

CITY OF SEDALIA
AUDITED FINANCIAL STATEMENTS
MARCH 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City
Council of the City of Sedalia

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information for the City of Sedalia (the City), as of and for the year ended March 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of March 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

We did not audit the financial statements of the Bothwell Regional Health Center, one of the City's discretely presented component units. Those statements were audited as of and for the year ended May 31, 2023, by other auditors whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Bothwell Regional Health Center, are based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements 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 audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Responsibility for the Audit of the Financial Statements

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

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 statements, 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 statements.
- 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 statements.
- 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.

Required Supplementary Information

GAAP require that the management's discussion and analysis, the budgetary comparison schedules, and the pension plans schedules as listed in the accompanying table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information listed in the table on contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. 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 statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Single Audit reports of the Bothwell Regional Health Center as of and for the year ended May 31, 2023, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

William J. Keepers UC

Columbia, Missouri
September 17, 2024

CITY OF SEDALIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2024

As management of the City of Sedalia, Missouri, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City as of and for the fiscal year ended March 31, 2024.

Financial Highlights

- The assets and deferred outflows of the City of Sedalia exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$163,708,806 (net position). Of this amount, \$12,892,525 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies.
- The City's total net position increased by \$7,688,000 during the year.
- As of the close of the current fiscal year, the City of Sedalia's governmental funds reported combined ending fund balances of \$22,352,885. Of this total, 42% is unassigned and available for use within the City's policies, and 58% is restricted or committed for capital projects and special revenue purposes.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$9,410,812, which is 55% of total General Fund expenditures.
- The City's certificates of participation decreased \$4,475,000 due to scheduled payments.
- The City's financed purchase (referred to as a capital lease prior to the implementation of GASB Statement 87, *Leases*) decreased \$277,000 due to scheduled payments.
- The City's notes payable decreased \$74,000 due to scheduled payments.
- The City's revenue bonds decreased \$467,000 due to scheduled payments.
- In total the City's long-term debt decreased by \$5,512,000.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements - The government-wide financial statements are designed to provide readers with the broad overview of the City's finances, in a manner similar to private-sector business.

The Statement of Net Position presents information on all the City's assets, deferred outflows, deferred inflows, and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator to whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration, public safety, transportation, cultural, parks and recreation and community development. The business-type activities of the City include water, wastewater, and sanitation operations. The government-wide financial statements can be found on pages 11-12.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into three categories - governmental funds, proprietary funds, and fiduciary funds.

Governmental funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains several governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, the Capital Project Fund, the Transportation Fund, and the Park Fund, which are considered to be major funds. Data from the other funds are combined into a single, aggregated presentation.

Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 13-16.

Proprietary funds - The City two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, wastewater, and sanitation operations.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an internal service fund account for the self-insured health plan. Because these services predominately benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-wide financial statements.

The basic proprietary funds financial statements can be found on pages 17-19.

Fiduciary funds - This report also includes information for fiduciary funds which are funds held in trust for others. The basic fiduciary fund financial statements can be found on pages 21-22.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-52.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 53-63.

The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information on pensions. Those statements can be found on pages 64-73.

Please also refer to the separately issued financial statements the Bothwell Regional Health Center, one of the City's discretely presented component units, which may be obtained at said entity's administrative office.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Sedalia, assets and deferred outflows exceeded liabilities and deferred inflows by \$163,708,806 as of March 31, 2024.

The largest portion of the City's net position (85%) reflects its investments in capital assets (e.g., land, building, equipment, improvements, and construction in progress), less applicable allowances for depreciation, less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves could not be used to liquidate these liabilities while still providing services with such assets.

The following provides a summary of net position as of March 31:

CITY OF SEDALIA NET POSITION									
	Governmental Activities		Business-type Activities		Total		Increase (Decrease)	% Change	
	2024	2023*	2024	2023*	2024	2023*			
Current and other assets	\$ 30,703,365	\$ 28,239,310	\$ 10,730,346	\$ 10,844,294	\$ 41,433,711	\$ 39,083,604	\$ 2,350,107	6.01%	
Capital assets	126,394,392	123,132,661	81,616,154	83,198,781	208,010,546	206,331,442	1,679,104	0.81%	
Total assets	<u>157,097,757</u>	<u>151,371,971</u>	<u>92,346,500</u>	<u>94,043,075</u>	<u>249,444,257</u>	<u>245,415,046</u>	<u>4,029,211</u>	<u>1.64%</u>	
Deferred outflows of resources	3,174,894	1,961,084	687,992	562,345	3,862,886	2,523,429	1,339,457	53.08%	
Total deferred outflows	<u>3,174,894</u>	<u>1,961,084</u>	<u>687,992</u>	<u>562,345</u>	<u>3,862,886</u>	<u>2,523,429</u>	<u>1,339,457</u>	<u>53.08%</u>	
Long-term obligations	34,355,639	32,630,565	37,052,736	39,906,736	71,408,375	72,537,301	(1,128,926)	-1.56%	
Other liabilities	10,627,631	10,298,573	4,459,282	4,571,561	15,086,913	14,870,134	216,779	1.46%	
Total liabilities	<u>44,983,270</u>	<u>42,929,138</u>	<u>41,512,018</u>	<u>44,478,297</u>	<u>86,495,288</u>	<u>87,407,435</u>	<u>(912,147)</u>	<u>-1.04%</u>	
Deferred inflows of resources	2,073,856	7,006,546	1,029,193	1,731,152	3,103,049	8,737,698	(5,634,649)	-64.49%	
Total deferred inflows	<u>2,073,856</u>	<u>7,006,546</u>	<u>1,029,193</u>	<u>1,731,152</u>	<u>3,103,049</u>	<u>8,737,698</u>	<u>(5,634,649)</u>	<u>-64.49%</u>	
Net position									
Net investment in capital assets	96,116,259	90,419,193	42,286,442	40,792,474	138,402,701	131,211,667	7,191,034	5.48%	
Restricted	12,413,580	10,449,479	-	576,477	12,413,580	11,025,956	1,387,624	12.59%	
Unrestricted	<u>4,685,686</u>	<u>2,528,699</u>	<u>8,206,839</u>	<u>7,027,020</u>	<u>12,892,525</u>	<u>9,555,719</u>	<u>3,336,806</u>	<u>34.92%</u>	
Total net position	<u>\$ 113,215,525</u>	<u>\$ 103,397,371</u>	<u>\$ 50,493,281</u>	<u>\$ 48,395,971</u>	<u>\$ 163,708,806</u>	<u>\$ 151,793,342</u>	<u>\$ 11,915,464</u>	<u>7.85%</u>	

*The 2023 columns have not been adjusted for restatements made during 2024.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position for the government as a whole.

Analysis of the City's Operations: Overall, the City had an increase in net position of \$7,688,000 for the year ending March 31, 2024.

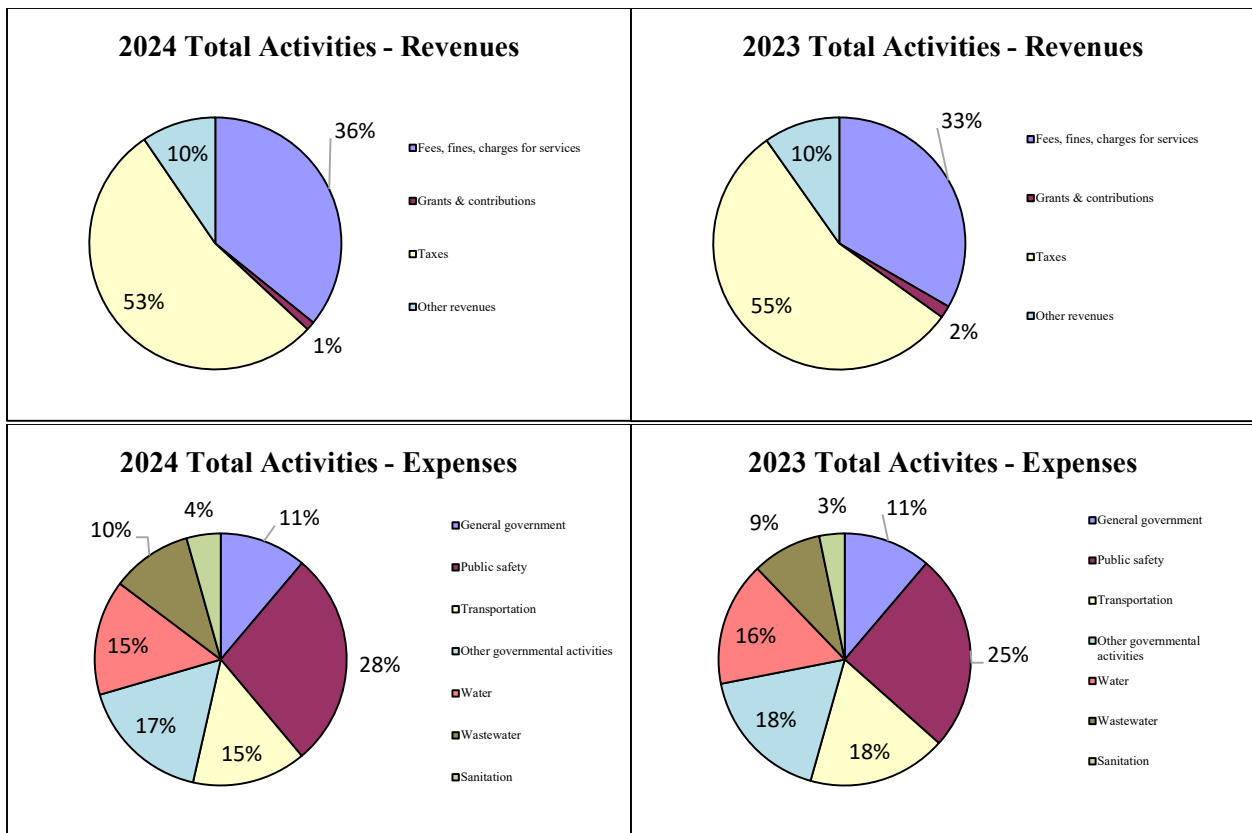
Governmental Activities: Governmental activities increased net position by \$5,109,676.

Business-type Activities: Business-type activities increased net position by \$2,578,324.

The following table and charts provide a summary and comparison of the City's operations for years ended March 31:

CITY OF SEDALIA									
CHANGE IN NET POSITION									
	Governmental Activities		Business-type Activities		Total		Increase (Decrease)	% Change	
	2024	2023*	2024	2023*	2024	2023*			
Revenues:									
Program revenues:									
Charges for services	\$ 2,202,674	\$ 2,148,415	\$ 15,303,018	\$ 13,607,210	\$ 17,505,692	\$ 15,755,625	\$ 1,750,067	11.11%	
Grants and contributions:									
Operating	530,291	165,801	-	-	530,291	165,801	364,490	219.84%	
Capital	13,309	590,576	-	-	13,309	590,576	(577,267)	-97.75%	
General revenues:									
Taxes	26,138,992	26,117,768	-	-	26,138,992	26,117,768	21,224	0.08%	
Investment revenue	-	-	421,167	151,711	421,167	151,711	269,456	177.61%	
Transfers	1,249,280	1,451,256	(1,249,280)	(1,453,938)	-	(2,682)	2,682	-100.00%	
Miscellaneous	4,402,135	4,435,312	350,535	36,579	4,752,670	4,471,891	280,779	6.28%	
Total revenues	34,536,681	34,909,128	14,825,440	12,341,562	49,362,121	47,250,690	2,111,431	4.47%	
Expenses:									
General government	4,815,917	4,289,079	-	-	4,815,917	4,289,079	526,838	12.28%	
Public safety	11,490,173	9,679,629	-	-	11,490,173	9,679,629	1,810,544	18.70%	
Transportation	6,081,449	6,799,939	-	-	6,081,449	6,799,939	(718,490)	-10.57%	
Economic development	650,997	441,242	-	-	650,997	441,242	209,755	47.54%	
Community development	21,402	67,490	-	-	21,402	67,490	(46,088)	-68.29%	
Parks and recreation	5,565,347	5,395,397	-	-	5,565,347	5,395,397	169,950	3.15%	
Interest expense	801,720	792,152	-	-	801,720	792,152	9,568	1.21%	
Wastewater	-	-	6,132,913	3,411,408	6,132,913	3,411,408	2,721,505	79.78%	
Water	-	-	4,298,443	6,081,037	4,298,443	6,081,037	(1,782,594)	-29.31%	
Sanitation	-	-	1,815,760	1,246,871	1,815,760	1,246,871	568,889	45.63%	
Total expenses	29,427,005	27,464,928	12,247,116	10,739,316	41,674,121	38,204,244	3,469,877	9.08%	
Change in net position	5,109,676	7,444,200	2,578,324	1,602,246	7,688,000	9,046,446	(1,358,446)	-15.02%	
Net position, beginning (as restated for 2024)	108,105,849	95,953,171	47,914,957	46,793,725	156,020,806	142,746,896	13,273,910	9.30%	
Net position, ending	\$ 113,215,525	\$ 103,397,371	\$ 50,493,281	\$ 48,395,971	\$ 163,708,806	\$ 151,793,342	\$ 11,915,464	7.85%	

*The 2023 columns have not been adjusted for restatements made during 2024.



Financial Analysis of the Government's Funds

Governmental funds - The focus of the City of Sedalia's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City of Sedalia's governmental funds reported combined ending fund balances of \$22,352,885. This is an increase of 9% from \$20,586,637. The resulting unassigned fund balance was \$9,410,812.

Proprietary funds - The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Net positions of the respective proprietary funds are Wastewater \$23,996,324; Water \$26,927,220; and Sanitation (\$430,263). The funds had changes in net position from current year activities as follows: Wastewater \$1,365,619; Water \$1,092,702 (after restatement); and Sanitation \$120,263.

General Fund budgetary highlights - The City spent \$635,421 less than the final budget for the General Fund.

Capital Assets

The City of Sedalia's investment in capital assets for its governmental and business-type activities as of March 31, 2024 amounts to \$208,010,546 (net of accumulated depreciation). This investment in capital assets includes land, building, equipment, improvements and construction in progress.

CITY OF SEDALIA CAPITAL ASSETS								
	Governmental Activities		Business-type Activities		Total		Increase (Decrease)	% Change
	2024	2023*	2024	2023*	2024	2023*		
Land, rights, and improvements	\$ 7,182,626	\$ 7,162,558	\$ 2,706,189	\$ 2,706,189	\$ 9,888,815	\$ 9,868,747	\$ 20,068	0.2%
Construction in progress	610,980	25,917,862	5,191,219	17,003,366	5,802,199	42,921,228	(37,119,029)	-86.5%
Structures, improvements, and plant equipment	55,938,032	28,269,572	24,398,420	25,802,413	80,336,452	54,071,985	26,264,467	48.6%
Pumping and purification	-	-	45,939,989	34,975,984	45,939,989	34,975,984	10,964,005	31.3%
General equipment	6,036,939	4,939,526	3,354,849	2,491,088	9,391,788	7,430,614	1,961,174	26.4%
Infrastructure	56,548,638	56,764,425	-	-	56,548,638	56,764,425	(215,787)	-0.4%
Leased equipment	77,177	78,718	25,488	219,741	102,665	298,459	(195,794)	-65.6%
Total capital assets	\$ 126,394,392	\$ 123,132,661	\$ 81,616,154	\$ 83,198,781	\$ 208,010,546	\$ 206,331,442	\$ 1,679,104	0.8%

The 2023 columns have not been adjusted for restatements made during 2024.

Additional information on the City of Sedalia's capital assets can be found in Note 5 on pages 34-35.

Debt Administration

At the end of the current fiscal year, the City of Sedalia had a total of \$69.6 million of outstanding obligations. Of this amount, \$104,000 represents financing leases that are expected to be repaid so long as the City appropriate funds for payment; \$66,494,000 represents certificates of participation debt; \$585,000 represents financed purchases; \$38,000 represents the amount due on notes payable; and \$2,386,000 represents revenue bonded debt backed by the revenues of the Water Department.

During the current fiscal year, the City's total debt decreased by \$5,512,000.

CITY OF SEDALIA OUTSTANDING DEBT								
	Governmental Activities		Business-type Activities		Total		Increase (Decrease)	% Change
	2024	2023*	2024	2023*	2024	2023*		
Financing leases	\$ 77,118	\$ 77,145	\$ 26,466	\$ 243,959	\$ 103,584	\$ 321,104	\$ (217,520)	-67.7%
Certificates of participation	30,201,015	32,606,395	36,293,471	38,363,717	66,494,486	70,970,112	(4,475,626)	-6.3%
Financed purchase	-	-	585,314	862,726	585,314	862,726	(277,412)	-32.2%
Notes payable	-	29,928	38,461	82,905	38,461	112,833	(74,372)	-65.9%
Revenue bonds	-	-	2,386,000	2,853,000	2,386,000	2,853,000	(467,000)	-16.4%
Total outstanding debt	\$ 30,278,133	\$ 32,713,468	\$ 39,329,712	\$ 42,406,307	\$ 69,607,845	\$ 75,119,775	\$ (5,511,930)	-7.3%

The 2023 columns have not been adjusted for restatements made during 2024.

Additional information on the City of Sedalia's debt can be found in Note 6 and Note 7 on pages 36-40.

Request for Information

The financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the City of Sedalia, Missouri, Attn: Jessica Pyle, Finance Director, 200 South Osage, Sedalia, Missouri 65301 or call (660) 827-3000.

CITY OF SEDALIA

STATEMENT OF NET POSITION
March 31, 2024

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Bothwell	
				Regional Health Center	Library
ASSETS					
Cash and cash equivalents	\$ 8,546,773	\$ 5,004,973	\$ 13,551,746	\$ 3,606,178	\$ 1,008,383
Restricted cash and cash equivalents	6,259,143	2,000,743	8,259,886	6,001,940	-
Investments	6,251,447	4,411,187	10,662,634	-	484,610
Accounts receivable	1,935,024	2,091,447	4,026,471	24,396,666	-
Taxes receivable	3,756,402	-	3,756,402	-	-
Leases receivable	80,130	-	80,130	-	-
Other receivables	31,628	15,021	46,649	5,973,235	2,810
Interfund balances	3,302,325	(3,302,325)	-	-	-
Inventory	126,145	395,464	521,609	2,741,029	-
Prepaid expenses	402,348	113,836	516,184	1,755,736	11,850
Estimated amounts due from third-party payers	-	-	-	973,165	-
Other current assets	12,000	-	12,000	-	-
Non-current assets:					
Capital assets:					
Non-depreciable	7,793,606	7,897,408	15,691,014	3,160,454	-
Depreciable, net	118,523,609	73,693,258	192,216,867	31,574,325	1,261,685
Right-of-use lease assets, net	77,177	25,488	102,665	989,516	-
Net pension asset	-	-	-	-	16,695
Principal of permanent endowment	-	-	-	101,614	-
Other non-current assets	-	-	-	245,348	-
Total assets	<u>157,097,757</u>	<u>92,346,500</u>	<u>249,444,257</u>	<u>81,519,206</u>	<u>2,786,033</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension plans	3,174,894	687,992	3,862,886	8,116,913	116,572
Total deferred outflows of resources	<u>3,174,894</u>	<u>687,992</u>	<u>3,862,886</u>	<u>8,116,913</u>	<u>116,572</u>
LIABILITIES					
Accounts payable and accrued liabilities	1,620,785	332,004	1,952,789	7,386,872	24,653
Compensated absences	2,141,278	-	2,141,278	-	29,849
Other accrued expenses	-	-	-	7,160,547	-
Customer deposits	-	697,809	697,809	-	-
Unearned revenue	4,279,350	631,088	4,910,438	-	-
Estimated amounts due to third-party payers	-	-	-	1,612	-
Estimated self-insurance cost	184,491	-	184,491	1,722,400	-
Long-term liabilities:					
Net pension liability	6,479,233	521,405	7,000,638	18,279,627	-
Financing leases					
Amounts due within one year	23,280	26,466	49,746	195,893	-
Amounts due beyond one year	53,838	-	53,838	833,276	-
Financed purchase					
Amounts due within one year	-	287,454	287,454	-	-
Amounts due beyond one year	-	297,860	297,860	-	-
Other long-term debt					
Amounts due within one year	2,378,447	2,484,461	4,862,908	1,540,000	-
Amounts due beyond one year	27,822,568	36,233,471	64,056,039	10,006,692	-
Total liabilities	<u>44,983,270</u>	<u>41,512,018</u>	<u>86,495,288</u>	<u>47,126,919</u>	<u>54,502</u>
DEFERRED INFLOWS OF RESOURCES					
Pension plans	2,073,856	1,029,193	3,103,049	492,151	-
Total deferred inflows of resources	<u>2,073,856</u>	<u>1,029,193</u>	<u>3,103,049</u>	<u>492,151</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	96,116,259	42,286,442	138,402,701	22,093,436	1,261,685
Restricted for:					
Capital projects	7,583,115	-	7,583,115	-	-
Transportation	1,599,438	-	1,599,438	-	-
Parks and recreation	2,506,986	-	2,506,986	-	-
Community development	187,971	-	187,971	-	-
Public safety	94,813	-	94,813	-	-
Economic development	441,257	-	441,257	-	-
Net pension asset	-	-	-	-	16,695
Library	-	-	-	-	1,569,723
Unrestricted	4,685,686	8,206,839	12,892,525	19,923,613	-
Total net position	<u>\$ 113,215,525</u>	<u>\$ 50,493,281</u>	<u>\$ 163,708,806</u>	<u>\$ 42,017,049</u>	<u>\$ 2,848,103</u>

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

CITY OF SEDALIA
STATEMENT OF ACTIVITIES
Year Ended March 31, 2024

Program/function:	Net (expense) revenue and changes in net position								
	Program revenues				Primary Government			Component Units	
	Expenses	Charges for services	Capital grants and contributions	Operating grants and contributions	Governmental activities	Business-type activities	Total	Bothwell Regional Health Center	Library
Governmental activities:									
General government	\$ 4,815,917	\$ 174,928	\$ -	\$ 444,030	\$ (4,196,959)	\$ -	\$ (4,196,959)		
Public safety	11,490,173	15,300	-	-	(11,474,873)	-	(11,474,873)		
Transportation	6,081,449	607,709	13,309	85,299	(5,375,132)	-	(5,375,132)		
Economic development	650,997	-	-	-	(650,997)	-	(650,997)		
Community development	21,402	-	-	-	(21,402)	-	(21,402)		
Parks and recreation	5,565,347	1,404,737	-	962	(4,159,648)	-	(4,159,648)		
Interest expense	801,720	-	-	-	(801,720)	-	(801,720)		
Total governmental activities	29,427,005	2,202,674	13,309	530,291	(26,680,731)	-	(26,680,731)		
Business-type activities:									
Wastewater	6,132,913	7,695,223	-	-	-	1,562,310	1,562,310		
Water	4,298,443	5,692,803	-	-	-	1,394,360	1,394,360		
Sanitation	1,815,760	1,914,992	-	-	-	99,232	99,232		
Total business-type activities	12,247,116	15,303,018	-	-	-	3,055,902	3,055,902		
Total	\$ 41,674,121	\$ 17,505,692	\$ 13,309	\$ 530,291	(26,680,731)	3,055,902	(23,624,829)		
Component units:									
Bothwell Regional Health Center	\$ 157,904,443	\$ 144,795,173	\$ 1,290,372	\$ 4,567,583			\$ (7,251,315)		
Library	\$ 849,272	\$ -	\$ -	\$ 32,057				\$ (817,215)	
General revenue:									
Taxes					26,138,992	-	26,138,992	-	839,297
Licenses and permits					976,573	-	976,573	-	-
Fines and forfeitures					99,202	-	99,202	-	8,472
Interest income					-	421,167	421,167	88,504	-
Insurance proceeds					-	207,365	207,365	-	-
Other revenues					3,326,360	143,170	3,469,530	990,452	60,430
Net transfers in (out)					1,249,280	(1,249,280)	-	-	-
Total general revenue					31,790,407	(477,578)	31,312,829	1,078,956	908,199
Change in net position					5,109,676	2,578,324	7,688,000	(6,172,359)	90,984
Net position - beginning (as restated)					108,105,849	47,914,957	156,020,806	48,189,408	2,757,119
Net position - ending					\$ 113,215,525	\$ 50,493,281	\$ 163,708,806	\$ 42,017,049	\$ 2,848,103

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

CITY OF SEDALIA
BALANCE SHEET
ALL GOVERNMENTAL FUND TYPES
March 31, 2024

	Primary Government						
	Major Funds				Non-Major Funds	Total	Component Unit - Library
	General Fund	Capital Project Fund	Transportation Fund	Park Fund			
ASSETS							
Cash and cash equivalents	\$ 6,109,510	\$ -	\$ 889,890	\$ 651,927	\$ 336,830	\$ 7,988,157	\$ 1,008,383
Restricted cash and cash equivalents	-	6,259,143	-	-	-	6,259,143	-
Investments	4,071,937	732,170	-	1,447,340	-	6,251,447	484,610
Accounts receivable	1,497,046	367,560	70,418	-	-	1,935,024	-
Taxes receivable	1,760,165	602,903	775,599	613,919	3,816	3,756,402	-
Leases receivable	-	-	58,574	21,556	-	80,130	-
Other receivables	19,101	9,728	-	2,799	-	31,628	2,810
Interfund balances	3,302,325	-	-	-	-	3,302,325	-
Inventory	52,342	-	73,803	-	-	126,145	-
Prepaid expenditures	229,557	-	77,909	94,882	-	402,348	11,850
Other assets	12,000	-	-	-	-	12,000	-
Total assets	\$ 17,053,983	\$ 7,971,504	\$ 1,946,193	\$ 2,832,423	\$ 340,646	\$ 30,144,749	\$ 1,507,653
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 585,419	\$ 20,829	\$ 56,590	\$ 82,801	\$ 5,053	\$ 750,692	\$ 5,354
Accrued liabilities	526,800	-	81,295	127,078	-	735,173	19,299
Unearned revenue - grants	4,201,516	2,160	-	-	-	4,203,676	-
Unearned revenue - other	55,422	365,400	-	-	-	420,822	-
Total liabilities	5,369,157	388,389	137,885	209,879	5,053	6,110,363	24,653
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	227,981	-	-	-	-	227,981	-
Unavailable revenue - grants	84,499	-	-	-	-	84,499	-
Unavailable revenue - leases	-	-	57,158	20,676	-	77,834	-
Unavailable revenue - other	1,291,187	-	-	-	-	1,291,187	-
Total deferred inflows of resources	1,603,667	-	57,158	20,676	-	1,681,501	-
FUND BALANCES							
Nonspendable:							
Inventory	52,342	-	73,803	-	-	126,145	-
Prepaid expenditures	229,557	-	77,909	94,882	-	402,348	11,850
Restricted for:							
Capital projects	-	7,583,115	-	-	-	7,583,115	-
Transportation	-	-	1,599,438	-	-	1,599,438	-
Parks and recreation	-	-	-	2,506,986	-	2,506,986	-
Community development	-	-	-	-	187,971	187,971	-
Public safety	-	-	-	-	94,813	94,813	-
Economic development	388,448	-	-	-	52,809	441,257	-
Library	-	-	-	-	-	-	1,471,150
Unassigned	9,410,812	-	-	-	-	9,410,812	-
Total fund balances	10,081,159	7,583,115	1,751,150	2,601,868	335,593	22,352,885	1,483,000
Total liabilities, deferred inflows of resources, and fund balances	\$ 17,053,983	\$ 7,971,504	\$ 1,946,193	\$ 2,832,423	\$ 340,646	\$ 30,144,749	\$ 1,507,653

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

CITY OF SEDALIA

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION**

March 31, 2024

	Primary Government	Component Unit - Library
Fund balances - total governmental funds	\$ 22,352,885	\$ 1,483,000
Capital and other assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds:		
Capital assets	288,223,471	2,674,603
Less accumulated depreciation	(161,906,256)	(1,412,918)
	126,317,215	1,261,685
Right-of-use lease assets, net	77,177	-
Other long term assets and deferred outflows of resources are not available to pay for current-period expenditures and, therefore, are not reported in the governmental funds:		
Net pension asset	-	16,695
Pension plans	3,174,894	116,572
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	2,026,649	-
Internal service fund is used by management to charge the costs of health insurance. The assets and liabilities of the internal service fund is included in the governmental activities in the statement of net position:		
	334,025	-
Other long term liabilities and deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Accrued interest	(94,820)	-
Compensated absences	(2,141,278)	(29,849)
Net pension liability	(6,479,233)	-
Long-term debt	(30,278,133)	-
Pension plans	(2,073,856)	-
Net position of governmental activities	\$ 113,215,525	\$ 2,848,103

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

CITY OF SEDALIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES
ALL GOVERNMENTAL FUND TYPES
Year Ended March 31, 2024

	Primary Government						
	Major Funds				Non-Major Funds	Total	Component Unit - Library
	General Fund	Capital Project Fund	Transportation Fund	Park Fund			
REVENUES							
Taxes	\$ 12,790,237	\$ 3,725,863	\$ 3,680,212	\$ 4,355,998	\$ 466,013	\$ 25,018,323	\$ 839,297
Licenses and permits	976,573	-	-	-	-	976,573	-
Charges for services	174,928	-	607,709	1,404,737	15,300	2,202,674	-
Intergovernmental revenue	434,722	22,617	1,205,968	-	-	1,663,307	30,882
Fines and forfeitures	99,202	-	-	-	-	99,202	8,472
Contributions	-	-	-	962	-	962	1,175
Lease revenue	7,909	-	10,278	23,981	-	42,168	-
Other revenue	1,096,848	1,740,648	66,034	106,037	52,451	3,062,018	60,430
TOTAL REVENUES	15,580,419	5,489,128	5,570,201	5,891,715	533,764	33,065,227	940,256
EXPENDITURES							
Current:							
General government	5,675,848	31,509	-	-	-	5,707,357	-
Public safety	10,460,290	-	-	-	8,447	10,468,737	-
Transportation	371,107	-	3,463,777	-	-	3,834,884	-
Economic development	85,058	-	-	-	565,939	650,997	-
Community development	-	-	-	-	24,126	24,126	-
Parks and recreation	-	-	-	5,014,680	-	5,014,680	-
Library	-	-	-	-	-	-	696,562
Capital outlay	542,492	1,521,907	714,304	298,426	-	3,077,129	-
Debt service:							
Principal	-	2,277,703	-	-	-	2,277,703	60,917
Interest	-	992,646	-	-	-	992,646	40,611
TOTAL EXPENDITURES	17,134,795	4,823,765	4,178,081	5,313,106	598,512	32,048,259	798,090
Excess (deficiency) of revenues over (under) expenditures	(1,554,376)	665,363	1,392,120	578,609	(64,748)	1,016,968	142,166
OTHER FINANCING SOURCES (USES)							
Transfers in	2,005,337	955,343	-	360,856	130,796	3,452,332	-
Transfers (out)	(760,756)	(64,102)	(1,034,285)	(813,880)	(30,029)	(2,703,052)	-
Total other financing sources (uses)	1,244,581	891,241	(1,034,285)	(453,024)	100,767	749,280	-
Net change in fund balances	(309,795)	1,556,604	357,835	125,585	36,019	1,766,248	142,166
Fund balances, April 1	10,390,954	6,026,511	1,393,315	2,476,283	299,574	20,586,637	1,340,834
FUND BALANCES, MARCH 31	\$ 10,081,159	\$ 7,583,115	\$ 1,751,150	\$ 2,601,868	\$ 335,593	\$ 22,352,885	\$ 1,483,000

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

CITY OF SEDALIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended March 31, 2024**

	Primary Government	Component Unit - Library
Net change in fund balances - total governmental funds	\$ 1,766,248	\$ 142,166
Amounts reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures.		
However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The following is the detail of the amount by which capital outlays were greater than the depreciation in the current period.		
Capital outlay capitalized as assets	3,077,129	-
Capitalization of right-of-use lease assets	18,139	-
Depreciation and amortization	(4,542,015)	(84,992)
	(1,446,747)	(84,992)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.	214,531	-
The issuance of long-term debt (i.e. bonds, leases, and loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, interest expenditures are reported when due. The following is the detail of the net effect of these differences in the treatment of long-term debt and related items.		
Change in accrued interest	12,069	-
Issuance of financing leases	(18,139)	-
Lease expense	21,252	-
Repayment of principal	2,348,053	-
Amortization of discounts/premiums	87,255	-
	2,450,490	-
Internal service fund is used by management to charge the costs of health insurance to individual funds. The net revenue (expense) of the internal service fund is reported with the governmental activities.	334,025	-
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences	(200,269)	(17,678)
Pension plan expense	1,991,398	51,488
Change in net position of governmental activities	\$ 5,109,676	\$ 90,984

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

CITY OF SEDALIA

**STATEMENT OF NET POSITION
ALL PROPRIETARY FUND TYPES
March 31, 2024**

	Wastewater Fund	Water Fund	Sanitation Fund	Total Proprietary Funds	Governmental Activities - Internal Service Fund - Health Fund
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 3,119,032	1,300,842	\$ 585,099	\$ 5,004,973	\$ 558,616
Restricted cash and cash equivalents	1,137,710	863,033	-	2,000,743	-
Investments	3,419,237	991,950	-	4,411,187	-
Accounts receivable	1,000,985	695,971	394,491	2,091,447	-
Other receivables	11,544	3,477	-	15,021	-
Interfund balances	-	-	(3,302,325)	(3,302,325)	-
Inventory	-	395,464	-	395,464	-
Prepaid expenses	46,852	39,869	27,115	113,836	-
Total current assets	<u>8,735,360</u>	<u>4,290,606</u>	<u>(2,295,620)</u>	<u>10,730,346</u>	<u>558,616</u>
Non-current assets:					
Property, plant and equipment, net	41,617,920	37,527,182	2,445,564	81,590,666	-
Right-of-use lease assets, net	25,488	-	-	25,488	-
Total non-current assets	<u>41,643,408</u>	<u>37,527,182</u>	<u>2,445,564</u>	<u>81,616,154</u>	<u>-</u>
Total assets	<u>50,378,768</u>	<u>41,817,788</u>	<u>149,944</u>	<u>92,346,500</u>	<u>558,616</u>
DEFERRED OUTFLOWS OF RESOURCES					
Pension plan	213,338	332,306	142,348	687,992	-
Total deferred outflows of resources	<u>213,338</u>	<u>332,306</u>	<u>142,348</u>	<u>687,992</u>	<u>-</u>
LIABILITIES					
Current liabilities:					
Accounts payable	224,797	86,009	21,198	332,004	40,100
Accrued liabilities	309,945	234,669	86,474	631,088	-
Claims liability	-	-	-	-	184,491
Current portion of financing leases	26,466	-	-	26,466	-
Current portion of financed purchase	-	287,454	-	287,454	-
Current portion of other long-term debt	1,545,000	939,461	-	2,484,461	-
Customer deposits	-	697,809	-	697,809	-
Total current liabilities	<u>2,106,208</u>	<u>2,245,402</u>	<u>107,672</u>	<u>4,459,282</u>	<u>224,591</u>
Non-current liabilities:					
Long-term financed purchase, net	-	297,860	-	297,860	-
Other long-term debt, net	23,774,203	12,459,268	-	36,233,471	-
Net pension liability	248,407	114,371	158,627	521,405	-
Total non-current liabilities	<u>24,022,610</u>	<u>12,871,499</u>	<u>158,627</u>	<u>37,052,736</u>	<u>-</u>
Total liabilities	<u>26,128,818</u>	<u>15,116,901</u>	<u>266,299</u>	<u>41,512,018</u>	<u>224,591</u>
DEFERRED INFLOWS OF RESOURCES					
Pension plan	466,964	105,973	456,256	1,029,193	-
Total deferred inflows of resources	<u>466,964</u>	<u>105,973</u>	<u>456,256</u>	<u>1,029,193</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	16,297,739	23,543,139	2,445,564	42,286,442	-
Unrestricted	7,698,585	3,384,081	(2,875,827)	8,206,839	334,025
TOTAL NET POSITION	<u>\$ 23,996,324</u>	<u>\$ 26,927,220</u>	<u>\$ (430,263)</u>	<u>\$ 50,493,281</u>	<u>\$ 334,025</u>

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

CITY OF SEDALIA

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
ALL PROPRIETARY FUND TYPES
Year Ended March 31, 2024**

	Wastewater Fund	Water Fund	Sanitation Fund	Total Proprietary Funds	Governmental Activities - Internal Service Fund - Health Fund
OPERATING REVENUES					
Charges for services	\$ 7,695,223	\$ 5,692,803	\$ 1,914,992	\$ 15,303,018	\$ -
Contributions from City, employees, and other	-	-	-	-	457,707
Miscellaneous	27,922	61,368	53,880	143,170	-
Total operating revenues	7,723,145	5,754,171	1,968,872	15,446,188	457,707
OPERATING EXPENSES					
System facilities and operations	1,443,429	1,629,655	661,888	3,734,972	-
Purchased services	1,285	-	-	1,285	-
Salaries and wages	1,003,543	1,257,817	610,977	2,872,337	-
Depreciation and amortization	2,712,316	933,117	315,994	3,961,427	-
Claims expense	-	-	-	-	631,325
Total operating expenses	5,160,573	3,820,589	1,588,859	10,570,021	631,325
OPERATING INCOME (LOSS)	2,562,572	1,933,582	380,013	4,876,167	(173,618)
NON-OPERATING REVENUES (EXPENSES)					
Loss on disposal of capital assets	-	-	(196,688)	(196,688)	-
Interest income	313,973	107,194	-	421,167	7,643
Interest expense	(972,340)	(477,854)	(30,213)	(1,480,407)	-
Insurance proceeds	-	-	207,365	207,365	-
Total non-operating revenues (expenses)	(658,367)	(370,660)	(19,536)	(1,048,563)	7,643
INCOME (LOSS) BEFORE TRANSFERS	1,904,205	1,562,922	360,477	3,827,604	(165,975)
Transfers in	146,586	58,072	-	204,658	500,000
Transfers (out)	(685,172)	(528,292)	(240,474)	(1,453,938)	-
Change in net position	1,365,619	1,092,702	120,003	2,578,324	334,025
Net position, April 1 (as restated)	22,630,705	25,834,518	(550,266)	47,914,957	-
NET POSITION, MARCH 31	\$ 23,996,324	\$ 26,927,220	\$ (430,263)	\$ 50,493,281	\$ 334,025

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

CITY OF SEDALIA

STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
Year Ended March 31, 2024

	Wastewater Fund	Water Fund	Sanitation Fund	Total Proprietary Funds	Governmental Activities - Internal Service Fund - Health Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 7,492,303	\$ 5,549,130	\$ 1,872,074	\$ 14,913,507	\$ 457,707
Cash received from other sources	27,922	61,368	53,880	143,170	-
Cash paid to vendors	(1,444,194)	(1,660,357)	(674,833)	(3,779,384)	(406,734)
Cash paid to employees	(1,119,615)	(1,196,144)	(740,563)	(3,056,322)	-
Net cash provided by operating activities	4,956,416	2,753,997	510,558	8,220,971	50,973
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Net change in interfund balances	-	-	731,754	731,754	-
Transfers in	146,586	58,072	-	204,658	500,000
Transfers (out)	(685,172)	(528,292)	(240,474)	(1,453,938)	-
Net cash provided (used) by noncapital financing activities	(538,586)	(470,220)	491,280	(517,526)	500,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	(2,659,543)	(502,606)	(1,133,350)	(4,295,499)	-
Proceeds from the sale of capital assets	-	-	207,365	207,365	-
Payments on long-term debt	(1,420,542)	(1,675,280)	(222,179)	(3,318,001)	-
Net cash used by capital and related financing activities	(4,080,085)	(2,177,886)	(1,148,164)	(7,406,135)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest income	313,973	107,194	-	421,167	7,643
Investment maturities/sales	(255,684)	(991,950)	-	(1,247,634)	-
Net cash provided (used) by investing activities	58,289	(884,756)	-	(826,467)	7,643
Net change in cash and cash equivalents	396,034	(778,865)	(146,326)	(529,157)	558,616
Cash and cash equivalents, beginning of year	3,860,708	2,942,740	731,425	7,534,873	-
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 4,256,742	\$ 2,163,875	\$ 585,099	\$ 7,005,716	\$ 558,616
Cash and cash equivalents	\$ 3,119,032	\$ 1,300,842	\$ 585,099	\$ 5,004,973	\$ 558,616
Restricted cash	1,137,710	863,033	-	2,000,743	-
Total cash and cash equivalents	\$ 4,256,742	\$ 2,163,875	\$ 585,099	\$ 7,005,716	\$ 558,616
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 2,562,572	\$ 1,933,582	\$ 380,013	\$ 4,876,167	\$ (173,618)
Adjustments:					
Depreciation and amortization	2,712,316	933,117	315,994	3,961,427	-
(Increase) decrease in assets and deferred outflows of resources:					
Accounts receivable	(211,178)	(166,245)	(42,918)	(420,341)	-
Other receivables	8,258	(3,477)	-	4,781	-
Inventory	-	(44,863)	-	(44,863)	-
Prepaid expenses	(5,883)	(8,212)	(1,288)	(15,383)	-
Net pension asset	148,473	298,454	129,550	576,477	-
Pension plan	(52,422)	(36,181)	(37,044)	(125,647)	-
Increase (decrease) in liabilities and deferred inflows of resources:					
Accounts payable	3,459	2,227	(11,657)	(5,971)	40,100
Customer deposits	-	26,053	-	26,053	-
Accrued expenses	2,944	20,146	(47,562)	(24,472)	-
Claims liability	-	-	-	-	184,491
Net pension liability	248,407	114,371	158,627	521,405	-
Pension plan	(460,530)	(314,975)	(333,157)	(1,108,662)	-
Net cash provided by operating activities	\$ 4,956,416	\$ 2,753,997	\$ 510,558	\$ 8,220,971	\$ 50,973

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

CITY OF SEDALIA

**STATEMENT OF CASH FLOWS
COMPONENT UNIT - BOTHWELL REGIONAL HEALTH CENTER
Year Ended May 31, 2023**

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from and on behalf of patients	\$ 138,499,106
Payments to suppliers and contractors	(70,320,087)
Payments to employees	(74,356,572)
Other receipts, net	<u>(3,427,714)</u>
Net cash used by operating activities	<u>(9,605,267)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Noncapital grants and gifts	<u>4,567,583</u>
Net cash provided by noncapital financing activities	<u>4,567,583</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Contributions restricted for capital purposes	1,290,372
Principal paid on long-term debt	(1,624,624)
Interest paid on long-term debt	(317,899)
Principal paid on lease liabilities	(324,248)
Interest paid on lease liabilities	(38,131)
Purchases of capital assets	<u>(3,600,219)</u>
Net cash used by capital and related financing activities	<u>(4,614,749)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on deposits	88,504
Proceeds from the disposition of deposits	9,403,996
Purchase of deposits	<u>(5,237,614)</u>
Net cash provided by investing activities	<u>4,254,886</u>
Net change in cash and cash equivalents	(5,397,547)
Cash and cash equivalents, beginning of year	<u>9,112,940</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 3,715,393</u></u>
Cash and cash equivalents in current assets	\$ 3,606,178
Cash and cash equivalents in non-current assets	<u>109,215</u>
Total cash and cash equivalents	<u><u>\$ 3,715,393</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating loss	\$ (11,762,788)
Adjustments:	
Depreciation and amortization	6,758,840
Provision for uncollectible accounts	11,520,649
Changes in:	
Patient accounts receivable	(11,945,686)
Estimated amounts due from third-party payers	(5,871,030)
Accounts payable and accrued expenses	4,456,995
Net pension liability	5,325,178
Deferred inflows of resources - pension plans	(191,852)
Deferred outflows of resources - pension plans	(3,514,364)
Estimated self-insurance liabilities	386,493
Other assets	<u>(4,767,702)</u>
Net cash used by operating activities	<u><u>\$ (9,605,267)</u></u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:	
Capital asset acquisitions included in accounts payable	<u><u>\$ 25,828</u></u>

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

CITY OF SEDALIA

STATEMENT OF FIDUCIARY NET POSITION

March 31, 2024

	<u>Pension Trust Fund</u>
ASSETS	
Accrued interest and dividends	\$ 22,693
Investments, at fair value	<u>7,832,217</u>
Total assets	<u><u>\$ 7,854,910</u></u>
NET POSITION	
LIABILITIES	
Accounts payable	<u>\$ 64,500</u>
Total liabilities	<u>64,500</u>
NET POSITION	
Restricted for pension benefits	<u>\$ 7,790,410</u>
Total net position	<u><u>\$ 7,790,410</u></u>

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

CITY OF SEDALIA

**STATEMENT OF CHANGES IN FIDUCIARY NET POSTION
Year Ended March 31, 2024**

	<u>Pension Trust Fund</u>
ADDITIONS	
Contributions:	
Property taxes	\$ 174,389
Investment income:	
Investment income	175,242
Net appreciation in fair value of investments	841,411
Total investment income	<u>1,016,653</u>
Investment expenses	<u>(39,378)</u>
Net income from investing activities	<u>977,275</u>
Net additions	<u>1,151,664</u>
DEDUCTIONS	
Benefits	772,754
Administrative expenses	13,753
Property taxes	10,325
Miscellaneous	10,578
Total deductions	<u>807,410</u>
Change in net position	344,254
Net position, April 1	<u>7,446,156</u>
NET POSITION, MARCH 31	<u><u>\$ 7,790,410</u></u>

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

CITY OF SEDALIA

NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies employed in the preparation of the accompanying financial statements, as presented on the basis set forth in Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments* (GASB 34).

A. Reporting Entity

The City of Sedalia (the City) operates under the Mayor-Council form of government with the Council consisting of the Mayor and eight Council members who are elected on a nonpartisan basis. The City provides a variety of government services to residents including public safety (police and fire), streets, culture, recreation, public improvements, planning, and general administrative services. The City also provides health care, water, sewer, and sanitation services to its residents.

The City, for financial reporting purposes, includes all the funds relevant to the operations of the City. The financial statements presented herein do not include entities which have been formed under applicable state laws or separate and distinct units of government apart from those that have been determined not to be component units as defined by GASB Statement No. 61, *The Financial Reporting Entity (GASB 61)*.

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. Financially accountable means the primary government is able to impose its will or the component unit may provide financial benefits or impose a burden on the primary government. In addition, component units can be other organizations for which the nature and significance of the relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Based on the aforementioned criteria, the City has two discretely presented component units – the Bothwell Regional Health Center and the Sedalia Public Library (the Library) – and the City is not a component unit of any other governmental entity. Information relating to the Bothwell Regional Health Center may be obtained by writing to 601 E. 14th Street, Sedalia, Missouri 65301. The Library does not issue separate financial statements.

B. Fund Accounting

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the activities of the City. The effect of interfund activities has been removed from these statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, although the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual proprietary funds are reported as separate columns in the fund financial statements.

The City uses funds to report its financial position and results of its operations in the fund financial statements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary, and fiduciary.

The City reports the following major governmental funds:

General Fund – This fund is the main operating fund of the City, and it accounts for all financial resources not accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to be accounted for in other funds are accounted for in this fund. General operating expenditures, fixed charges and capital improvements that are not paid through other funds are paid from the General Fund.

Capital Project Fund – This capital project fund accounts for the acquisition of capital assets and the construction of capital projects not being financed by the City's other funds.

Transportation Fund – This special revenue fund accounts for street and airport operations.

Park Fund – This special revenue fund accounts for park operations and capital improvements.

The City reports the following major proprietary funds:

Wastewater Fund – This enterprise fund accounts for the disposal of wastewater and industrial waste for the residents and businesses of the City.

Water Fund – This enterprise fund accounts for the provision of water services to residents and businesses of the City.

Sanitation Fund – This enterprise fund accounts for the disposal of solid waste for the residents and businesses of the City.

Health Fund – This internal service fund is used to account for internal charges of premiums to the various City departments and for the claims and administrative expenses of the City's self-insured health plan for employees.

The City reports the following fiduciary fund:

Pension Trust Fund – This fund is used to account for the assets of the City's Fire Retirement Plan. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60-days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, interest and principal on general long-term debt is recognized when due.

Taxes, interest, and revenues from other governmental units associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Proprietary funds distinguish operating income and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's ongoing operations. Operating expenses include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City's general spending prioritization policy is to consider restricted resources to have been used first, followed by committed, assigned, and unassigned amounts when expenditures have been incurred for which resources in more than one classification could be used.

Interfund balances and transfers are not carried forward to the government-wide presentation. Such eliminations have taken place in the process of incorporating fund data into the government-wide financial statements.

D. Budgets

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Annual appropriated budgets are adopted for all governmental funds. All annual appropriations lapse at year-end.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in the governmental funds. All encumbrances lapse at year-end.

E. Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all certificates of deposit and investments with original maturities of three months or less to be cash equivalents. Because a statement of cash flows is prepared only for proprietary funds under generally accepted accounting principles, cash and cash equivalents are distinguished only for those funds.

F. Investments

Investments consist of bank certificates of deposit and money market accounts. Investments are stated at cost, which approximates fair value.

On the fiduciary fund statement of fiduciary net position, investments consist of securities traded on national and/or international exchanges and are stated at fair value.

G. Accounts Receivable

Accounts receivable result primarily from the City providing utilities and other services to its residents. Accounts receivable are reported net of an estimated allowance for uncollectible accounts.

H. Interfund Balances

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The resulting receivables and payables are classified as “interfund balances” on the governmental funds balance sheet and the proprietary fund statement of net position.

I. Inventory

Inventory, which consists of materials and supplies, is stated at cost using the first-in, first-out method.

J. Capital Assets

Capital assets are reported in the applicable governmental or business-type activities’ columns on the government-wide statement of net position and in the proprietary fund statement of net position.

Capital assets for governmental activities are defined as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not enhance functionality or materially extend the life of an asset are not capitalized. Capital assets for governmental activities are depreciated using the straight-line method over the following estimated useful lives:

Buildings	25 – 50 years
Improvements	10 – 20 years
Equipment	3 – 30 years
Infrastructure	5 – 50 years

Capital assets for business-type activities and proprietary funds are stated at cost. Contributions of capital assets received from federal, state or local sources are recorded as assets and are stated at fair value upon receipt. Additions, improvements and expenses that significantly extend the useful life of an asset are capitalized. Depreciation has been provided over the estimated useful lives using the straight-line method beginning when the asset is placed in service, with zero expected salvage value. The estimated useful lives are as follows:

Buildings	40 – 50 years
Improvements	20 – 50 years
Equipment	3 – 20 years
Utility System	25 – 75 years
Infrastructure	5 – 50 years

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

L. Compensated Absences

The City's personnel policy provides its employees with vacation and sick leave in varying amounts. In the event of termination, employees are paid for varying amounts of accrued vacation and sick leave. Compensated absences are accrued in the applicable governmental or business-type activities' columns on the government-wide statement of net position and in the proprietary fund statement of net position when earned.

M. Long-Term Obligations

General long-term obligations consist of the non-current portion of bonds and leases payable and other long-term liabilities. General long-term obligations are not reported as liabilities in governmental funds but are reported in the governmental activities' column on the government-wide statement of net position. In the government-wide and proprietary fund statements of net position, outstanding debt is reported as liabilities. The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

N. Equity

In the governmental fund financial statements, equity is displayed in five components as follows:

Nonspendable – This consists of amounts that are not in a spendable form or are legally or contractually required to be maintained intact.

Restricted – This consists of amounts that are constrained to specific purposes by their providers, through constitutional or contractual provisions or by enabling legislation.

Committed – This consists of amounts that can be used only for the specific purposes determined by a formal action (ordinance or resolution) of the government's highest level of decision-making authority (the City Council) by the end of the fiscal year. The City Council can, by adoption of a formal action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the formal action remains in place until a similar action is taken to remove or revise the limitation.

Assigned – This consists of amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. The City Council can assign fund balance; however, an additional formal action does not have to be taken for the removal of the assignment.

Unassigned – This consists of amounts that are available for any purpose and can only be reported in the General Fund.

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

Net investment in capital assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted – This consists of amounts that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted – This consists of amounts that do not meet the definition of “net investment in capital assets” or “restricted.”

O. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates.

P. Pensions

The City participates in two pension plans: the Missouri Local Government Employees Retirement System (LAGERS) and the Firemen’s Pension Trust Fund (the Fire Pension Fund). For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension plan investments are reported at fair value.

Q. Subsequent Events

Events that have occurred subsequent to March 31, 2024, have been evaluated through September 17, 2024, which is the date the financial statements were available to be issued.

2. LEGAL COMPLIANCE – BUDGET

The City’s policy is to prepare the operating budgets in accordance with U.S. generally accepted accounting principles. The City prepared budgets for all governmental fund types for the year ended March 31, 2024.

The City Council follows various procedures in establishing the budgetary data reflected in the financial statements.

The reported budgetary data represents the final approved budget after amendments as adopted by the City Council. The budget was amended during the year.

3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Deposits

Missouri State Statutes authorize the City to deposit funds in obligations of the U.S. Treasury, federal agencies and instrumentalities, certificates of deposit, and repurchase agreements. Custodial credit risk for deposits is the risk that, in event of a bank failure, the government’s deposits may not be returned to it. The City’s deposit policy for custodial credit risk is set by statute. Statutes require that collateral pledged must have a fair value equal to 100% of the funds on deposit, less insured amounts. Collateral securities, which are of the same type as authorized for investment by the City, are limited to the following as prescribed by state statutes:

- Bonds of the State of Missouri, of the United States, or of any wholly owned corporation of the United States.
- Other short-term obligations of the United States.

The City maintains a cash and investment pool which is available for use by all funds for the purpose of increasing income through investment activities. Interest is allocated to the various funds based on average cash or investment balances. Each fund’s portion of this pool is displayed on the statement of financial position as cash and cash equivalents or restricted cash in each fund’s column.

The City’s deposits are categorized to give an indication of the level of custodial risk assumed as of March 31, 2024. Deposits, categorized by level of custodial risk, were as follows as of March 31, 2024:

	Cash and Cash Equivalents	Petty Cash	Total
Bank balance			
Insured by the FDIC	\$ 750,000	\$ -	\$ 750,000
Collateralized with securities pledged by the financial institution	17,980,798	-	17,980,798
	<u>\$ 18,730,798</u>	<u>\$ -</u>	<u>\$ 18,730,798</u>
Carrying value	<u>\$ 22,816,615</u>	<u>\$ 3,400</u>	<u>\$ 22,820,015</u>

A reconciliation of cash and cash equivalents as shown in the financial statements is as follows:

	Governmental Activities	Business-type Activities	Component Unit - Library	Total
Cash and cash equivalents	\$ 8,546,773	\$ 5,004,973	\$ 1,008,383	\$ 14,560,129
Restricted cash and cash equivalents	6,259,143	2,000,743	-	8,259,886
	<u>\$ 14,805,916</u>	<u>\$ 7,005,716</u>	<u>\$ 1,008,383</u>	<u>\$ 22,820,015</u>

Investments

Missouri State Statutes and City ordinances authorize the City's investments. The City is authorized to invest in U.S. government obligations and its agencies or instrumentalities (excluding collateralized mortgage obligations, real estate mortgage investment conduits, or other principal or interest only obligations), obligations of any state or political subdivision of any state (pension funds), money market funds registered under the Investment Company Act of 1940, repurchase agreements, insured or collateralized certificates of deposit and money market funds.

The fiduciary funds' investments are authorized by Missouri State Statutes and include, in addition to the previously mentioned investments, marketable equity securities.

The following summarizes the City's investments by type as of March 31, 2024:

	Governmental Activities	Business-type Activities	Component Unit - Library	Fiduciary Activities	Total
Certificates of deposit	\$ 6,251,447	\$ 4,411,187	\$ 484,610	\$ -	\$ 11,147,244
Common and preferred stocks	-	-	-	5,387,709	5,387,709
Convertible preferred stocks	-	-	-	31,908	31,908
Exchange traded funds	-	-	-	106,335	106,335
Corporate bonds	-	-	-	899,769	899,769
U.S government bonds	-	-	-	1,208,385	1,208,385
Real estate investment trusts	-	-	-	20,783	20,783
Money market funds	-	-	-	177,180	177,180
Total	<u>\$ 6,251,447</u>	<u>\$ 4,411,187</u>	<u>\$ 484,610</u>	<u>\$ 7,832,069</u>	<u>\$ 18,979,313</u>

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City does not have a formal investment policy addressing interest rate risk.

The following summarizes the debt securities' maturities by investment type as of March 31, 2024:

	Investment Maturities (in years)			Total
	Less than 1	1-5	Over 5	
Corporate bonds	\$ 163,015	\$ 692,216	\$ 44,538	\$ 899,769
U.S government bonds	209,559	998,826	-	1,208,385
Total	<u>\$ 372,574</u>	<u>\$ 1,691,042</u>	<u>\$ 44,538</u>	<u>\$ 2,108,154</u>

Credit risk: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the City.

The following summarizes the debt securities' investments by credit rating category as of March 31, 2024:

Credit Rating Level	Corporate Bonds						U.S. Government Bonds
	Total	Financial	IT Services	Manufacturing	Utility	Other	
Aaa	\$ 1,316,575	\$ -	\$ 108,190	\$ -	\$ -	\$ -	\$ 1,208,385
Aa3	95,046	-	-	95,046	-	-	-
A1	82,157	59,398	-	22,759	-	-	-
A2	45,379	-	-	-	45,379	-	-
A3	103,401	64,038	-	-	39,363	-	-
Baa	465,596	-	103,616	71,305	96,623	194,052	-
Total	<u>\$ 2,108,154</u>	<u>\$ 123,436</u>	<u>\$ 211,806</u>	<u>\$ 189,110</u>	<u>\$ 181,365</u>	<u>\$ 194,052</u>	<u>\$ 1,208,385</u>

Fair value disclosures: The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The fair value hierarchy is as follows:

- Level 1 Valuation is based upon quoted prices (unadjusted) in active markets.
- Level 2 Valuation is based upon quoted prices for similar assets or liabilities in active markets, quoted market prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborated by observable market data by correlation or other means. Observable inputs may include interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals.
- Level 3 Valuations derived from valuation techniques in which significant inputs are unobservable. Valuation is based on methodologies that are unobservable and significant to the fair value measure. These may be generated from model-based techniques that use at least one significant assumption based on unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The City's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of valuation methodologies used for assets recorded at fair value.

Corporate bonds: Certain corporate bonds are valued at the closing price reported in the inactive market in which the bond is traded. Other corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs such as current yields of similar instruments but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

U.S government bonds: Valued at the closing price reported in the market in which the individual security is traded.

Other: Valued at quoted market prices available on an active market.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the City believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following summarizes the City's assets measured at fair value as of March 31, 2024, aggregated by the level in the fair value hierarchy within which those measurements fall:

Investment Type	Level 1	Level 2	Level 3	Total
Certificates of deposit	\$ -	\$ 11,147,244	\$ -	\$ 11,147,244
Common and preferred stocks	5,387,709	-	-	5,387,709
Convertible preferred stocks	31,908	-	-	31,908
Exchange traded funds	106,335	-	-	106,335
Corporate bonds	-	899,769	-	899,769
U.S government bonds	-	1,208,385	-	1,208,385
Real estate investment trusts	20,783	-	-	20,783
Money market funds	177,180	-	-	177,180
Total	\$ 5,723,915	\$ 13,255,398	\$ -	\$ 18,979,313

4. PROPERTY TAX

Property tax revenue is recognized independent of receivable recognition. A receivable is recognizable as of the lien date when the City has an enforceable legal claim while revenue is recognized in the period for which the taxes are levied. Delinquent taxes expected to be received later than 60-days after the close of the fiscal year are classified as deferred inflows of resources – unavailable revenue in the governmental funds balance sheet because they do not meet the criteria of being available as described in Note 1.

The City’s property tax is levied by the City on September 1 on the value of all real and personal property located in the City as of the prior January 1, the lien date. Taxes are billed by September 1 and are considered delinquent after December 31.

For the 2023 calendar year, the City’s assessed valuation and tax levies per \$100 assessed valuation of those properties are as follows:

Assessed Valuation	Tax Levies (per \$100 assessed valuation)			
	Fire Pension \$0.0500	General Revenue \$0.4813	Library \$0.2344	Library Temp \$0.0681
Real estate	\$ 212,967,840	\$ 212,967,840	\$ 168,902,610	\$ 168,902,610
Personal property	92,370,709	92,370,709	66,821,564	66,821,564
Railroad and utilities	14,020,548	14,020,548	12,155,050	12,155,050
	<u>\$ 319,359,097</u>	<u>\$ 319,359,097</u>	<u>\$ 247,879,224</u>	<u>\$ 247,879,224</u>
			Special Business District \$0.8500	
Real estate	\$ 212,967,840	\$ 212,967,840	\$ 4,796,730	
Personal property	92,370,709	92,370,709	3,210	
Railroad and utilities	14,020,548	14,020,548	80	
	<u>\$ 319,359,097</u>	<u>\$ 319,359,097</u>	<u>\$ 4,800,020</u>	

5. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2024, was as follows:

	Balance April 1, 2023 (as restated)	Additions	Retirements	Transfers	Balance March 31, 2024
Governmental activities - primary government:					
Capital assets, not being depreciated:					
Land	\$ 7,162,558	\$ 26,266	\$ 6,198	\$ -	\$ 7,182,626
Construction in progress	27,993,574	241,555	-	(27,624,149)	610,980
Total capital assets, not being depreciated	<u>35,156,132</u>	<u>267,821</u>	<u>6,198</u>	<u>(27,624,149)</u>	<u>7,793,606</u>
Capital assets, being depreciated/amortized:					
Buildings	33,517,261	184,359	-	25,571,896	59,273,516
Improvements other than buildings	22,598,301	407,611	-	555,228	23,561,140
Vehicles and equipment	15,027,879	1,179,997	444,262	840,922	16,604,536
Infrastructure	179,334,719	1,037,341	-	618,611	180,990,671
Right-of-use lease assets	98,398	18,139	-	-	116,537
Total capital assets, being depreciated/amortized	<u>250,576,558</u>	<u>2,827,447</u>	<u>444,262</u>	<u>27,586,657</u>	<u>280,546,400</u>
Less accumulated depreciation for:					
Buildings	15,373,283	1,008,004	-	-	16,381,287
Improvements other than buildings	9,662,883	852,454	-	-	10,515,337
Vehicles and equipment	10,098,902	895,492	426,797	-	10,567,597
Infrastructure	122,675,648	1,766,385	-	-	124,442,033
Less accumulated amortization for:					
Right-of-use lease assets	19,680	19,680	-	-	39,360
Total accumulated depreciation/amortization	<u>157,830,396</u>	<u>4,542,015</u>	<u>426,797</u>	<u>-</u>	<u>161,945,614</u>
Total capital assets being depreciated/amortized, net	<u>92,746,162</u>	<u>(1,714,568)</u>	<u>(17,465)</u>	<u>27,586,657</u>	<u>118,600,786</u>
Total capital assets, net	<u>\$ 127,902,294</u>	<u>\$ (1,446,747)</u>	<u>\$ (23,663)</u>	<u>\$ (37,492)</u>	<u>\$ 126,394,392</u>
Governmental activities - component unit - Library:					
Capital assets:					
Buildings	\$ 2,593,754	\$ -	\$ -	\$ -	\$ 2,593,754
Equipment	80,849	-	-	-	80,849
Total capital assets	<u>2,674,603</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,674,603</u>
Less accumulated depreciation for:					
Buildings	1,248,057	82,180	-	-	1,330,237
Equipment	79,869	2,812	-	-	82,681
Total accumulated depreciation	<u>1,327,926</u>	<u>84,992</u>	<u>-</u>	<u>-</u>	<u>1,412,918</u>
Total capital assets, net	<u>\$ 1,346,677</u>	<u>\$ (84,992)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,261,685</u>

	Balance April 1, 2023 (as restated)	Additions	Retirements	Transfers	Balance March 31, 2024
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 2,706,189	\$ -	\$ -	\$ -	\$ 2,706,189
Construction in progress	16,522,356	879,528	-	(12,210,665)	5,191,219
Total capital assets, not being depreciated	<u>19,228,545</u>	<u>879,528</u>	<u>-</u>	<u>(12,210,665)</u>	<u>7,897,408</u>
Capital assets, being depreciated/amortized:					
Buildings	14,340,897	-	-	-	14,340,897
Improvements other than buildings	41,359,159	315,776	-	-	41,674,935
Water lines and pumping equipment	58,625,730	377,990	-	12,210,665	71,214,385
Vehicles, machinery, and equipment	8,696,031	1,439,283	398,280	37,492	9,774,526
Right-of-use lease assets	1,566,247	-	1,438,811	-	127,436
Total capital assets, being depreciated/amortized	<u>124,588,064</u>	<u>2,133,049</u>	<u>1,837,091</u>	<u>12,248,157</u>	<u>137,132,179</u>
Less accumulated depreciation for:					
Buildings	6,513,226	282,634	-	-	6,795,860
Improvements other than buildings	23,384,417	1,437,135	-	-	24,821,552
Water lines and pumping equipment	23,649,746	1,624,650	-	-	25,274,396
Vehicles, machinery, and equipment	6,204,943	416,326	201,592	-	6,419,677
Less accumulated amortization for:					
Right-of-use lease assets	1,346,506	194,253	1,438,811	-	101,948
Total accumulated depreciation/amortization	<u>61,098,838</u>	<u>3,954,998</u>	<u>1,640,403</u>	<u>-</u>	<u>63,413,433</u>
Total capital assets being depreciated, net	<u>63,489,226</u>	<u>(1,821,949)</u>	<u>196,688</u>	<u>12,248,157</u>	<u>73,718,746</u>
Total capital assets, net	<u>\$ 82,717,771</u>	<u>\$ (942,421)</u>	<u>\$ 196,688</u>	<u>\$ 37,492</u>	<u>\$ 81,616,154</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:

Primary government:

General government	\$ 442,649
Public safety	813,325
Transportation	2,471,266
Community development	35,886
Parks and recreation	778,889
Component unit - Library	84,992
Total depreciation and amortization expense - governmental activities	<u>\$ 4,627,007</u>

Business-type activities:

Wastewater	\$ 2,712,316
Water	926,688
Sanitation	315,994
Total depreciation and amortization expense - business-type activities	<u>\$ 3,954,998</u>

6. FINANCING LEASES

Governmental Activities

In June 2022, the City entered into a five-year lease agreement for the rental of a wheel loader for the Street Department. The lease requires annual payments of \$21,253, due in July each year.

In December 2021, the City assumed the remaining ten years of a lease for solar panels. The lease requires annual payments ranging from \$2,069 to \$2,401, due in December of each year.

Business-type Activities

In August 2018, the City entered into a five-year lease agreement for the rental of 14,200 garbage and recycling carts for the Sanitation Department. The lease requires payments of \$144,144 per year, with payments due monthly. This lease expired during fiscal year 2024.

In December 2018, the City entered into a five-year lease agreement for the rental of three trash trucks for the Sanitation Department. The lease requires payments of \$165,060 per year, with payments due monthly. This lease expired during fiscal year 2024.

In July 2020, the City entered into a five-year lease agreement for the rental of a wheel loader for the Wastewater Department. The lease requires annual payments of \$27,525, due in July of each year.

See Note 5 for addition information regarding the right-of-use assets related to these financing leases.

The following is a schedule of the future minimum lease payments under the financing leases and the present value of the minimum lease payments as of March 31, 2024:

	Governmental Activities	Business-Type Activities
2025	\$ 27,647	\$ 27,525
2026	23,448	-
2027	23,481	-
2028	2,262	-
2029	2,296	-
2030-2031	4,695	-
Total minimum lease payments	83,829	27,525
Less: amount representing interest	(6,711)	(1,059)
Present value of minimum lease payments	\$ 77,118	\$ 26,466

7. LONG-TERM DEBT

The following is a summary of the City's long-term debt transactions for the year ended March 31, 2024:

	Beginning Balance	Additions	Retirements	Ending Balance	Amount Due In One Year
Governmental activities:					
Certificates of participation:					
Series 2017A	\$ 1,307,600	\$ -	\$ 424,900	\$ 882,700	\$ 435,800
Series 2017B	4,037,361	-	358,225	3,679,136	367,647
Series 2020	25,320,000	-	1,535,000	23,785,000	1,575,000
Series 2020 - premium	1,941,434	-	87,255	1,854,179	-
Notes payable	29,928	-	29,928	-	-
Total governmental activities	32,636,323	-	2,435,308	30,201,015	2,378,447
Business-type activities:					
Certificates of participation:					
Series 2018	11,505,000	-	415,000	11,090,000	430,000
Series 2018 - discount	(122,162)	-	(6,430)	(115,732)	-
Series 2019	24,815,000	-	1,485,000	23,330,000	1,545,000
Series 2019 - premium	2,165,879	-	176,676	1,989,203	-
Financed purchase	862,726	-	277,412	585,314	287,454
Notes payable	82,905	-	44,444	38,461	38,461
Revenue bonds - Series 2020	2,853,000	-	467,000	2,386,000	471,000
Total business-type activities	42,162,348	-	2,859,102	39,303,246	2,771,915
	\$ 74,798,671	\$ -	\$ 5,294,410	\$ 69,504,261	\$ 5,150,362

Governmental Activities

Certificates of Participation

In March 2017, the City issued \$3,638,100 of Series 2017A certificates of participation to advance refund the Series 2007 certificates of participation.

In September 2017, the City issued \$5,695,000 of Series 2017B certificates of participation to acquire, construct, furnish and equip, improve, and renovate various buildings and facilities.

In June 2020, the City issued \$28,610,000 of Series 2020 certificates of participation to advance refund the Series 2012A certificates of participation and to fund various improvements. The City issued these certificates of participation at a premium, which will be amortized over the life of the certificates of participation.

The following summarizes the certificates of participation:

	Original Amount	Interest Rate	Maturity Date	Balance March 31, 2024
Series 2017A	\$ 3,638,100	2.55%	3/15/2026	\$ 882,700
Series 2017B	5,695,000	2.63%	9/15/2032	3,679,136
Series 2020	28,610,000	3.00-4.00%	9/15/2044	23,785,000
				<u>\$ 28,346,836</u>

Future principal and interest payments on the certificates of participation for the years ending March 31, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,378,447	\$ 978,970	\$ 3,357,417
2026	2,469,216	893,788	3,363,004
2027	1,432,239	818,669	2,250,908
2028	1,477,424	765,984	2,243,408
2029	1,532,876	711,432	2,244,308
2030-2034	7,076,634	2,704,699	9,781,333
2035-2039	4,865,000	1,623,500	6,488,500
2040-2044	5,840,000	645,525	6,485,525
2045	1,275,000	19,125	1,294,125
	<u>\$ 28,346,836</u>	<u>\$ 9,161,692</u>	<u>\$ 37,508,528</u>

Notes Payable

In April 2007, the City entered into a note payable agreement with the Missouri Department of Natural Resources and the State Environmental Improvement Energy Resources Authority to finance the construction and installation of energy conservation measures. In May 2010, the City received proceeds totaling \$489,424 on the note payable. The agreement is non-interest bearing and requires semi-annual principal payments. This note payable was paid off during fiscal year 2024.

Business-type Activities

Certificates of Participation

In March 2018, the City issued \$13,065,000 of Series 2018 certificates of participation to acquire, construct, improve, and install the waterworks system. The City issued these certificates of participation at a discount, which will be amortized over the life of the certificates of participation.

In June 2019, the City issued \$28,950,000 of Series 2019 certificates of participation to advance refund the Series 2010A and Series 2010B certificates of participation and to fund various improvements. The City issued these certificates of participation at a premium, which will be amortized over the life of the certificates of participation.

The following summarizes the certificates of participation:

	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance March 31, 2024</u>
Series 2018	\$ 13,065,000	2.0-3.7%	3/31/2043	\$ 11,090,000
Series 2019	28,950,000	3.0-4.0%	7/15/2035	23,330,000
				<u>\$ 34,420,000</u>

Future principal and interest payments on the certificates of participation for the years ending March 31, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,975,000	\$ 1,271,995	\$ 3,246,995
2026	2,055,000	1,195,770	3,250,770
2027	2,130,000	1,116,570	3,246,570
2028	2,210,000	1,034,395	3,244,395
2029	2,300,000	948,970	3,248,970
2030-2034	12,905,000	3,328,076	16,233,076
2035-2039	7,870,000	1,026,758	8,896,758
2040-2043	2,975,000	224,329	3,199,329
	<u>\$ 34,420,000</u>	<u>\$ 10,146,863</u>	<u>\$ 44,566,863</u>

Financed Purchase

In January 2011, the City entered into a lease/purchase agreement with McKinstry Essention, Inc. Proceeds were used to fund water improvements. As of March 31, 2024, the outstanding balance on the lease/purchase agreement was \$585,314. The lease/purchase agreement bears interest at 3.620% and is scheduled to mature in January 2026.

The lease/purchase agreement qualifies as a financed purchase for accounting purposes because ownership transfers at the end of lease/purchase agreement term. Therefore, the lease/purchase agreement has been recorded as debt at the present value of the future minimum payments.

Future principal and interest payments on the financed purchase for the years ending March 31, are as follows:

	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 308,642	\$ 287,454	\$ 21,188
2026	308,643	297,860	10,783
Total minimum lease payments	617,285	<u>\$ 585,314</u>	<u>\$ 31,971</u>
Less: amount representing interest	<u>(31,971)</u>		
Present value of minimum lease payments	<u>\$ 585,314</u>		

Notes Payable

In May 2019, the City entered into a note payable agreement with a developer to finance the upsizing of the water line to provide for future development. The agreement bears interest at 4.125% and requires annual principal and interest payments.

Future principal and interest payments on the note payable for the years ending March 31, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 38,461	\$ 731	\$ 39,192

Revenue Bonds

In June 2020, the City issued \$4,234,000 of Series 2020 revenue bonds to advance refund the Series 2012 revenue bonds.

The following summarizes the revenue bonds:

	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance March 31, 2024</u>
Series 2020	\$ 4,234,000	1.58%	3/15/2029	<u>\$ 2,386,000</u>

Future principal and interest payments on the revenue bonds for the years ending March 31, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 471,000	\$ 37,699	\$ 508,699
2026	475,000	30,257	505,257
2027	479,000	22,752	501,752
2028	482,000	15,184	497,184
2029	479,000	7,568	486,568
	<u>\$ 2,386,000</u>	<u>\$ 113,460</u>	<u>\$ 2,499,460</u>

Legal Debt Margin

The State Constitution permits a city, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for "city purposes" not to exceed 10% of the assessed value of taxable tangible property and to incur additional general obligation indebtedness not to exceed, in the aggregate, an additional 10% of the assessed value of taxable tangible property, for the purpose of acquiring rights-of-way, construction, extending and improving streets and avenues and/or sanitary or storm wastewater systems, and purchasing or constructing waterworks, electric or other light plants, provided that the total general obligation indebtedness of the City does not exceed 20% of the assessed valuation of taxable property.

Based on the assessed valuation as of January 1, 2023, of \$319,359,097, the constitutional total general obligation debt limit for "city purposes" was \$63,871,819.

8. CONDUIT DEBT

The City has issued industrial revenue bonds to provide funds to assist companies within the City to acquire and construct facilities for manufacturing and industrial development purposes. The City has issued and sold these bonds to financial institutions. The companies are required to make regular principal and interest payments to the financial institutions over the maturity of the bonds. The original issuance amount of these revenue bonds totaled \$400,650,000 as of March 31, 2024. The outstanding balance on these bonds as of March 31, 2024, was \$281,452,457.

The City has no liability for repayment of these revenue bonds; accordingly, they have not been recorded in the accompanying financial statements. Security for the bondholders consists of the unconditional obligation of the borrowers to repay the bonds.

9. INTERGOVERNMENTAL REVENUE

The City receives significant financial assistance from numerous federal, state, and local governmental agencies in the form of grants. Federal grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenues when entitlement occurs. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. 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 any of the financial statements or the individual fund-types included herein or on the overall financial position of the City as of March 31, 2024.

10. PENSION PLANS

The following information is presented in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*.

Missouri Local Government Employees Retirement System

General Information about the Pension Plan

Plan Description

The City's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo 70.600-70.755. As such, it is LAGERS' responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided

LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 for a general employee and age 55 for a police, fire, or public safety employee with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 if a general employee or age 50 if a police, fire, or public safety employee and receive a reduced allowance.

The benefit provisions adopted by the City are as follows:

	2023
	<u>Valuation</u>
Benefit multiplier	2% for life
Final average salary	3 years
Member contributions	0%

Benefit terms provide for annual post retirement adjustments to each member’s retirement allowance subsequent to the member’s retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

Employees Covered by Benefit Terms

As of June 30, 2023, the following employees were covered by the benefit terms:

	City	Library	Water
Inactive employees or beneficiaries currently receiving benefits	175	9	28
Inactive employees entitled to but not yet receiving benefits	78	1	7
Active employees	208	4	11
Total	461	14	46

Contributions

The City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City do not contribute to the pension plan. The City’s contribution rates are 16.3% (City – General), 17.2% (City – Police), 22.7% (City – Fire), 25.1% (Library), and 21.5% (Water) of annual covered payroll.

Net Pension Liability/(Asset)

The City’s net pension liability/(asset) was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of February 28, 2023.

Actuarial Assumptions

The total pension liability in the February 28, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increase	2.75% to 6.75%, including inflation*
Investment rate of return	7.00%, net of investment expenses

*2.75% - 6.55%, including inflation, for City – Police.

Mortality rates were based on the PubG-2010 Retiree, PubNS-2010 Disabled Retiree, and the PubG-2010 Employee mortality tables.

The actuarial assumptions used in the February 28, 2023, valuation were based on the results of an actuarial experience study for the period March 1, 2015 through February 29, 2020.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the table on the following page.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed income	31.00%	1.41%
Real assets	36.00%	3.29%
Strategic assets	8.00%	5.25%
Cash/leverage	-25.00%	-0.29%
	100.00%	

Discount Rate

The discount rate used to measure the total pension liability is 7.00%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Changes in Net Position Liability/(Asset)

City:	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Balances at June 30, 2022	\$ 43,619,758	\$ 42,893,730	\$ 726,028
Changes for the year:			
Service cost	1,026,778	-	1,026,778
Interest	2,998,310	-	2,998,310
Difference between expected and actual experience	1,307,489	-	1,307,489
Contributions - employer	-	2,467,819	(2,467,819)
Net investment income	-	1,550,943	(1,550,943)
Benefit payments, including refunds	(2,626,079)	(2,626,079)	-
Administrative expense	-	(70,178)	70,178
Other changes	1,864,410	(9,029)	1,873,439
Net changes	4,570,908	1,313,476	3,257,432
Balances at June 30, 2023	\$ 48,190,666	\$ 44,207,206	\$ 3,983,460

Library:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Balances at June 30, 2022	\$ 1,312,278	\$ 1,372,377	\$ (60,099)
Changes for the year:			
Service cost	23,171	-	23,171
Interest	89,533	-	89,533
Difference between expected and actual experience	54,385	-	54,385
Contributions - employer	-	50,362	(50,362)
Net investment income	-	47,451	(47,451)
Benefit payments, including refunds	(90,782)	(90,782)	-
Administrative expense	-	(2,130)	2,130
Other changes	-	28,002	(28,002)
Net changes	76,307	32,903	43,404
Balances at June 30, 2023	\$ 1,388,585	\$ 1,405,280	\$ (16,695)

Water:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Balances at June 30, 2022	\$ 7,795,024	\$ 8,093,478	\$ (298,454)
Changes for the year:			
Service cost	66,525	-	66,525
Interest	531,459	-	531,459
Difference between expected and actual experience	(48,294)	-	(48,294)
Contributions - employer	-	128,582	(128,582)
Net investment income	-	262,421	(262,421)
Benefit payments, including refunds	(478,992)	(478,992)	-
Administrative expense	-	(7,152)	7,152
Other changes	-	(246,986)	246,986
Net changes	70,698	(342,127)	412,825
Balances at June 30, 2023	\$ 7,865,722	\$ 7,751,351	\$ 114,371

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

The table on the following page presents the net pension liability/(asset) of the City, calculated using the discount rate of 7.00%, as well as what the City's net pension liability/(asset) would be using a discount rate that is 1 percentage point lower (6.00%) or 1 percentage point higher (8.00%) than the current rate.

City:	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	(6.00%)	(7.00%)	(8.00%)
Total pension liability	\$ 54,551,198	\$ 48,190,666	\$ 42,875,953
Plan fiduciary net position	44,207,208	44,207,206	44,207,208
Net pension liability/(asset)	\$ 10,343,990	\$ 3,983,460	\$ (1,331,255)

Library:	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	(6.00%)	(7.00%)	(8.00%)
Total pension liability	\$ 1,538,798	\$ 1,388,585	\$ 1,262,159
Plan fiduciary net position	1,405,280	1,405,280	1,405,280
Net pension liability/(asset)	\$ 133,518	\$ (16,695)	\$ (143,121)

Water:	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	(6.00%)	(7.00%)	(8.00%)
Total pension liability	\$ 8,773,816	\$ 7,865,722	\$ 7,098,823
Plan fiduciary net position	7,751,351	7,751,351	7,751,351
Net pension liability/(asset)	\$ 1,022,465	\$ 114,371	\$ (652,528)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's net position is available in the separately issued LAGERS financial report.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended March 31, 2024, the City recognized pension expense of \$221,579 for the governmental activities, \$212,353, for the business-type activities, and \$7,866 for the component unit – Library. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

City:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between:		
Expected and actual experience	\$ 1,224,145	\$ (2,366,139)
Projected and actual earnings on investments	37,808	(537,935)
Changes in assumptions	396,433	-
Contributions subsequent to the measurement date*	1,405,574	-
Total	\$ 3,063,960	\$ (2,904,074)

Library:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between:		
Expected and actual experience	\$ 44,697	\$ -
Projected and actual earnings on investments	-	-
Changes in assumptions	26,477	-
Contributions subsequent to the measurement date*	45,398	-
Total	\$ 116,572	\$ -

Water:	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between:		
Expected and actual experience	\$ 82,740	\$ (81,273)
Projected and actual earnings on investments	-	(24,700)
Changes in assumptions	134,826	-
Contributions subsequent to the measurement date*	114,740	-
Total	\$ 332,306	\$ (105,973)

*The amounts reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability/(asset) for the year ending March 31, 2025.

The remaining amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending:	City	Library	Water
2025	\$ (2,274,107)	\$ 32,312	\$ (20,672)
2026	(454,344)	950	(90,334)
2027	1,229,638	28,289	165,934
2028	353,464	9,623	56,665
2029	(19,039)	-	-
Thereafter	(81,300)	-	-
Total	\$ (1,245,688)	\$ 71,174	\$ 111,593

Firemen's Pension Trust Fund

General Information about the Pension Plan

Plan Description

The Firemen's Pension Trust Fund (the Fire Pension Fund) is administered by the Fire Pension Fund Board of Trustees. The single-employer, defined benefit pension plan was established by City ordinance in accordance with City charter and state statutes. Effective June 1, 2022, all active employees were transferred to LAGERS. Subsequent to June 1, 2022, only inactive fire department employees or beneficiaries currently receiving benefits remain in the Fire Pension Plan.

Benefits Provided

The Fire Pension Trust Fund provides retirement, death, and disability benefits. Employees who completed twenty-two years of service, prior to June 1, 2022, are entitled to a monthly benefit of 50% of a base amount, which increases 3% per year (\$65,049 for the 2023 plan year). Any employee hired after July 1, 1989 and terminated prior to June 1, 2022, must also have attained age 55. Participants who became disabled prior to retirement or separation from service (and prior to June 1, 2022) are entitled to the greater of his or her accrued benefit payable as a monthly benefit commencing at his or her normal retirement date, or his or her employee contribution benefit. Death benefits are paid at the greater of 75% of the participant's accrued benefit payable commencing at date of death, or 100% of the participant's employee contribution benefit payable as a lump sum. If a participant terminated employment prior to their normal retirement date, the participant is entitled to the greater of his or her employee contribution benefit credited with interest, or a deferred payable for life on his or her normal retirement date equal to his or her vested accrued benefits.

Employees Covered by Benefit Terms

As of April 1, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	46
Inactive employees entitled to but not yet receiving benefits	<u>8</u>
Total	<u><u>54</u></u>

Contributions

As required by City ordinance, each member historically contributed 7.5% of a base compensation amount, which was matched by the City. Effective April 1, 2012, employee contributions to the plan were discontinued. Participants are 100% vested in their contributions. Included in net position are employee contributions totaling \$742,947.

Contributions to the plan are made by the City from a \$0.0500 per \$100 assessed valuation property tax levy established by City ordinance. Total contributions provided from the property tax levy for the year ended March 31, 2024 were \$167,393.

Net Pension Liability

The City's net pension liability was measured as of March 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of April 1, 2023.

Actuarial Assumptions

The total pension liability in the April 1, 2023, actuarial valuation was determined using an investment rate of return of 7%. There were no assumptions used for inflation or salary increases due to active employees being transferred to LAGERS.

For the April 1, 2023, actuarial valuation, mortality rates were based on the MP-2020 Public Safety tables.

An experience study was completed in November 2017 for the period of 2010 through 2017. Recommendations from this study have been implemented.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	65%	5%
Fixed income	35%	2%
	100%	

Discount Rate

The discount rate used to measure the total pension liability is 7%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at April 1, 2022	\$ 10,204,139	\$ 8,514,536	\$ 1,689,603
Changes for the year:			
Service cost	37,000	-	37,000
Interest	686,268	-	686,268
Difference between expected and actual experience	300,274	-	300,274
Changes in assumptions	(4,534)	-	(4,534)
Contributions - employer	-	61,753	(61,753)
Property tax revenues	-	162,223	(162,223)
Net investment income	-	(396,809)	396,809
Benefit payments, including refunds	(874,612)	(874,612)	-
Administrative expense	-	(21,363)	21,363
Net changes	144,396	(1,068,808)	1,213,204
Balances at March 31, 2023	\$ 10,348,535	\$ 7,445,728	\$ 2,902,807

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City, calculated using the discount rate of 7%, as well as what the City's net pension liability would be using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate.

	Current Single Discount		
	1% Decrease (6%)	Rate Assumption (7%)	1% Increase (8%)
Total pension liability	\$ 11,575,954	\$ 10,348,535	\$ 9,342,709
Plan fiduciary net position	7,445,727	7,445,728	7,445,727
Net pension liability	<u>\$ 4,130,227</u>	<u>\$ 2,902,807</u>	<u>\$ 1,896,982</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended March 31, 2024, the City recognized pension expense of \$102,206. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between:		
Expected and actual experience	\$ 299,003	\$ (67,997)
Projected and actual earnings on investments	126,154	-
Changes in assumptions	41,463	(25,005)
Total	<u>\$ 466,620</u>	<u>\$ (93,002)</u>

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending:	
2025	\$ 29,512
2026	(155,905)
2027	247,686
2028	229,062
2029	23,263
Total	<u>\$ 373,618</u>

11. DEFERRED COMPENSATION PLAN

The City’s employees participate in a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all eligible employees of the City, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen emergency. Because the plan assets are held in trust exclusively for plan participants and beneficiaries and not subject to the City’s creditors, the deferred compensation plan is not reported in the City’s basic financial statements.

The assets of the plan are held in trust and held exclusively for plan participants and beneficiaries.

12. COMMITMENTS AND CONTINGENCIES

A. Litigation and Claims

In the normal course of City operations, the City is currently involved in various lawsuits and claims. The likely loss resulting from the litigation and claims cannot be estimates but is not believed to be material to the City’s financial statements.

B. Self-Funded Health Insurance Program

The City maintains a self-funded health insurance program with claims processed by Blue Cross and Blue Shield of Kansas City on behalf of the City. A separate Health Fund (an internal service fund) was created on January 1, 2024, to account for and finance the health insurance program.

All funds of the City from which employees’ salaries are paid participate in the health insurance program and make payments to the Health Fund based on actuarial estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic loss. Total contributions and transfers to the health insurance program during fiscal year 2024 were \$957,707. An estimate of the liability for claims outstanding at the end of the fiscal year has been reported in the Health Fund.

13. INTERFUND TRANSACTIONS

Interfund Receivable/Payable

Interfund receivable and payable balances as of March 31, 2024, resulting from an interfund loan were as follows:

	<u>Receivable</u>	<u>Payable</u>
Governmental funds:		
General Fund	\$ 3,302,325	\$ -
Proprietary funds:		
Sanitation Fund	-	3,302,325
Total	<u>\$ 3,302,325</u>	<u>\$ 3,302,325</u>

Interfund Transfers

A summary of interfund transfers for the year ended March 31, 2024, is as follows:

TRANSFERRED FROM	TRANSFERRED TO								Total
	Governmental Funds							Internal Service Fund	
	Major Funds			Non-Major Funds					
General Fund	Capital Project Fund	Park Fund	Midtown Special Allocation Fund	Galaxy West CID Fund	MFA Sales Tax Sharing Fund	Lamy's Sales Tax Sharing Fund	Health Fund		
Governmental funds:									
Primary government - major funds:									
General Fund	\$ -	\$ 302	\$ 15,000	\$ 3,267	\$ 22,701	\$ 14,828	\$ -	\$ 500,000	\$ 556,098
Capital Project Fund	-	-	-	2,043	11,348	7,414	43,297	-	64,102
Transportation Fund	521,370	500,000	-	1,567	11,348	-	-	-	1,034,285
Park Fund	-	455,041	-	1,635	11,348	-	-	-	468,024
Total primary government - major funds	521,370	955,343	15,000	8,512	56,745	22,242	43,297	500,000	2,122,509
Primary government - non-major funds:									
Opioid Settlement Fund	29,752	-	-	-	-	-	-	-	29,752
The Crossings CID Fund	277	-	-	-	-	-	-	-	277
Total primary government - non-major funds	30,029	-	-	-	-	-	-	-	30,029
Total governmental funds	551,399	955,343	15,000	8,512	56,745	22,242	43,297	500,000	2,152,538
Proprietary funds:									
Wastewater Fund	538,586	-	-	-	-	-	-	-	538,586
Water Fund	470,220	-	-	-	-	-	-	-	470,220
Sanitation Fund	240,474	-	-	-	-	-	-	-	240,474
Total proprietary funds	1,249,280	-	-	-	-	-	-	500,000	1,249,280
Total	\$ 1,800,679	\$ 955,343	\$ 15,000	\$ 8,512	\$ 56,745	\$ 22,242	\$ 43,297	\$ 1,000,000	\$ 3,401,818

The purpose of these transfers was to subsidize the operations and support the fund balance of the fund receiving the transfer.

14. TAX ABATEMENTS

In Missouri, State Statutes provide several economic development tools that State and local governments can offer as incentives for businesses to locate, build and/or expand a physically present operation in a target area. The City utilizes tax abatement incentive tools as made available through State Statutes. Each agreement was negotiated under state law and has been described by type within this disclosure. The City has grouped the abatements in total by abatement type. The City has not made any commitments as part of the agreements other than to reduce taxes. The City is not subject to any tax abatement agreements entered into by other governmental entities.

Property Tax Abatement under Chapter 100, RSMo

In Missouri, a municipality can issue industrial development revenue bonds (Revenue Bonds) pursuant to Chapter 100 of the RSMo. Under the Act, the municipality may issue Revenue Bonds to finance the cost of the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities which provide interstate commerce, and industrial plants, including the real estate either within or without the limits of such municipality, buildings, fixtures and machinery. There are two primary reasons to issue Revenue Bonds under the Act. First, if the Revenue Bonds are tax-exempt, it is possible to issue the Revenue Bonds at lower interest rates than those obtained through conventional financing. Second, even if the Revenue Bonds are not tax-exempt, ad valorem taxes levied on the Revenue Bonds financed project may be abated so long as the Revenue Bonds are outstanding.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SEDALIA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended March 31, 2024**

	Actual	Original Budget	Final Budget	Variance Favorable/ (Unfavorable)
REVENUES				
Taxes	\$ 12,790,237	\$ 12,648,065	\$ 12,883,065	\$ (92,828)
Licenses and permits	976,573	895,734	895,734	80,839
Charges for services	174,928	227,294	227,294	(52,366)
Intergovernmental revenue	434,722	3,496,504	3,650,308	(3,215,586)
Fines and forfeitures	99,202	155,491	155,491	(56,289)
Lease revenue	7,909	-	-	7,909
Other revenue	1,096,848	503,230	805,530	291,318
Total revenues	<u>15,580,419</u>	<u>17,926,318</u>	<u>18,617,422</u>	<u>(3,037,003)</u>
EXPENDITURES				
General government	5,675,848	4,527,001	5,214,004	(461,844)
Public safety	10,460,290	10,667,935	10,697,049	236,759
Transportation	371,107	308,821	347,000	(24,107)
Capital outlay	542,492	1,094,602	1,420,416	877,924
Total expenditures	<u>17,049,737</u>	<u>16,598,359</u>	<u>17,678,469</u>	<u>628,732</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,469,318)</u>	<u>1,327,959</u>	<u>938,953</u>	<u>(2,408,271)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,005,337	2,000,928	2,005,060	277
Transfers (out)	<u>(760,756)</u>	<u>(3,304,171)</u>	<u>(3,804,171)</u>	<u>3,043,415</u>
Total other financing sources (uses)	<u>1,244,581</u>	<u>(1,303,243)</u>	<u>(1,799,111)</u>	<u>3,043,692</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	<u>\$ (224,737)</u>	<u>\$ 24,716</u>	<u>\$ (860,158)</u>	<u>\$ 635,421</u>

CITY OF SEDALIA

**BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION FUND
Year Ended March 31, 2024**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	Variance Favorable/ (Unfavorable)
REVENUES				
Taxes	\$ 3,680,212	\$ 3,711,604	\$ 3,627,604	\$ 52,608
Charges for services	607,709	536,620	549,220	58,489
Intergovernmental revenue	1,205,968	1,260,598	1,260,598	(54,630)
Lease revenue	10,278	-	-	10,278
Other revenue	66,034	154,143	163,743	(97,709)
Total revenues	<u>5,570,201</u>	<u>5,662,965</u>	<u>5,601,165</u>	<u>(30,964)</u>
EXPENDITURES				
Transportation	3,463,777	3,746,265	3,691,314	227,537
Capital outlay	714,304	949,653	844,653	130,349
Total expenditures	<u>4,178,081</u>	<u>4,695,918</u>	<u>4,535,967</u>	<u>357,886</u>
Excess of revenues over expenditures	<u>1,392,120</u>	<u>967,047</u>	<u>1,065,198</u>	<u>326,922</u>
OTHER FINANCING (USES)				
Transfers (out)	<u>(1,034,285)</u>	<u>(1,024,092)</u>	<u>(1,024,092)</u>	<u>(10,193)</u>
Total other financing (uses)	<u>(1,034,285)</u>	<u>(1,024,092)</u>	<u>(1,024,092)</u>	<u>(10,193)</u>
Excess (deficiency) of revenues over (under) expenditures and other financing (uses)	<u>\$ 357,835</u>	<u>\$ (57,045)</u>	<u>\$ 41,106</u>	<u>\$ 316,729</u>

CITY OF SEDALIA

BUDGETARY COMPARISON SCHEDULE

PARK FUND

Year Ended March 31, 2024

	Actual	Original Budget	Final Budget	Variance Favorable/ (Unfavorable)
REVENUES				
Taxes	\$ 4,355,998	\$ 4,375,026	4,448,791	\$ (92,793)
Charges for services	1,404,737	1,409,895	1,433,425	(28,688)
Contributions	962	40,000	1,000	(38)
Lease revenue	23,981	-	-	23,981
Other revenue	106,037	69,355	72,263	33,774
Total revenues	<u>5,891,715</u>	<u>5,894,276</u>	<u>5,955,479</u>	<u>(63,764)</u>
EXPENDITURES				
Parks and recreation	5,014,680	4,494,702	5,060,018	45,338
Capital outlay	298,426	565,000	281,747	(16,679)
Total expenditures	<u>5,313,106</u>	<u>5,059,702</u>	<u>5,341,765</u>	<u>28,659</u>
Excess of revenues over expenditures	<u>578,609</u>	<u>834,574</u>	<u>613,714</u>	<u>(35,105)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	360,856	15,000	360,856	-
Transfers (out)	(813,880)	(919,222)	(919,222)	105,342
Total other financing (uses)	<u>(453,024)</u>	<u>(904,222)</u>	<u>(558,366)</u>	<u>105,342</u>
Excess (deficiency) of revenues over (under) expenditures and other financing (uses)	<u>\$ 125,585</u>	<u>\$ (69,648)</u>	<u>\$ 55,348</u>	<u>\$ 70,237</u>

CITY OF SEDALIA

**LAGERS (PENSION PLAN) – CITY
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
March 31, 2024**

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability									
Service cost	\$ 1,026,778	\$ 833,992	\$ 892,587	\$ 790,187	\$ 785,279	\$ 817,636	\$ 800,053	\$ 782,987	\$ 766,176
Interest on the total pension liability	2,998,310	2,910,870	3,544,509	2,779,562	2,093,815	2,015,117	1,901,844	1,760,068	1,661,198
Benefit changes	1,864,410	-	-	-	8,553,204	-	-	-	-
Difference between expected and actual experience	1,307,489	(167,047)	(10,287,957)	761,173	(299,985)	(486,500)	(62,084)	(778,678)	(60,682)
Assumption changes	-	-	(2,130,281)	1,621,669	-	-	-	1,149,316	-
Benefit payments	(2,626,079)	(2,226,269)	(2,195,141)	(2,067,874)	(1,297,893)	(1,193,669)	(982,158)	(951,487)	(1,068,909)
Plan amendment	-	-	-	9,593,332	-	-	-	-	-
Net change in total pension liability	4,570,908	1,351,546	(10,176,283)	13,478,049	9,834,420	1,152,584	1,657,655	1,962,206	1,297,783
Total pension liability beginning	43,619,758	42,268,212	52,444,495	38,966,446	29,132,026	27,979,442	26,321,787	24,359,581	23,061,798
Total pension liability ending	<u>\$ 48,190,666</u>	<u>\$ 43,619,758</u>	<u>\$ 42,268,212</u>	<u>\$ 52,444,495</u>	<u>\$ 38,966,446</u>	<u>\$ 29,132,026</u>	<u>\$ 27,979,442</u>	<u>\$ 26,321,787</u>	<u>\$ 24,359,581</u>
Plan fiduciary net position									
Contributions - employer	\$ 2,467,819	\$ 1,744,707	\$ 1,708,617	\$ 1,651,346	\$ 4,432,048	\$ 1,108,950	\$ 1,098,718	\$ 1,091,690	\$ 1,081,010
Contributions - employee	-	-	-	55,163	-	-	-	-	-
Pension plan net investment income	1,550,943	32,050	9,971,942	437,231	1,867,412	3,249,663	2,733,145	(48,800)	450,341
Benefit payments	(2,626,079)	(2,226,269)	(2,195,141)	(2,067,874)	(1,297,893)	(1,193,669)	(982,158)	(951,487)	(1,068,909)
Pension plan administrative expense	(70,178)	(45,854)	(40,881)	(53,240)	(39,247)	(25,525)	(25,203)	(24,904)	(26,656)
Other	(9,029)	(1,597,473)	1,424,933	(154,474)	209,504	(116,880)	37,000	(392,432)	(156,418)
Net change in plan fiduciary net position	1,313,476	(2,092,839)	10,869,470	(131,848)	5,171,824	3,022,539	2,861,502	(325,933)	279,368
Plan fiduciary net position beginning	42,893,730	44,949,396	34,079,926	34,211,774	29,039,950	26,017,411	23,155,909	23,481,842	23,202,474
Plan fiduciary net position ending	<u>\$ 44,207,206</u>	<u>\$ 42,856,557</u>	<u>\$ 44,949,396</u>	<u>\$ 34,079,926</u>	<u>\$ 34,211,774</u>	<u>\$ 29,039,950</u>	<u>\$ 26,017,411</u>	<u>\$ 23,155,909</u>	<u>\$ 23,481,842</u>
Net pension liability/(asset)	<u>\$ 3,983,460</u>	<u>\$ 763,201</u>	<u>\$ (2,681,184)</u>	<u>\$ 18,364,569</u>	<u>\$ 4,754,672</u>	<u>\$ 92,076</u>	<u>\$ 1,962,031</u>	<u>\$ 3,165,878</u>	<u>\$ 877,739</u>
Plan fiduciary net position as a percentage of the total pension liability	91.73%	98.25%	106.34%	64.98%	87.80%	99.68%	92.99%	87.97%	96.40%
Covered payroll	\$ 9,985,121	\$ 7,165,912	\$ 7,032,650	\$ 6,943,389	\$ 6,489,988	\$ 6,649,944	\$ 6,986,316	\$ 6,655,067	\$ 6,680,131
Net pension liability/(asset) as a percentage of covered payroll	39.89%	10.65%	-38.12%	264.49%	73.26%	1.38%	28.08%	47.57%	13.14%

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CITY OF SEDALIA

LAGERS (PENSION PLAN) - LIBRARY
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
March 31, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability									
Service cost	\$ 23,171	\$ 28,636	\$ 31,816	\$ 31,289	\$ 28,699	\$ 30,363	\$ 29,263	\$ 24,660	\$ 23,977
Interest on the total pension liability	89,533	84,966	88,840	85,469	80,577	76,316	71,959	66,675	61,180
Difference between expected and actual experience	54,385	39,321	(4,517)	(15,183)	11,828	4,185	4,786	(14,776)	43,528
Assumption changes	-	-	(59,059)	-	-	-	-	38,715	-
Benefit payments	(90,782)	(79,403)	(55,189)	(55,460)	(54,371)	(48,273)	(44,704)	(44,588)	(61,582)
Net change in total pension liability	76,307	73,520	1,891	46,115	66,733	62,591	61,304	70,686	67,103
Total pension liability beginning	1,312,278	1,238,758	1,236,867	1,190,752	1,124,019	1,061,428	1,000,124	929,438	862,335
Total pension liability ending	<u>\$ 1,388,585</u>	<u>\$ 1,312,278</u>	<u>\$ 1,238,758</u>	<u>\$ 1,236,867</u>	<u>\$ 1,190,752</u>	<u>\$ 1,124,019</u>	<u>\$ 1,061,428</u>	<u>\$ 1,000,124</u>	<u>\$ 929,438</u>
Plan fiduciary net position									
Contributions - employer	\$ 50,362	\$ 50,270	\$ 65,235	\$ 63,108	\$ 61,752	\$ 52,044	\$ 55,607	\$ 48,626	\$ 45,438
Pension plan net investment income	47,451	892	276,305	12,621	61,867	105,542	84,537	(2,114)	13,870
Benefit payments	(90,782)	(79,403)	(55,189)	(55,460)	(54,371)	(48,273)	(44,704)	(44,588)	(61,582)
Pension plan administrative expense	(2,130)	(1,546)	(1,334)	(1,747)	(1,690)	(1,195)	(1,096)	(1,094)	(1,212)
Other	28,002	80,520	1,526	(11,270)	12,501	10,645	10,927	(5,561)	(15,982)
Net change in plan fiduciary net position	32,903	50,733	286,543	7,252	80,059	118,763	105,271	(4,731)	(19,468)
Plan fiduciary net position beginning	1,372,377	1,321,644	1,035,101	1,027,849	947,790	829,027	723,756	728,487	747,955
Plan fiduciary net position ending	<u>\$ 1,405,280</u>	<u>\$ 1,372,377</u>	<u>\$ 1,321,644</u>	<u>\$ 1,035,101</u>	<u>\$ 1,027,849</u>	<u>\$ 947,790</u>	<u>\$ 829,027</u>	<u>\$ 723,756</u>	<u>\$ 728,487</u>
Net pension liability/(asset)	<u>\$ (16,695)</u>	<u>\$ (60,099)</u>	<u>\$ (82,886)</u>	<u>\$ 201,766</u>	<u>\$ 162,903</u>	<u>\$ 176,229</u>	<u>\$ 232,401</u>	<u>\$ 276,368</u>	<u>\$ 200,951</u>
Plan fiduciary net position as a percentage of the total pension liability	101.20%	104.58%	106.69%	83.69%	86.32%	84.32%	78.10%	72.37%	78.38%
Covered payroll	\$ 193,128	\$ 182,070	\$ 245,249	\$ 238,626	\$ 220,923	\$ 208,499	\$ 226,764	\$ 197,851	\$ 171,030
Net pension liability/(asset) as a percentage of covered payroll	-8.64%	-33.01%	-33.80%	84.55%	73.74%	84.52%	102.49%	139.68%	117.49%

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CITY OF SEDALIA

**LAGERS (PENSION PLAN) - WATER
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
March 31, 2024**

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability									
Service cost	\$ 66,525	\$ 72,576	\$ 78,917	\$ 77,215	\$ 88,297	\$ 95,048	\$ 96,379	\$ 95,986	\$ 92,032
Interest on the total pension liability	531,459	513,321	573,779	558,107	503,805	490,769	484,758	447,224	429,548
Difference between expected and actual experience	(48,294)	220,686	(431,532)	64,267	598,229	(29,739)	(238,135)	(74,158)	(43,550)
Assumption changes	-	-	(225,883)	-	-	-	-	292,759	-
Benefit payments	(478,992)	(607,808)	(539,485)	(430,936)	(440,676)	(307,554)	(212,984)	(274,521)	(199,141)
Net change in total pension liability	70,698	198,775	(544,204)	268,653	749,655	248,524	130,018	487,290	278,889
Total pension liability beginning	7,795,024	7,596,249	8,140,453	7,871,800	7,122,145	6,873,621	6,743,603	6,256,313	5,977,424
Total pension liability ending	<u>\$ 7,865,722</u>	<u>\$ 7,795,024</u>	<u>\$ 7,596,249</u>	<u>\$ 8,140,453</u>	<u>\$ 7,871,800</u>	<u>\$ 7,122,145</u>	<u>\$ 6,873,621</u>	<u>\$ 6,743,603</u>	<u>\$ 6,256,313</u>
Plan fiduciary net position									
Contributions - employer	\$ 128,582	\$ 124,353	\$ 137,073	\$ 120,591	\$ 141,273	\$ 190,833	\$ 185,053	\$ 195,838	\$ 202,067
Pension plan net investment income	262,421	5,308	1,815,922	103,047	516,355	809,919	659,620	(13,473)	115,738
Benefit payments	(478,992)	(607,808)	(539,485)	(430,936)	(440,676)	(307,554)	(212,984)	(274,521)	(199,141)
Pension plan administrative expense	(7,152)	(5,412)	(4,824)	(6,450)	(5,550)	(4,182)	(4,129)	(4,037)	(4,567)
Other	(246,986)	99,094	(281,367)	64,991	279,758	28,511	(28,911)	9,248	119,878
Net change in plan fiduciary net position	(342,127)	(384,465)	1,127,319	(148,757)	491,160	717,527	598,649	(86,945)	233,975
Plan fiduciary net position beginning	8,093,478	8,477,943	7,350,624	7,499,381	7,008,221	6,290,694	5,692,045	5,778,990	5,545,015
Plan fiduciary net position ending	<u>\$ 7,751,351</u>	<u>\$ 8,093,478</u>	<u>\$ 8,477,943</u>	<u>\$ 7,350,624</u>	<u>\$ 7,499,381</u>	<u>\$ 7,008,221</u>	<u>\$ 6,290,694</u>	<u>\$ 5,692,045</u>	<u>\$ 5,778,990</u>
Net pension liability/(asset)	<u>\$ 114,371</u>	<u>\$ (298,454)</u>	<u>\$ (881,694)</u>	<u>\$ 789,829</u>	<u>\$ 372,419</u>	<u>\$ 113,924</u>	<u>\$ 582,927</u>	<u>\$ 1,051,558</u>	<u>\$ 477,323</u>
Plan fiduciary net position as a percentage of the total pension liability	98.55%	103.83%	111.61%	90.30%	95.27%	98.40%	91.52%	84.41%	92.37%
Covered payroll	\$ 535,941	\$ 662,816	\$ 686,830	\$ 788,808	\$ 739,997	\$ 946,395	\$ 947,070	\$ 965,777	\$ 928,744
Net pension liability/(asset) as a percentage of covered payroll	21.34%	-45.03%	-128.37%	100.13%	50.33%	12.04%	61.55%	108.88%	51.39%

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CITY OF SEDALIA

**LAGERS (PENSION PLAN) - CITY
SCHEDULE OF CONTRIBUTIONS
March 31, 2024**

	2024	2023	2022	2021	2020
Actuarially determined contribution	\$ 1,930,118	\$ 1,734,642	\$ 1,172,012	\$ 1,150,720	\$ 1,092,953
Contributions in relation to the actuarially determined contribution	1,930,118	1,732,116	1,165,335	1,150,720	1,092,953
Contribution deficiency (excess)	\$ -	\$ 2,526	\$ 6,677	\$ -	\$ -
Covered payroll	\$ 11,131,211	\$ 9,998,300	\$ 7,135,632	\$ 7,304,056	\$ 6,950,144
Contributions as a percentage of covered payroll	17.34%	17.32%	16.33%	15.75%	15.73%
	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 1,096,890	\$ 1,125,662	\$ 1,132,767	\$ 1,098,082	\$ 1,071,353
Contributions in relation to the actuarially determined contribution	1,096,889	1,113,607	1,132,766	1,098,082	1,062,010
Contribution deficiency (excess)	\$ 1	\$ 12,055	\$ 1	\$ -	\$ 9,343
Covered payroll	\$ 6,829,058	\$ 6,950,588	\$ 7,337,516	\$ 6,975,638	\$ 6,609,995
Contributions as a percentage of covered payroll	16.06%	16.02%	15.44%	15.74%	16.07%

CITY OF SEDALIA

**LAGERS (PENSION PLAN) – LIBRARY
SCHEDULE OF CONTRIBUTIONS
March 31, 2024**

	2024	2023	2022	2021	2020
Actuarially determined contribution	\$ 59,325	\$ 48,229	\$ 53,418	\$ 65,318	\$ 62,494
Contributions in relation to the actuarially determined contribution	59,325	48,229	53,418	65,318	62,494
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 236,358	\$ 196,851	\$ 209,483	\$ 246,484	\$ 238,526
Contributions as a percentage of covered payroll	25.10%	24.50%	25.50%	26.50%	26.20%
	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 60,959	\$ 55,356	\$ 60,515	\$ 47,394	\$ 47,028
Contributions in relation to the actuarially determined contribution	60,959	52,076	55,510	47,394	45,119
Contribution deficiency (excess)	\$ -	\$ 3,280	\$ 5,005	\$ -	\$ 1,909
Covered payroll	\$ 235,363	\$ 205,023	\$ 227,501	\$ 202,537	\$ 173,534
Contributions as a percentage of covered payroll	25.90%	25.40%	24.40%	23.40%	26.00%

CITY OF SEDALIA

**LAGERS (PENSION PLAN) - WATER
SCHEDULE OF CONTRIBUTIONS**

March 31, 2024

	2024	2023	2022	2021	2020
Actuarially determined contribution	\$ 205,807	\$ 163,858	\$ 165,375	\$ 168,923	\$ 121,726
Contributions in relation to the actuarially determined contribution	150,680	122,894	129,637	128,529	121,726
Contribution deficiency (excess)	\$ 55,127	\$ 40,964	\$ 35,738	\$ 40,394	\$ -
Covered payroll	\$ 735,025	\$ 630,223	\$ 700,740	\$ 734,449	\$ 737,732
Contributions as a percentage of covered payroll	20.50%	19.50%	18.50%	17.50%	16.50%
	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 161,121	\$ 186,393	\$ 183,875	\$ 206,086	\$ 207,755
Contributions in relation to the actuarially determined contribution	161,121	186,392	183,875	206,086	203,138
Contribution deficiency (excess)	\$ -	\$ 1	\$ -	\$ -	\$ 4,617
Covered payroll	\$ 947,773	\$ 991,450	\$ 938,135	\$ 1,000,420	\$ 923,356
Contributions as a percentage of covered payroll	17.00%	18.80%	19.60%	20.60%	22.00%

CITY OF SEDALIA

FIRE PENSION FUND

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

March 31, 2024

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability									
Service cost	\$ 37,000	\$ 189,053	\$ 189,377	\$ 180,182	\$ 160,454	\$ 148,232	\$ 138,608	\$ 138,948	\$ 133,713
Interest on the total pension liability	686,268	793,089	779,113	753,900	761,117	750,063	741,030	703,414	671,001
Difference between expected and actual experience	300,274	(70,714)	19,231	106,307	(82,067)	22,165	(10,253)	(340,276)	291,541
Assumption changes	(4,534)	16,808	(37,046)	54,086	(23,976)	89,091	(100,970)	696,590	-
Benefit payments	(874,612)	(788,636)	(712,758)	(774,207)	(1,102,512)	(625,207)	(672,768)	(649,155)	(627,757)
Plan amendment	-	(1,470,570)	-	-	-	-	-	-	-
Net change in total pension liability	144,396	(1,330,970)	237,917	320,268	(286,984)	384,344	95,647	549,521	468,498
Total pension liability beginning	10,204,139	11,535,109	11,297,192	10,976,924	11,263,908	10,879,564	10,783,917	10,234,396	9,765,898
Total pension liability ending	<u>\$ 10,348,535</u>	<u>\$ 10,204,139</u>	<u>\$ 11,535,109</u>	<u>\$ 11,297,192</u>	<u>\$ 10,976,924</u>	<u>\$ 11,263,908</u>	<u>\$ 10,879,564</u>	<u>\$ 10,783,917</u>	<u>\$ 10,234,396</u>
Plan fiduciary net position									
Contributions - employer	\$ 61,753	\$ 288,965	\$ 295,401	\$ 282,680	\$ 245,427	\$ 328,018	\$ 220,408	\$ 197,176	\$ 239,610
Contributions - property tax revenues	162,223	147,571	147,927	145,891	122,386	122,127	133,018	134,275	127,619
Pension plan net investment income	(396,809)	470,077	2,508,493	(458,203)	402,513	499,240	605,999	(141,491)	483,075
Benefit payments	(874,612)	(788,636)	(712,758)	(774,207)	(1,102,512)	(625,207)	(672,768)	(649,155)	(627,757)
Pension plan administrative expense	(21,363)	(66,500)	(55,524)	(55,673)	(57,757)	(34,704)	(33,340)	(32,548)	(29,183)
Net change in plan fiduciary net position	(1,068,808)	51,477	2,183,539	(859,512)	(389,943)	289,474	253,317	(491,743)	193,364
Plan fiduciary net position beginning	8,514,536	8,463,059	6,279,520	7,139,032	7,528,975	7,239,501	6,986,184	7,477,927	7,284,563
Plan fiduciary net position ending	<u>\$ 7,445,728</u>	<u>\$ 8,514,536</u>	<u>\$ 8,463,059</u>	<u>\$ 6,279,520</u>	<u>\$ 7,139,032</u>	<u>\$ 7,528,975</u>	<u>\$ 7,239,501</u>	<u>\$ 6,986,184</u>	<u>\$ 7,477,927</u>
Net pension liability	<u>\$ 2,902,807</u>	<u>\$ 1,689,603</u>	<u>\$ 3,072,050</u>	<u>\$ 5,017,672</u>	<u>\$ 3,837,892</u>	<u>\$ 3,734,933</u>	<u>\$ 3,640,063</u>	<u>\$ 3,797,733</u>	<u>\$ 2,756,469</u>
Plan fiduciary net position as a percentage of the total pension liability	71.95%	83.44%	73.37%	55.58%	65.04%	66.84%	66.54%	64.78%	73.07%
Covered payroll	N/A	\$ 2,391,280	\$ 2,440,689	\$ 2,311,800	\$ 2,076,144	\$ 2,020,044	\$ 1,906,721	\$ 1,745,386	\$ 1,694,537
Net pension liability as a percentage of covered payroll	N/A	70.66%	125.87%	217.05%	184.86%	184.89%	190.91%	217.59%	162.67%

Note: This schedule is intended to show information for ten years. Additional years' information will be displayed as it becomes available.

CITY OF SEDALIA

**FIRE PENSION FUND
SCHEDULE OF CONTRIBUTIONS
March 31, 2024**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Actuarially determined contribution	\$ 212,675	\$ 460,030	\$ 461,365	\$ 417,212	\$ 385,272
Contributions in relation to the actuarially determined contribution	<u>223,975</u>	<u>436,536</u>	<u>443,328</u>	<u>428,571</u>	<u>367,813</u>
Contribution deficiency (excess)	<u>\$ (11,300)</u>	<u>\$ 23,494</u>	<u>\$ 18,037</u>	<u>\$ (11,359)</u>	<u>\$ 17,459</u>
Covered payroll	N/A	\$ 2,391,280	\$ 2,440,689	\$ 2,311,800	\$ 2,076,144
Contributions as a percentage of covered payroll	N/A	18.26%	18.16%	18.54%	17.72%
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	
Actuarially determined contribution	\$ 362,295	\$ 439,494	\$ 358,679	\$ 331,814	
Contributions in relation to the actuarially determined contribution	<u>450,145</u>	<u>353,426</u>	<u>331,451</u>	<u>367,229</u>	
Contribution deficiency (excess)	<u>\$ (87,850)</u>	<u>\$ 86,068</u>	<u>\$ 27,228</u>	<u>\$ (35,415)</u>	
Covered payroll	\$ 2,020,044	\$ 1,906,721	\$ 1,745,386	\$ 1,694,537	
Contributions as a percentage of covered payroll	22.28%	18.54%	18.99%	21.67%	

SUPPLEMENTARY INFORMATION

CITY OF SEDALIA

COMBINING BALANCE SHEET

NON-MAJOR FUNDS

March 31, 2024

	Special Revenue Funds								
	Special Business District Fund	Fire Academy Fund	Midtown Special Allocation Fund	The Crossings CID Fund	Galaxy West CID Fund	MFA Sales Tax Sharing Fund	Lamy's Sales Tax Sharing Fund	Opioid Settlement Fund	Total
ASSETS									
Cash and cash equivalents	\$ 188,476	\$ 24,108	\$ 11,396	\$ 2,701	\$ 39,444	\$ -	\$ -	\$ 70,705	\$ 336,830
Taxes receivable	-	-	251	-	3,565	-	-	-	3,816
TOTAL ASSETS	\$ 188,476	\$ 24,108	\$ 11,647	\$ 2,701	\$ 43,009	\$ -	\$ -	\$ 70,705	\$ 340,646
LIABILITIES AND FUND BALANCES									
LIABILITIES									
Accounts payable	\$ 505	\$ -	\$ 4,548	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,053
Total liabilities	505	-	4,548	-	-	-	-	-	5,053
FUND BALANCES									
Restricted for:									
Community development	187,971	-	-	-	-	-	-	-	187,971
Public safety	-	24,108	-	-	-	-	-	70,705	94,813
Economic development	-	-	7,099	2,701	43,009	-	-	-	52,809
Total fund balances	187,971	24,108	7,099	2,701	43,009	-	-	70,705	335,593
TOTAL LIABILITIES AND FUND BALANCES	\$ 188,476	\$ 24,108	\$ 11,647	\$ 2,701	\$ 43,009	\$ -	\$ -	\$ 70,705	\$ 340,646

CITY OF SEDALIA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NON-MAJOR FUNDS

Year Ended March 31, 2024

	Special Revenue Funds								Total
	Special Business District Fund	Fire Academy Fund	Midtown Special Allocation Fund	The Crossings CID Fund	Galaxy West CID Fund	MFA Sales Tax Sharing Fund	Lamy's Sales Tax Sharing Fund	Opioid Settlement Fund	
REVENUES									
Taxes	\$ 40,808	\$ -	\$ 264,754	\$ 27,672	\$ 132,779	\$ -	\$ -	\$ -	\$ 466,013
Charges for services	-	15,300	-	-	-	-	-	-	15,300
Other revenue	11,175	1,088	10,881	-	-	-	-	29,307	52,451
TOTAL REVENUES	51,983	16,388	275,635	27,672	132,779	-	-	29,307	533,764
EXPENDITURES									
Current:									
Community development	24,126	-	-	-	-	-	-	-	24,126
Public safety	-	8,447	-	-	-	-	-	-	8,447
Economic development	-	-	282,034	27,395	190,971	22,242	43,297	-	565,939
Total expenditures	24,126	8,447	282,034	27,395	190,971	22,242	43,297	-	598,512
Excess (deficiency) of revenues over (under) expenditures	27,857	7,941	(6,399)	277	(58,192)	(22,242)	(43,297)	29,307	(64,748)
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	8,512	-	56,745	22,242	43,297	-	130,796
Transfers (out)	-	-	-	(277)	-	-	-	(29,752)	(30,029)
Total other financing sources (uses)	-	-	8,512	(277)	56,745	22,242	43,297	(29,752)	100,767
Net change in fund balances	27,857	7,941	2,113	-	(1,447)	-	-	(445)	36,019
Fund balances, April 1	160,114	16,167	4,986	2,701	44,456	-	-	71,150	299,574
FUND BALANCES, MARCH 31	\$ 187,971	\$ 24,108	\$ 7,099	\$ 2,701	\$ 43,009	\$ -	\$ -	\$ 70,705	\$ 335,593

CITY OF SEDALIA

**BUDGETARY COMPARISON SCHEDULE
SPECIAL BUSINESS DISTRICT FUND
Year Ended March 31, 2024**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance Favorable/ (Unfavorable)</u>
REVENUES				
Taxes	\$ 40,808	\$ 41,726	\$ 41,726	\$ (918)
Other revenue	11,175	2,105	2,105	9,070
Total revenues	<u>51,983</u>	<u>43,831</u>	<u>43,831</u>	<u>8,152</u>
EXPENDITURES				
Community development	24,126	78,100	78,100	53,974
Capital outlay	-	20,600	20,600	20,600
Total expenditures	<u>24,126</u>	<u>98,700</u>	<u>98,700</u>	<u>74,574</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 27,857</u>	<u>\$ (54,869)</u>	<u>\$ (54,869)</u>	<u>\$ 82,726</u>

CITY OF SEDALIA

BUDGETARY COMPARISON SCHEDULE

FIRE ACADEMY FUND

Year Ended March 31, 2024

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance Favorable/ (Unfavorable)</u>
REVENUES				
Charges for services	\$ 15,300	\$ 20,400	\$ 20,400	\$ (5,100)
Other revenue	1,088	80	80	1,008
Total revenues	<u>16,388</u>	<u>20,480</u>	<u>20,480</u>	<u>(4,092)</u>
EXPENDITURES				
Public safety	<u>8,447</u>	<u>30,369</u>	<u>30,369</u>	<u>21,922</u>
Total expenditures	<u>8,447</u>	<u>30,369</u>	<u>30,369</u>	<u>21,922</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 7,941</u>	<u>\$ (9,889)</u>	<u>\$ (9,889)</u>	<u>\$ 17,830</u>

CITY OF SEDALIA

**BUDGETARY COMPARISON SCHEDULE
MIDTOWN SPECIAL ALLOCATION FUND
Year Ended March 31, 2024**

	Actual	Original Budget	Final Budget	Variance Favorable/ (Unfavorable)
REVENUES				
Taxes	\$ 264,754	\$ 268,543	\$ 268,543	\$ (3,789)
Other revenue	10,881	1,543	1,543	9,338
Total revenues	<u>275,635</u>	<u>270,086</u>	<u>270,086</u>	<u>5,549</u>
EXPENDITURES				
Economic development	282,034	8,872	8,872	(273,162)
Capital outlay	-	249,551	279,551	279,551
Total expenditures	<u>282,034</u>	<u>258,423</u>	<u>288,423</u>	<u>6,389</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,399)</u>	<u>11,663</u>	<u>(18,337)</u>	<u>11,938</u>
OTHER FINANCING SOURCES				
Transfers in	8,512	11,047	11,047	(2,535)
Total other financing sources	<u>8,512</u>	<u>11,047</u>	<u>11,047</u>	<u>(2,535)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>\$ 2,113</u>	<u>\$ 22,710</u>	<u>\$ (7,290)</u>	<u>\$ 9,403</u>

CITY OF SEDALIA

**BUDGETARY COMPARISON SCHEDULE
THE CROSSINGS CID FUND
Year Ended March 31, 2024**

	Actual	Original Budget	Final Budget	Variance Favorable/ (Unfavorable)
REVENUES				
Taxes	\$ 27,672	\$ 30,748	\$ 30,748	\$ (3,076)
Total revenues	<u>27,672</u>	<u>30,748</u>	<u>30,748</u>	<u>(3,076)</u>
EXPENDITURES				
Economic development	27,395	-	125,897	98,502
Total expenditures	<u>27,395</u>	<u>-</u>	<u>125,897</u>	<u>98,502</u>
Excess (deficiency) of revenues over (under) expenditures	<u>277</u>	<u>30,748</u>	<u>(95,149)</u>	<u>95,426</u>
OTHER FINANCING (USES)				
Transfers (out)	(277)	-	-	(277)
Total other financing (uses)	<u>(277)</u>	<u>-</u>	<u>-</u>	<u>(277)</u>
Excess (deficiency) of revenues over (under) expenditures and other financing (uses)	<u>\$ -</u>	<u>\$ 30,748</u>	<u>\$ (95,149)</u>	<u>\$ 95,149</u>

CITY OF SEDALIA

**BUDGETARY COMPARISON SCHEDULE
GALAXY WEST CID FUND
Year Ended March 31, 2024**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	Variance Favorable/ (Unfavorable)
REVENUES				
Taxes	\$ 132,779	\$ 98,354	\$ 98,354	\$ 34,425
Total revenues	<u>132,779</u>	<u>98,354</u>	<u>98,354</u>	<u>34,425</u>
EXPENDITURES				
Economic development	190,971	-	194,422	3,451
Total expenditures	<u>190,971</u>	<u>-</u>	<u>194,422</u>	<u>3,451</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(58,192)</u>	<u>98,354</u>	<u>(96,068)</u>	<u>37,876</u>
OTHER FINANCING SOURCES				
Transfers in	56,745	17,072	17,072	39,673
Total other financing sources	<u>56,745</u>	<u>17,072</u>	<u>17,072</u>	<u>39,673</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures	<u>\$ (1,447)</u>	<u>\$ 115,426</u>	<u>\$ (78,996)</u>	<u>\$ 77,549</u>

CITY OF SEDALIA

**BUDGETARY COMPARISON SCHEDULE
MFA SALES TAX SHARING FUND
Year Ended March 31, 2024**

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	Variance Favorable/ (Unfavorable)
EXPENDITURES				
Economic development	\$ 22,242	\$ -	\$ 30,691	\$ 8,449
Total expenditures	<u>22,242</u>	<u>-</u>	<u>30,691</u>	<u>8,449</u>
OTHER FINANCING SOURCES				
Transfers in	<u>22,242</u>	<u>20,691</u>	<u>20,691</u>	<u>1,551</u>
Total other financing sources	<u>22,242</u>	<u>20,691</u>	<u>20,691</u>	<u>1,551</u>
Excess (deficiency) of other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 20,691</u>	<u>\$ (10,000)</u>	<u>\$ 10,000</u>

CITY OF SEDALIA

**BUDGETARY COMPARISON SCHEDULE
LAMY'S SALES TAX SHARING FUND
Year Ended March 31, 2024**

	Actual	Original Budget	Final Budget	Variance Favorable/ (Unfavorable)
EXPENDITURES				
Economic development	\$ 43,297	\$ -	\$ 53,297	\$ 10,000
Total expenditures	43,297	-	53,297	10,000
OTHER FINANCING SOURCES				
Transfers in	43,297	-	43,297	-
Total other financing sources	43,297	-	43,297	-
(Deficiency) of other financing sources (under) expenditures	\$ -	\$ -	\$ (10,000)	\$ 10,000

CITY OF SEDALIA
BUDGETARY COMPARISON SCHEDULE
OPIOID SETTLEMENT FUND
Year Ended March 31, 2024

	Actual	Original Budget	Final Budget	Variance Favorable/ (Unfavorable)
REVENUES				
Other revenue	\$ 29,307	\$ -	\$ -	\$ 29,307
Total revenues	<u>29,307</u>	<u>-</u>	<u>-</u>	<u>29,307</u>
EXPENDITURES:				
Public safety	-	-	37,500	37,500
Total expenditures	<u>-</u>	<u>-</u>	<u>37,500</u>	<u>37,500</u>
Excess (deficiency) of revenues over (under) expenditures	<u>29,307</u>	<u>-</u>	<u>(37,500)</u>	<u>66,807</u>
OTHER FINANCING (USES)				
Transfers (out)	<u>(29,752)</u>	<u>-</u>	<u>(29,752)</u>	<u>-</u>
Total other financing (uses)	<u>(29,752)</u>	<u>-</u>	<u>(29,752)</u>	<u>-</u>
(Deficiency) of revenues (under) expenditures and other financing (uses)	<u>\$ (445)</u>	<u>\$ -</u>	<u>\$ (67,252)</u>	<u>\$ 66,807</u>

OTHER INFORMATION

Bothwell Regional Health Center
A Component Unit of the City of Sedalia, Missouri
Schedule of Expenditures of Federal Awards
Year Ended May 31, 2023

Federal Grantor/ Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Pass-Through Entity or Other Identifying Number	Passed through to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services COVID-19 Provider Relief Fund (PRF) and American Rescue Plan Rural (ARP) Distribution	93.498	None	\$ -	\$ 4,565,106
U.S. Department of Health and Human Services / Rural Health Care Services Outreach, Rural Health Network Development and Small Health Care Provider Quality Improvement	93.912	None	-	99,058
U.S. Department of Homeland Security Passed through State of Missouri Emergency Management Agency Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-07-MO-4490-PW-00582	-	4,486,482
			<u>\$ -</u>	<u>\$ 9,150,646</u>

The accompanying notes are an integral part of this Schedule.

Bothwell Regional Health Center
A Component Unit of the City of Sedalia, Missouri
Notes to the Schedule of Expenditures of Federal Awards
Year Ended May 31, 2023

Note 1: Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Bothwell Regional Health Center (the Health Center), a component unit of the City of Sedalia, Missouri, under programs of the federal government for the year ended May 31, 2023. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the Health Center, it is not intended to and does not present the financial position, changes in net position or cash flows of the Health Center.

Note 2: Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance or the awards' terms and conditions and FAQs issued by the U.S. Department of Health and Human Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3: Indirect Cost Rate

The Health Center has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: Expenditures Incurred in Previous Fiscal Year

The total expenses reported on the Schedule related to the Disaster Grants – Public Assistance program (ALN 97.036) were incurred in a previous fiscal year but reported on the current year Schedule as the Project Worksheet was approved during the year ended May 31, 2023.

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditor's Report

Board of Trustees
Bothwell Regional Health Center
Sedalia, Missouri

We have audited, in accordance with 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 (*Government Auditing Standards*), the financial statements of the business-type activities and the fiduciary activities of Bothwell Regional Health Center (the "Health Center"), collectively a component unit of the City of Sedalia, Missouri (the City), as of and for the year ended May 31, 2023, and the related notes to the financial statements, which collectively comprise the Health Center's basic financial statements, and have issued our report thereon dated August 23, 2023, which contained an "Emphasis of Matter" paragraph regarding a change in accounting principle.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Health Center's 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Health Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Health Center's 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 Health Center's financial statements 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 Health Center's financial statements are free of 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 statements. 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 entity'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 Health Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

FORVIS,LLP

Kansas City, Missouri
August 23, 2023

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance

Independent Auditor's Report

Board of Trustees
Bothwell Regional Health Center
Sedalia, Missouri

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Bothwell Regional Health Center's (the "Health Center"), collectively a component unit of the City of Sedalia, Missouri (the City), 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 Health Center's major federal programs for the year ended May 31, 2023. The Health Center's 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 Health Center complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended May 31, 2023.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Health Center 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 Health Center's 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 Health Center's 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 Health Center's 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 GAAS, *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 Health Center's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 Health Center's 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 Health Center's 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 Health Center's 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.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance that is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2023-001. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Health Center's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Health Center's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The Health Center is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The Health Center's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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.

FORVIS,LLP

Kansas City, Missouri
August 23, 2023

Bothwell Regional Health Center
A Component Unit of the City of Sedalia, Missouri
Schedule of Findings and Questioned Costs
Year Ended May 31, 2023

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:
 Unmodified Qualified Adverse Disclaimer

2. Internal control over financial reporting:
 Significant deficiency(ies) identified? Yes None reported
 Material weakness(es) identified? Yes No

3. Noncompliance material to the financial statements noted? Yes No

Federal Awards

4. Internal control over major federal awards programs:
 Significant deficiency(ies) identified? Yes None reported
 Material weakness(es) identified? Yes No

5. Type of auditor’s report issued on compliance for major federal program(s):
 Unmodified Qualified Adverse Disclaimer

6. Any audit findings disclosed that are required to be reported by 2 CFR 200.516(a)? Yes No

7. Identification of major federal programs:

Assistance Listing Number	Name of Federal Program or Cluster
93.498	COVID-19 Provider Relief Fund (PRF) and American Rescue Plan Rural (ARP) Distribution
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)

8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.

9. Auditee qualified as a low-risk auditee? Yes No

Bothwell Regional Health Center
A Component Unit of the City of Sedalia, Missouri
Schedule of Findings and Questioned Costs (Continued)
Year Ended May 31, 2023

Section II – Financial Statement Findings

No matters are reportable.

Section III – Federal Award Findings and Questioned Costs

Reference Number	Finding
2023-001	<p>U.S. Department of Health and Human Services Direct Program: COVID-19 Provider Relief Fund - 93.498</p> <p>Criteria or Specific Requirement - Reporting (Pub L. No 116-136, 134 Stat. 563 and Pub L. No. 116-139, 134 Stat. 622 and 623). The Provider Relief Fund (PRF) was established in the <i>Coronavirus Aid, Relief, and Economic Security Act</i> (CARES Act, P.L. 116-136) to reimburse, through grants or other mechanisms, eligible health care providers for increased expenses or lost revenue attributable to Coronavirus Disease (COVID-19). Entities that received more than \$10,000 (either one time or in the aggregate) are required to report the uses of their funds, including the lost revenue reimbursement and documentation of how the lost revenue was calculated.</p> <p>Condition - The Health Center did not properly report revenues by quarter in the period 4 HHS Provider Relief Fund (PRF) portal.</p> <p>Questioned Costs - None</p> <p>Context - Upon testing the period 4 report, six out of the eight quarters of actual revenues within 2021 and 2022 included in the portal did not tie to the Health Center's internal financial statements.</p> <p>Effect - The Health Center submitted revenues that were incorrect for the last two quarters of 2021 and all four quarters for 2022. This error in reporting did not lead to a change in the amount of lost revenues available to be used by the Health Center (all quarters reported zero lost revenues).</p> <p>Cause - The guidance provided by HHS to providers across the country as to how to report their COVID-19-related expenses and lost revenues is, at times, difficult to comprehend and apply. The Health Center's review processes over the portal submission failed to detect the errors.</p> <p>Identification as a Report Finding - Not applicable.</p> <p>Recommendation - The Health Center should continue to refine its understanding of the guidance related to this type of reporting and work with their external advisors to identify areas for improvement prior to submission to the Provider Relief Fund reporting portal.</p> <p>View of Responsible Official and Planned Corrective Actions - The Health Center agrees with this finding, however, does note that this did not in any way impact the amount of lost revenues available to be used under Provider Relief Fund program guidance. See separate auditee document for planned corrective action.</p>

Bothwell Regional Health Center
A Component Unit of the City of Sedalia, Missouri
Summary Schedule of Prior Audit Findings
Year Ended May 31, 2023

Reference Number	Summary of Finding	Status
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No matters are reportable.