

City of Stevenson

Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2023

Note 1 – Basis of Accounting

This Schedule is prepared on the same basis of accounting as the City's financial statements. The City uses the cash basis of accounting as described in the Cash Basis Budgeting, Accounting and Reporting System (BARS) manual published by the State Auditor's Office.

Note 2 – Federal De Minimis Indirect Cost Rate

The City has not elected to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 – Federal Loans

The city was approved by the USDA Rural Utilities Service to receive a loan totaling \$873,000 to construct improvements to its sewer collection system. Interim loan financing was received for the construction period. The amount listed for this loan includes the beginning of the period loan balance plus proceeds used during the year. The balance owing at the end of the period is \$160,741.55.

Both current and prior year loans are reported on the city's Schedule of Liabilities.

Note 4 – Program Costs

The amounts shown as current year expenditures represent only the federal award portion of the program costs. Entire program costs, including the city's portion, are more than shown. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 5 – Prior Year Costs

The amounts shown for the Clean Water State Revolving Fund includes \$35,827.15 of prior year expenses included on the report for the year ending December 31, 2021, where reimbursement was requested in year ending December 31, 2022. This minor change is reflected in this note and the 2021 report will not be updated.