023 Kubota RTV	6,275	6,275	3,660	-	-	-	-	-	-	-	16,210
2025 Chevy Traverse	7,596	7,596	7,596	7,596	5,065	-	-	-	-	-	35,449
2024 Case Compaction	14,836	14,836	14,836	14,834	-	-	-	-	-	-	59,342
2024 Kubota Tractor	7,963	7,963	7,963	1,989	-	-	-	-	-	-	25,878
2024 Kubota Mower	4,321	4,321	3,602	-	-	-	-	-	-	-	12,244
2024 John Deere Backhoe Loader	21,457	22,746	24,113	25,562	59,415	-	-	-	-	-	153,293
2023 Case Forklift	11,102	11,102	11,102	11,102	-	-	-	-	-	-	44,408
Budgeting Software	27,011	28,362	29,780	-	-	-	-	-	-	-	85,153
Total principal	238,731	233,795	208,473	102,054	64,480	-	-	-	-	-	847,533
Interest:											
2024 John Deere Backhoe Loader	9,213	7,923	6,557	5,107	3,571	-	-	-	-	-	32,371
Total principal and interest	247,944	241,718	215,030	107,161	68,051	-	-	-	-	-	879,904
Total contractual indebtedness	\$ 2,302,978	\$ 2,272,282	\$ 2,205,974	\$ 2,064,261	\$ 1,975,061	\$ 8,783,405	\$ 6,146,428	\$ 5,395,576	\$ 4,893,175	\$ 2,835,600	\$ 38,874,740

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Defeased Debt

During the year ended December 31, 2023, the City defeased certain general obligation bonds by placing the proceeds of funds provided by Panasonic pursuant to a development funding agreement in an irrevocable trust to provide for future debt service payments on the Series 2022-A bonds. Accordingly, the trust accounts assets are not included in the City’s financial statement and the outstanding balance disclosed in the notes to the financial statement is adjusted for the amount defeased. At December 31, 2024, \$ 6,785,000 of the bonds that are considered defeased remain outstanding.

Conduit Debt

*Tax Increment Revenue Bonds*

During the year ended December 31, 2018, the City issued \$ 2,161,559 in Series 2018 special obligation tax increment revenue bonds for the Commerce Drive Project. This redevelopment project supports the development of a commercial grocery store site on land in the Commerce Drive TIF District.

This debt is to be paid solely from incremental property tax revenues generated by the private development of the Commerce Drive TIF District. The following is a description of the outstanding special obligation bond as of December 31, 2024:

Bond Issue	Interest Rate	Date Issued	Original Issue Amount	Final Maturity	Outstanding Balance
Series 2018 (Commerce Drive Project)	5.00%	2/16/2018	\$ 2,161,559	12/30/2036	\$ 1,297,559

*Industrial Revenue Bonds*

The City has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the City, the State of Kansas, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. As of December 31, 2024, there were eleven series of industrial revenue bonds outstanding with an aggregate principal amount payable of \$ 117,697,277.

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

6 - Interfund Transfers

A reconciliation of transfers by fund for the year ending December 31, 2024 is as follows:

From	To	Regulatory Authority	Amount
General	Law Enforcement	KSA 12-1118	\$ 50,000
General	Capital Improvement	KSA 12-1118	25,000
General	Technology	KSA 12-1118	138,000
General	Property Tax Relief	KSA 12-1118	25,000
General	Public Art	KSA 12-1118	25,000
General	Community Center Building Maintenance	KSA 12-1118	40,000
General	Park Maintenance	KSA 12-1118	35,000
General	Aquatic Center Maintenance	KSA 12-1118	30,000
General	IRB	KSA 12-101	100,000
Special Highway	Bond and Interest	Bond Ordinance 2168	25,000
Special Highway	Capital Improvement	KSA 12-1118	175,000
Special Parks and Recreation	Capital Improvement	KSA 12-1118	45,000
CDBG	Capital Improvement	KSA 12-1118	90,000
Water Development Fee	Bond and Interest	KSA 12-825d	20,000
Sewer Development Fee	Bond and Interest	KSA 12-825d	45,000
Capital Improvement	Bond and Interest	KSA 12-1118	35,000
Water System	Technology	KSA 12-1118	20,500
Water System	Water Development Fee	KSA 12-1118	45,000
Water System	Sewer System	KSA 12-825d	30,000
Water System	Bond and Interest	KSA 12-825d	200,000
Sewer System	Technology	KSA 12-1118	13,500
Sewer System	Sewer Development Fee	KSA 12-1118	10,000
Sewer System	Bond and Interest	KSA 12-825d	30,000
Electric Utility Investment	Capital Improvement	KSA 79-2934	114,092

7 - Other Long-Term Obligations

Other Post-Employment Benefits

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Reimbursement 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, 2024.

Deferred Compensation Plan

The City sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the 457(b) plan. The employee is responsible for the amount of deferred compensation to be contributed. The City is not required to make any contributions for the plan except as outlined in employment contracts.

8 - Capital Projects

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

Project Name	Project Authorization	Expenditures to Date
Water Treatment Plant Upgrades	\$ 49,245,298	\$ 31,958,207
Wastewater Treatment Plant Upgrades	52,871,474	17,807,951
Water Tower Construction	7,251,929	3,037,246
City Hall Remodel	3,766,666	455,247
Wells Project	3,602,285	3,134,873
83rd Street Bridge	400,023	359,568
Riverfest Park Soccer Field	62,800	48,000
Weather Warning Siren	41,960	-
Waverly Road Recreation Path	275,000	-

9 - Lease Agreement

The City continues to operate the water treatment plant at the former Sunflower Army Ammunition Plant, now owned by private developer Sunflower Redevelopment, LLC. The City's use is pursuant to a perpetual lease agreement dated July 29, 2005. Pursuant to a Real Estate Transfer Agreement dated July 29, 2005 between the City and Sunflower Redevelopment, LLC, the City will receive fee title interest to the treatment plant as soon as the land receives a CERCLA Covenant pursuant to 42 U.S.C. § 9620(h)(3)(A)(ii). The City initiated improvements to the water treatment plant site in 2010; the improvements included a back-up electrical generator, the installation of new electrical service to the plant, and a new water main leading from the plant to the City's distribution system. Construction was completed in 2011. The City, in conjunction with the City of Baldwin, the City of Wellsville, and the Douglas County Rural Water District #4, completed a broader water facilities study in 2012. The study

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

evaluated the concept and costs of creating a regional wholesale water supply district. Proceeding with the creation of a regional wholesale water supply district does not appear feasible at the present time due to the City of Baldwin deciding not to participate.

10 - Interfund Balances

The Electric Utility Investment Fund has advanced money to the General Fund and Water System Fund for the purchase of equipment in the amount of \$ 496,174. During the year ended December 31, 2024, the General Fund and Water System Fund paid the Electric Utility Investment Fund \$ 89,613 and \$ 12,912, respectively, for repayment of the advances. The balance of the advances remaining at December 31, 2024 was \$ 176,351.

11 - Commitments and Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement as of December 31, 2024.

In July of 2022, the Kansas governor announced that Panasonic has selected the City as the site of a new \$ 4.0 billion, 4 million square foot Li-Ion battery manufacturing plant which will employ 4,000 people. The City is poised to experience a rapid transformation with this development, which is the biggest economic development project in state history. A study performed by Wichita State estimates that the region will see an annual impact of \$ 2.5 billion from the facility. Production of the batteries is expected to begin in 2025. The plant is expected to bring secondary business and demand for additional housing, retail, and service providers to the City and the region. In addition, the construction of the Panasonic facility is currently employing approximately 3,500 construction workers. Retail sales activity in the City has increased substantially since the 3<sup>rd</sup> quarter of 2023. The City also recently approved redevelopment of an industrial and manufacturing area adjacent to the Panasonic site that is expected to consist of up to 4.7 million square feet of space.

During 2023, the City entered into a development funding agreement with Panasonic to fund the City's Water Treatment Plant Upgrades, Wastewater Treatment Plant Upgrades, a new water tower, and a new fire station. The agreement stipulates a total maximum cost of \$ 123,000,000. As part of this agreement, Panasonic has advanced funds to the City as of December 31, 2024 of \$ 112,572,517 to be used to fund these projects. Additionally, as part of the agreement, Panasonic paid for a partial defeasance of 2022-A General Obligation Bonds which were to be utilized to pay for this project.

CITY OF DE SOTO, KANSAS  
NOTES TO FINANCIAL STATEMENT  
(Continued)

12 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which it carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have not been significant reductions in coverage from prior years.

SUPPLEMENTARY INFORMATION

CITY OF DE SOTO, KANSAS  
SUMMARY OF EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(BUDGETED FUNDS ONLY)  
Year Ended December 31, 2024

Fund	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General fund	\$ 16,071,950	\$ -	\$ 16,071,950	\$ 8,952,064	\$ (7,119,886)
Special purpose funds:					
Law enforcement	764,000	-	764,000	737,290	(26,710)
Special highway	200,000	-	200,000	200,000	-
Special parks and recreation	70,000	-	70,000	59,221	(10,779)
Transient guest tax	36,000	-	36,000	32,000	(4,000)
Sponsorship	11,000	-	11,000	777	(10,223)
Water development fee	85,000	-	85,000	42,828	(42,172)
Sewer development fee	80,000	-	80,000	67,827	(12,173)
Community center building maintenance	38,000	-	38,000	37,415	(585)
Aquatic center maintenance	38,000	-	38,000	27,364	(10,636)
Technology	172,400	-	172,400	136,770	(35,630)
Public art	25,000	-	25,000	21,200	(3,800)
Property tax relief	25,000	-	25,000	24,354	(646)
Park maintenance	35,000	-	35,000	18,248	(16,752)
Bond and interest fund	15,407,882	-	15,407,882	2,078,273	(13,329,609)
Business funds:					
Water system	2,600,030	-	2,600,030	2,583,216	(16,814)
Sewer system	869,425	-	869,425	861,309	(8,116)
Refuse system	720,000	-	720,000	655,919	(64,081)
Totals	<u>\$ 37,248,687</u>	<u>\$ -</u>	<u>\$ 37,248,687</u>	<u>\$ 16,536,075</u>	

CITY OF DE SOTO, KANSAS  
GENERAL FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Receipts and transfers:			
Property taxes	\$ 1,659,436	\$ 1,605,883	\$ (53,553)
Sales and use taxes	2,562,398	3,623,742	1,061,344
Licenses and permits	1,770,450	1,338,033	(432,417)
Franchise fee	900,000	806,756	(93,244)
Charges for services	185,000	204,854	19,854
Use of money and property	89,000	74,540	(14,460)
Fines and fees	240,000	388,595	148,595
Miscellaneous	11,000	192,254	181,254
Interest income	20,000	3,901,939	3,881,939
Transfers in	17,559	-	(17,559)
	\$ 7,454,843	12,136,596	\$ 4,681,753
Total receipts and transfers			
Expenditures, encumbrances, and transfers:			
Personal services	\$ 3,866,575	3,818,324	\$ (48,251)
Contractual services	1,764,075	2,967,237	1,203,162
Commodities	532,015	547,660	15,645
Capital outlay	3,152,185	1,061,230	(2,090,955)
Electric utility loan repayment	-	89,613	89,613
Reserve	6,439,100	-	(6,439,100)
Transfers out	318,000	468,000	150,000
	\$ 16,071,950	8,952,064	\$ (7,119,886)
Total expenditures, encumbrances, and transfers			
Receipts and transfers over expenditures, and transfers		3,184,532	
Unencumbered cash, beginning		5,309,831	
Unencumbered cash, ending		\$ 8,494,363	

(Continued)

CITY OF DE SOTO, KANSAS  
LAW ENFORCEMENT FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS

(Continued)

Year Ended December 31, 2024

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Receipts and transfers:				
Property taxes	\$ 658,788	\$ 691,884	\$ 681,147	\$ (10,737)
Astra CID Payment	25,000	25,000	-	(25,000)
Transfers in	-	50,000	50,000	-
	<u>\$ 683,788</u>	<u>\$ 766,884</u>	<u>731,147</u>	<u>\$ (35,737)</u>
Expenditures and encumbrances:				
Contractual services	\$ 746,000	\$ 760,000	737,290	\$ (22,710)
Contingency	4,000	4,000	-	(4,000)
	<u>\$ 750,000</u>	<u>\$ 764,000</u>	<u>737,290</u>	<u>\$ (26,710)</u>
Receipts and transfers under expenditures and encumbrances			(6,143)	
Unencumbered cash, beginning			54,851	
Unencumbered cash, ending			\$ 48,708	

(Continued)

CITY OF DE SOTO, KANSAS  
SPECIAL HIGHWAY FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Intergovernmental	\$ 176,200	\$ 176,946	\$ 746
Transfers:			
Transfers out	\$ 200,000	200,000	\$ -
Receipts under transfers		(23,054)	
Unencumbered cash, beginning		47,130	
Unencumbered cash, ending		\$ 24,076	

(Continued)

CITY OF DE SOTO, KANSAS  
SPECIAL PARKS AND RECREATION FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Intergovernmental	\$ 32,398	\$ 31,874	\$ (524)
Charges for services	20,000	50,759	30,759
Total receipts	\$ 52,398	82,633	\$ 30,235
Expenditures, encumbrances, and transfers:			
Contractual services	\$ 20,000	14,221	\$ (5,779)
Transfers out	50,000	45,000	(5,000)
Total expenditures, encumbrances, and transfers	\$ 70,000	59,221	\$ (10,779)
Receipts over expenditures, encumbrances, and transfers		23,412	
Unencumbered cash, beginning		122,904	
Unencumbered cash, ending		\$ 146,316	

(Continued)

CITY OF DE SOTO, KANSAS  
TRANSIENT GUEST TAX FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Intergovernmental	\$ 32,000	\$ 47,602	\$ 15,602
Expenditures:			
Contractual services	\$ 36,000	32,000	\$ (4,000)
Receipts over expenditures		15,602	
Unencumbered cash, beginning		40,523	
Unencumbered cash, ending		\$ 56,125	

(Continued)

CITY OF DE SOTO, KANSAS  
SPONSORSHIP FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Charges for services	\$ 6,500	\$ 375	\$ (6,125)
Expenditures:			
Commodities	\$ 11,000	777	\$ (10,223)
Receipts under expenditures		(402)	
Unencumbered cash, beginning		40,403	
Unencumbered cash, ending		\$ 40,001	

(Continued)

CITY OF DE SOTO, KANSAS  
WATER DEVELOPMENT FEE FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS

(Continued)

Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Receipts and transfers:			
Charges for services	\$ 27,000	\$ 40,050	\$ 13,050
Transfers in	45,000	45,000	-
Total receipts and transfers	\$ 72,000	85,050	\$ 13,050
Expenditures, encumbrances, and transfers:			
Capital outlay	\$ 65,000	22,828	\$ (42,172)
Transfers out	20,000	20,000	-
Total expenditures, encumbrances, and transfers	\$ 85,000	42,828	\$ (42,172)
Receipts and transfers over expenditures, encumbrances, and transfers		42,222	
Unencumbered cash, beginning		148,576	
Unencumbered cash, ending		\$ 190,798	

(Continued)

CITY OF DE SOTO, KANSAS  
SEWER DEVELOPMENT FEE FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Receipts and transfers:			
Charges for services	\$ 25,000	\$ 50,225	\$ 25,225
Transfers in	20,000	10,000	(10,000)
Total receipts and transfers	\$ 45,000	60,225	\$ 15,225
Expenditures, encumbrances, and transfers:			
Capital outlay	\$ 35,000	22,827	\$ (12,173)
Transfers out	45,000	45,000	-
Total expenditures, encumbrances, and transfers	\$ 80,000	67,827	\$ (12,173)
Receipts and transfers under expenditures, encumbrances, and transfers		(7,602)	
Unencumbered cash, beginning		37,023	
Unencumbered cash, ending		\$ 29,421	

(Continued)

CITY OF DE SOTO, KANSAS  
COMMUNITY CENTER BUILDING MAINTENANCE FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	\$ 40,000	\$ 40,000	\$ -
Expenditures and encumbrances:			
Commodities	\$ 38,000	-	\$ (38,000)
Capital outlay	-	37,415	37,415
Total expenditures and encumbrances	\$ 38,000	37,415	\$ (585)
Transfers over expenditures and encumbrances		2,585	
Unencumbered cash, beginning		31,417	
Unencumbered cash, ending		\$ 34,002	

(Continued)

CITY OF DE SOTO, KANSAS  
AQUATIC CENTER MAINTENANCE FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	\$ 40,000	\$ 30,000	\$ (10,000)
Expenditures and encumbrances:			
Capital outlay	\$ 38,000	27,364	\$ (10,636)
Transfers over expenditures and encumbrances		2,636	
Unencumbered cash, beginning		4,412	
Unencumbered cash, ending		\$ 7,048	

(Continued)

CITY OF DE SOTO, KANSAS  
TECHNOLOGY FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	\$ 172,000	\$ 172,000	\$ -
Expenditures and encumbrances:			
Commodities	\$ 122,700	90,884	\$ (31,816)
Contractual services	49,700	45,886	(3,814)
Total expenditures and encumbrances	\$ 172,400	136,770	\$ (35,630)
Transfers over expenditures and encumbrances		35,230	
Unencumbered cash, beginning		11,087	
Unencumbered cash, ending		\$ 46,317	

(Continued)

CITY OF DE SOTO, KANSAS  
PUBLIC ART FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	\$ 25,000	\$ 25,000	\$ -
Expenditures and encumbrances:			
Contractual services	\$ 25,000	21,200	\$ (3,800)
Transfers over expenditures and encumbrances		3,800	
Unencumbered cash, beginning		5,297	
Unencumbered cash, ending		\$ 9,097	

(Continued)

CITY OF DE SOTO, KANSAS  
PROPERTY TAX RELIEF FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	\$ 25,000	\$ 25,000	\$ -
Expenditures:			
Commodities	\$ 25,000	24,354	\$ (646)
Transfers over expenditures		646	
Unencumbered cash, beginning		-	
Unencumbered cash, ending		\$ 646	

(Continued)

CITY OF DE SOTO, KANSAS  
PARK MAINTENANCE FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Transfers:			
Transfers in	\$ 35,000	\$ 35,000	\$ -
Expenditures:			
Capital outlay	\$ 35,000	18,248	\$ (16,752)
Transfers over expenditures		16,752	
Unencumbered cash, beginning		7,339	
Unencumbered cash, ending		\$ 24,091	

(Continued)

CITY OF DE SOTO, KANSAS  
BOND AND INTEREST FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Receipts and transfers:			
Taxes	\$ 1,028,544	\$ 1,948,863	\$ 920,319
Interest income	50,000	233,240	183,240
Astra benefit district	12,000,000	-	(12,000,000)
Transfers in	440,000	355,000	(85,000)
Total receipts and transfers	\$ 13,518,544	2,537,103	\$(10,981,441)
Expenditures:			
Bond principal	\$ 896,570	1,190,000	\$ 293,430
Interest expense	1,318,207	888,273	(429,934)
Astra benefit district principal and interest	12,000,000	-	(12,000,000)
Reserve	1,193,105	-	(1,193,105)
Total expenditures	\$ 15,407,882	2,078,273	\$(13,329,609)
Receipts and transfers over expenditures		458,830	
Unencumbered cash, beginning		1,883,791	
Unencumbered cash, ending		\$ 2,342,621	

(Continued)

CITY OF DE SOTO, KANSAS  
WATER SYSTEM FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts:				
Charges for services	\$ 2,457,000	\$ 2,382,000	\$ 2,468,952	\$ 86,952
Expenditures, encumbrances, and transfers:				
Personal services	\$ 893,684	\$ 1,038,000	1,013,112	\$ (24,888)
Contractual services	468,300	559,618	502,449	(57,169)
Commodities	587,500	584,000	626,411	42,411
Capital outlay	160,616	122,912	132,832	9,920
Electric utility loan repayment	-	-	12,912	12,912
Transfers out	345,500	295,500	295,500	-
Total expenditures, encumbrances, and transfers	\$ 2,455,600	\$ 2,600,030	2,583,216	\$ (16,814)
Receipts under expenditures, encumbrances, and transfers			(114,264)	
Unencumbered cash, beginning			644,936	
Unencumbered cash, ending			\$ 530,672	

(Continued)

CITY OF DE SOTO, KANSAS  
SEWER SYSTEM FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Over (Under)
Receipts and transfers:				
Charges for services	\$ 750,500	\$ 837,500	\$ 814,652	\$ (22,848)
Miscellaneous	-	-	8,807	8,807
Transfers in	30,000	30,000	30,000	-
	<u>\$ 780,500</u>	<u>\$ 867,500</u>	<u>853,459</u>	<u>\$ (14,041)</u>
Total receipts and transfers				
Expenditures, encumbrances, and transfers:				
Personal services	\$ 325,570	\$ 356,225	359,560	\$ 3,335
Capital outlay	32,660	20,000	90,705	70,705
Contractual services	282,700	312,200	260,415	(51,785)
Commodities	100,000	127,500	97,129	(30,371)
Transfers out	116,059	53,500	53,500	-
	<u>\$ 856,989</u>	<u>\$ 869,425</u>	<u>861,309</u>	<u>\$ (8,116)</u>
Total expenditures, encumbrances, and transfers				
Receipts and transfers under expenditures, encumbrances, and transfers			(7,850)	
Unencumbered cash, beginning			307,275	
Unencumbered cash, ending			\$ 299,425	

(Continued)

CITY OF DE SOTO, KANSAS  
REFUSE SYSTEM FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - BUDGET AND ACTUAL  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

	Original and Final Budget	Actual	Variance Over (Under)
Receipts:			
Charges for services	\$ 727,000	\$ 687,941	\$ (39,059)
Expenditures and encumbrances:			
Contractual services	\$ 720,000	655,919	\$ (64,081)
Receipts over expenditures and encumbrances		32,022	
Unencumbered cash, beginning		41,735	
Unencumbered cash, ending		\$ 73,757	

CITY OF DE SOTO, KANSAS  
 ELECTRIC UTILITY INVESTMENT FUND\*  
 SCHEDULE OF RECEIPTS AND EXPENDITURES  
 REGULATORY BASIS  
 Year Ended December 31, 2024

Receipts:	
Interest income	\$ 114,092
Loan repayment	102,525
Miscellaneous	18,460
	<hr/>
Total receipts	235,077
Transfers:	
Transfers out	114,092
	<hr/>
Receipts over transfers	120,985
Unencumbered cash, beginning	1,679,586
	<hr/>
Unencumbered cash, ending	<u>\$ 1,800,571</u>

\* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS  
ENHANCEMENT COMMUNITY FOUNTAIN FUND\*  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

(Continued)

Year Ended December 31, 2024

Unencumbered cash, beginning	<u>\$</u> <u>36</u>
Unencumbered cash, ending	<u>\$</u> <u>36</u>

\* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS  
COMMERCE DRIVE (HARPS) TAX INCREMENT FUND\*  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

Receipts:	
Taxes	\$ 227,024
Expenditures:	
Contractual services	2,279
Miscellaneous	225,594
Total expenditures	227,873
Receipts under expenditures	(849)
Unencumbered cash, beginning	63,842
Unencumbered cash, ending	\$ 62,993

\* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS  
2019 COMMERCE DRIVE (HIKE) TIF FUND\*  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

Receipts:	
Taxes	\$ 133,571
Expenditures:	
Contractual services	<u>134,103</u>
Receipts under expenditures	(532)
Unencumbered cash, beginning	<u>805</u>
Unencumbered cash, ending	<u><u>\$ 273</u></u>

\* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS  
PANASONIC TIF FUND\*  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

Receipts:	
Taxes	\$ 1,317
Unencumbered cash, beginning	<u>-</u>
Unencumbered cash, ending	<u><u>\$ 1,317</u></u>

\* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS  
CDBG FUND\*  
SCHEDULE OF RECEIPTS AND TRANSFERS  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

Receipts:		
Intergovernmental	\$	90,000
Transfers:		
Transfers out		<u>90,000</u>
Receipts over transfers		-
Unencumbered cash, beginning		<u>-</u>
Unencumbered cash, ending	\$	<u><u>-</u></u>

\* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS  
CAPITAL IMPROVEMENTS FUND\*  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

Receipts and transfers:	
Intergovernmental	\$ 726,258
Panasonic funding agreement	54,137,421
Taxes	167,980
Transfers in	449,092
	55,480,751
Total receipts and transfers	
Expenditures, encumbrances, and transfers:	
Contractual services	61,946,821
Transfers out	35,000
	61,981,821
Total expenditures, encumbrances, and transfers	
Receipts and transfers under expenditures, encumbrances, and transfers	
	(6,501,070)
Unencumbered cash, beginning	
	62,678,029
Unencumbered cash, ending	
	\$ 56,176,959

\* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS  
SHOP FUND\*  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

Receipts:	
Charges for services	<u>\$ 158,081</u>
Expenditures and encumbrances:	
Commodities	154,620
Capital outlay	917
Contractual services	<u>2,993</u>
Total expenditures and encumbrances	<u>158,530</u>
Receipts under expenditures and encumbrances	(449)
Unencumbered cash, beginning	<u>990</u>
Unencumbered cash, ending	<u><u>\$ 541</u></u>

\* This fund is not required to be budgeted.

(Continued)

CITY OF DE SOTO, KANSAS  
SHUGHART TRUST FUND\*  
SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS  
(Continued)  
Year Ended December 31, 2024

Receipts:		
Interest income	\$	858
Unencumbered cash, beginning		<u>20,335</u>
Unencumbered cash, ending	\$	<u><u>21,193</u></u>

\* This fund is not required to be budgeted.

CITY OF DE SOTO, KANSAS  
 AGENCY FUNDS  
 SUMMARY OF RECEIPTS AND DISBURSEMENTS  
 REGULATORY BASIS  
 Year Ended December 31, 2024

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
IRB fund	\$ 15,731	\$ 112,500	\$ 106,672	\$ 21,559
Municipal court fund	18,390	62,505	58,880	22,015
	<u>\$ 34,121</u>	<u>\$ 175,005</u>	<u>\$ 165,552</u>	<u>\$ 43,574</u>