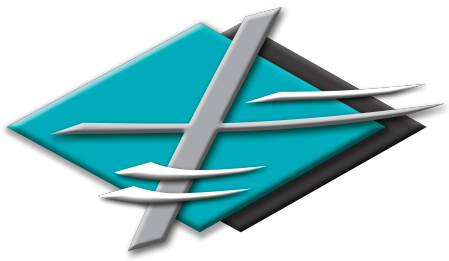
CITY OF STERLING, KANSAS

FINANCIAL STATEMENT

FOR THE YEAR ENDED
DECEMBER 31, 2024



LOYD GROUP, LLC

Certified Public Accountants

CITY OF STERLING, KANSAS
CITY OF THE SECOND CLASS
For the Year Ended December 31, 2024

CITY COMMISSION

Clinton Bundy	Brian Inwood Mayor	Richard Jones, Jr.
Todd Rowland		Robert Boltz, Jr.

CITY OFFICERS

Candice Groth Treasurer	Ian Hutcheson Manager	Scott Bush Attorney
James Smith Police Chief	Jessi Dobson Clerk	Richard Burgess, Jr. Municipal Judge

CITY OF STERLING, KANSAS

For the Year Ended December 31, 2024

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CITY OF STERLING, KANSAS

For the Year Ended December 31, 2024

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LOYD GROUP, LLC

520 S. Main Street
P.O. Box 7
Galva, KS 67443
620-654-7565
www.loyd-group.com

INDEPENDENT AUDITOR'S REPORT

Mayor and City Commissioners
City of Sterling, Kansas 67579

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Sterling, Kansas (City), a Municipal Financial Reporting Entity, as of and for the year ended December 31, 2024 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2024, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts, expenditures-actual and budget, and schedule of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2, and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In

our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Sterling, Kansas as of and for the year ended December 31, 2023 (not presented herein), and have issued their report thereon dated April 12, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and their accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipalservices. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2024 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2023 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2023 basic financial statement or to the 2023 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2023 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2023, on the basis of accounting described in Note 1.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
May 22, 2025

CITY OF STERLING, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2024

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUND:						
General Fund	$ 363,378	$ 1,442,416	$ 1,108,236	$ 697,558	$ -	$ 697,558
SPECIAL PURPOSE FUNDS:						
Library Fund	2,446	76,910	77,485	1,871	-	1,871
Cemetery Fund	2,475	83,899	71,460	14,914	-	14,914
Special Highway Fund	883,334	676,331	556,419	1,003,246	-	1,003,246
Special Parks & Recreation Fund	10,247	1,818	-	12,065	-	12,065
Ambulance and Fire Equipment Fund	173,843	40,537	119,471	94,909	-	94,909
Sterling Community Cemetery Fund	155,115	106,947	99,500	162,562	-	162,562
Health Insurance Savings Fund	47,290	43,629	29,492	61,427	-	61,427
Rescue Projects Fund	34,384	-	34,384	-	-	-
Total Special Purpose Funds	1,227,460	986,442	924,335	1,289,567	-	1,350,994
CAPITAL PROJECTS FUNDS:						
Storm Sewer Project Fund	5,698	-	-	5,698	-	5,698
Bond Projects Fund	-	37,500	37,500	-	-	-
Total Capital Projects Funds	5,698	37,500	37,500	5,698	-	5,698
BUSINESS FUNDS:						
Water Utility Fund	81,927	754,403	438,451	397,879	-	397,879
Electric Utility Fund	1,250,256	2,685,864	2,888,527	1,047,593	45,982	1,093,575
Electric Equipment Reserve Fund	148,460	-	-	148,460	-	148,460
Sewer Utility Fund	172,470	412,801	429,046	156,225	-	156,225
Medical Services Fund	73,632	68,458	73,825	68,265	-	68,265
Total Business Funds	1,726,745	3,921,526	3,829,849	1,818,422	45,982	1,864,404
Total Reporting Entity (Excluding Agency Funds)	$ 3,323,281	$ 6,387,884	$ 5,899,920	$ 3,811,245	$ 45,982	$ 3,918,654

COMPOSITION OF CASH:	
Checking Accounts	$ 253,517
Savings Accounts	2,584,500
Certificates of Deposit	727,836
Sterling Community Cemetery	456,606
Cash on Hand	500
Total Cash	4,022,959
Less Agency Funds per Schedule 3	(104,305)
Total Reporting Entity (Excluding Agency Funds)	$ 3,918,654

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

CITY OF STERLING, KANSAS

NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

The City of Sterling is a municipal financial reporting entity governed by an elected Commission. The financial statement presents all funds that are administered and controlled by the Commission.

Related Municipal Entity. The City of Sterling has the following related municipal entity:

Cemetery. Financial information for the Cemetery may be obtained from the City of Sterling at 114 North Broadway, Sterling, Kansas 67579. The Cemetery is presented as a special purpose fund.

(b) Regulatory Basis Fund Types

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

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

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

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

Business Fund – funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.).

Trust Fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.).

(c) Basis of Accounting

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(c) Basis of Accounting (Cont.)

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

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

If the municipality is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The municipality did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments for the year 2024.

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

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

A legal operating budget is not required for Capital Project Funds, Agency Funds, Trust Funds and certain Special Purpose Funds as noted in the presentation of the appropriate Schedule 2.

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

(e) Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABLILITY

Compliance with Kansas Statutes

No statute violations were noted during 2024.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2024.

At December 31, 2024, the City's carrying amount of deposits was $4,022,459 and the bank balance was $4,103,978. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $972,381 (for City and Cemetery) was covered by federal depository insurance and the remaining $3,131,597 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

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

4. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
Electric Utility Fund	General Fund	K.S.A. 12-825d	$ 95,000

5. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series 2020	2.5-4%	2-20-20	1,450,000	10-01-40	$ 1,290,000	$ -	$ 70,000	$ 1,220,000	$ 35,913
Series 2024		10-24-24	410,000	10-01-44	-	410,000	-	410,000	-
Total General Obligation Bonds					1,290,000	410,000	70,000	1,630,000	35,913
Other:									
Kansas Water Pollution Control Revolving Loan	2.79%	08-20-08	1,220,348	09-01-29	432,271	-	67,148	365,123	11,595
Capital Lease:									
Equipment Lease	2.65%	04-16-21	60,400	04-16-26	37,112	-	12,071	25,041	912
Grasshopper Mower '24	6.69%	04-05-24	13,157	04-05-27	-	13,157	-	13,157	-
Total Capital Leases					37,112	13,157	12,071	38,198	912
Total Contractual Indebtedness					$ 1,759,383	$ 423,157	$ 149,219	$ 2,033,321	$ 48,420

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

	Year								
	2025	2026	2027	2028	2029	2030 to 2034	2035 to 2039	2040 to 2041	Total
PRINCIPAL:									
General Obligation Bonds:									
Series 2020	$ 75,000	$ 80,000	$ 90,000	$ 95,000	$ 100,000	$ 350,000	$ 355,000	$ 75,000	$ 1,220,000
Series 2024	15,000	15,000	15,000	15,000	15,000	85,000	110,000	140,000	410,000
Total General Obligation Bonds	90,000	95,000	105,000	110,000	115,000	435,000	465,000	215,000	1,630,000
Other:									
Kansas Water Pollution Control Revolving Loan	69,035	70,975	72,968	75,018	77,127	-	-	-	365,123
Capital Leases:									
Equipment Lease	12,369	12,672	-	-	-	-	-	-	25,041
Grasshopper Mower '24	4,105	4,379	4,673	-	-	-	-	-	13,157
Total Capital Leases	16,474	17,051	4,673	-	-	-	-	-	38,198
TOTAL PRINCIPAL	175,509	183,026	182,641	185,018	192,127	435,000	465,000	215,000	2,033,321
INTEREST:									
General Obligation Bonds:									
Series 2020	33,112	30,112	26,913	23,313	20,463	71,587	35,200	1,875	242,575
Series 2024	18,595	20,738	19,950	19,163	18,375	79,800	54,862	22,837	254,320
Total General Obligation Bonds	51,707	50,850	46,863	42,476	38,838	151,387	90,062	24,712	496,895
Other:									
Kansas Water Pollution Control Revolving Loan	9,709	7,769	5,775	3,725	1,618	-	-	-	28,596
Capital Leases:									
Equipment Lease	614	310	-	-	-	-	-	-	924
Grasshopper Mower '24	880	606	313	-	-	-	-	-	1,798
Total Capital Leases	1,494	916	313	-	-	-	-	-	2,722
TOTAL INTEREST	62,910	59,535	52,951	46,201	40,456	151,387	90,062	24,712	528,213
TOTAL PRINCIPAL AND INTEREST	$ 238,419	$ 242,561	$ 235,592	$ 231,219	$ 232,583	$ 586,387	$ 555,062	$ 239,712	$ 2,561,534

6. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has been unable to obtain Workers Compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other Cities in the State to participate in Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for 178 participating members. The City pays an annual premium to KMIT for its Workers Compensation insurance coverage. The agreement to participate provides that the KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $850,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT management. The City continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has been unable to obtain property insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other municipal entities in both Kansas and Missouri to participate in the Midwest Public Risk Pool (MPR), a public entity risk pool currently operating as a common risk management and insurance program for 166 participating members. The City pays an annual premium to MPR for its property and liability insurance coverage. The agreement to participate provides that MPR will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $1,000,000 (property) and $500,000 (liability) for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by MPR management. The City continues to carry commercial insurance for all other risks of loss, including workers compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

7. DEFINED BENEFIT PENSION PLAN

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

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

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.26% for the fiscal year ended December 31, 2024. Contributions to the pension plan from the City were $122,040 for the year ended December 31, 2024.

Net Pension Liability. At December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $1,298,159. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

7. DEFINED BENEFIT PENSION PLAN (CONT.)

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

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

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

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

(b) Death and Disability Other Post Employment Benefits

K.S.A. 74-4927, disabled members in KPERS receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2024.

(c) Defined Contribution Pension Plan

The City participates in a defined contribution plan administered by the International City Manager's Association Retirement Corporation (ICMA Retirement). Employees become eligible for participation in the plan upon hire. The City contributes 1% of the participants' base wage and the participants may contribute any amount they determine up to IRS limits. For the year ended December 31, 2024, actual contributions by the City and plan participants were $28,620 and $19,042 respectively. ICMA Retirement includes 22 participants. Participants vest at service inception and are entitled to 100 percent of vested contributions. The plan is a money purchase plan qualified under Section 457 of the Internal Revenue Code.

(d) Other Employee Benefits

Vacation – Vacation time shall be earned on the basis of complete calendar months of service. Accrual of vacation shall start from the original date of employment and may be used within the first year. Vacation may not be used for any periods spent on unauthorized leave. Employees should make every effort to take their vacation in the calendar year in which it was earned. The City Manager at his discretion may allow vacation leave to be carried over from one calendar year to the next.

Each regular full-time employee will earn vacation leave as follows:

Years of Service	Per Year	Maximum Accumulation
Start through 9 years	80 hours	None
10 years and beyond	120 hours	None

Regular part-time employees earn vacation leave as follows:

Years of Service	Per Year	Maximum Accumulation
Start through 9 years	40 hours	None
10 years and beyond	80 hours	None

Upon separation of employment, employees shall be compensated for all earned but unused vacation leave at their final rate of pay, provided the employee has been employed with the City for at least twelve consecutive months.

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONT.)

Sick leave – All regular full time employees shall accrue sick leave at a rate of eight hours for each complete calendar month they are on paid status. Regular part-time employees shall accrue sick leave at a rate of four hours for each complete calendar month they are on paid status.

Accumulation of sick leave – Employees may accrue sick leave up to a maximum of seventy-five working days. Upon separation of employment, employees shall be compensated for one fourth (1/4) of accrued and unused sick leave at their final rate of pay, provided the employee has been employed with the City of Sterling for at least twelve consecutive months.

Compensation – Compensation time for authorized overtime work shall be at a rate of one and one-half times the employee's rate of pay. Employees shall be entitled to receive overtime compensation for all hours worked in excess of forty hours per week. Vacation, sick leave, personal days and holidays are generally counted as hours worked when computing overtime. However, no person employed in an administrative, executive or professional position, shall be eligible for overtime compensation.

9. CLAIMS AND JUDGMENTS

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to property loss; torts; theft of, damage to, and destruction of assets; errors and omissions; employee injuries and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2023 to 2024 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

10. CAPITAL PROJECTS

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

	Project Authorization	Expenditures To Date
Roadway Maintenance Project	$ 351,749	$ 250,447

11. RELATED PARTIES

A Commission member is an officer of one of the financial institutions where the City has funds deposited. At December 31, 2024, funds deposited at this institution totaled $1,818,501.

12. SUBSEQUENT EVENTS

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

CITY OF STERLING, KANSAS

REGULATORY – REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2024

CITY OF STERLING, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2024

	Certified Budget	Adjustment for for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
GENERAL FUND:					
General Fund	$ 1,501,630	$ -	$ 1,501,630	$ 1,108,236	$ (393,394)
SPECIAL PURPOSE FUNDS:					
Library Fund	77,485	-	77,485	77,485	-
Cemetery Fund	85,410	-	85,410	71,460	(13,950)
Special Highway Fund	1,733,444	-	1,733,444	556,419	(1,177,025)
Special Parks and Recreation Fund	12,205	-	12,205	-	(12,205)
Ambulance and Fire Equipment Fund	169,257	-	169,257	119,471	(49,786)
BUSINESS FUNDS:					
Water Utility Fund	535,328	-	535,328	438,451	(96,877)
Electric Utility Fund	4,482,482	-	4,482,482	2,888,527	(1,593,955)
Sewer Utility Fund	646,882	-	646,882	429,046	(217,836)
Medical Services Fund	143,064	-	143,064	73,825	(69,239)

CITY OF STERLING, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2024

(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes -				
Ad valorem property tax	$ 258,654	$ 273,991	$ 291,529	$ (17,538)
Delinquent tax	9,077	9,420	9,000	420
Motor vehicle tax	39,363	42,201	36,978	5,223
Recreational vehicle tax	646	693	727	(34)
16/20M vehicle tax	147	109	147	(38)
Commercial vehicle tax	5,441	5,967	5,151	816
In-Lieu of tax	-	15,050	10,000	5,050
Guest tax	8,836	9,050	9,000	50
Watercraft Tax	-	-	678	(678)
Local alcoholic liquor tax	1,732	1,818	2,002	(184)
Local sales tax	275,241	270,072	286,380	(16,308)
Total Taxes	599,137	628,371	651,592	(23,221)
Licenses and Permits -				
Licenses and permits	11,271	8,962	9,000	(38)
Utility franchise fees	89,024	65,722	89,500	(23,778)
Dog tags, impounds, adoption fees	1,812	1,505	2,050	(545)
Total Licenses and Permits	102,107	76,189	100,550	(24,361)
Charges for Services -				
Burn site	50,860	51,350	50,400	950
Camping	16,726	19,020	18,000	1,020
Impoundment	175	175	-	175
Refuse collection	89,686	90,720	88,000	2,720
Swimming and concessions	9,195	8,878	7,100	1,778
Total Charges for Services	166,642	170,143	163,500	6,643
Fines, Forfeitures and Penalties -				
Police Fines	16,222	5,576	18,000	(12,424)
Use of Money and Property -				
Interest received	18,689	19,019	8,500	10,519
Other -				
Bond proceeds	-	410,010	-	410,010
Miscellaneous	42,531	18,938	15,000	3,938
Neighborhood revitalization rebate	(20,882)	(21,827)	(25,306)	3,479
Reimbursed expense	-	14,625	-	14,625
Grants	2,701	2,372	-	2,372
Police contract	24,000	24,000	24,000	-
Total Other	48,350	448,118	13,694	434,424
Transfers In -				
Transfer from Electric Utility Fund	187,900	95,000	95,000	-
Transfer from Sewer Utility Fund	18,275	-	18,275	(18,275)
Transfer from Water Utility Fund	-	-	18,275	(18,275)
Total Transfers In	206,175	95,000	131,550	(36,550)
Total Receipts	1,157,322	1,442,416	$ 1,087,386	$ 355,030

CITY OF STERLING, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2024

(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Expenditures				
Administrative -				
Personal services	$ 121,325	$ 104,398	$ 113,725	$ (9,327)
Contractual services	234,629	232,543	173,600	58,943
Commodities	4,858	10,600	4,500	6,100
Capital outlay	188,682	51,120	70,000	(18,880)
Total Administrative	549,494	398,661	361,825	36,836
Police -				
Personal services	455,928	492,072	446,404	45,668
Contractual services	65,756	64,254	63,180	1,074
Commodities	25,093	22,215	26,450	(4,235)
Capital outlay	5,914	-	-	-
Total Police	552,691	578,541	536,034	42,507
Park -				
Contractual services	1,038	950	1,000	(50)
Commodities	25,425	11,061	25,000	(13,939)
Capital outlay	-	-	5,000	(5,000)
Total Park	26,463	12,011	31,000	(18,989)
Fire -				
Personal services	7,790	9,498	7,800	1,698
Contractual services	19,560	21,331	9,500	11,831
Commodities	679	1,336	3,200	(1,864)
Capital outlay	4,442	-	12,952	(12,952)
Total Fire	32,471	32,165	33,452	(1,287)
Swimming Pool -				
Personal services	39,509	41,506	34,000	7,506
Contractual services	19,194	933	10,500	(9,567)
Commodities	28,571	34,754	22,000	12,754
Capital outlay	-	1,860	1,000	860
Total Swimming Pool	87,274	79,053	67,500	11,553
Health & Sanitation -				
Commodities	6,780	7,805	2,750	5,055
Total Health & Sanitation	6,780	7,805	2,750	5,055
Other -				
Transfer to Capital Improvement Fund	-	-	50,000	(50,000)
Cash forward	-	-	419,069	(419,069)
Total Other	-	-	469,069	(469,069)
Total Expenditures	1,255,173	1,108,236	$ 1,501,630	$ (393,394)
Receipts Over (Under) Expenditures	(97,851)	334,180		
Unencumbered Cash, Beginning	461,229	363,378		
Unencumbered Cash, Ending	$ 363,378	$ 697,558		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Ad valorem property tax	$ 64,147	$ 67,890	$ 71,348	$ (3,458)
Delinquent tax	2,144	2,308	-	2,308
Motor vehicle tax	9,377	10,462	9,171	1,291
Recreational vehicle tax	154	172	180	(8)
16/20M vehicle tax	35	26	36	(10)
Commercial vehicle tax	1,296	1,461	1,278	183
Watercraft tax	-	-	74	(74)
Neighborhood revitalization rebate	(5,179)	(5,409)	(5,477)	68
Total Receipts	71,974	76,910	$ 76,610	$ 300
Expenditures				
Appropriation to Library Board	69,590	77,485	$ 77,485	$ -
Receipts Over (Under) Expenditures	2,384	(575)		
Unencumbered Cash, Beginning	62	2,446		
Unencumbered Cash, Ending	$ 2,446	$ 1,871		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

CEMETERY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Ad valorem property tax	$ 64,147	$ 75,437	$ 79,275	$ (3,838)
Delinquent tax	2,145	2,337	-	2,337
Motor vehicle tax	9,378	10,462	9,170	1,292
Recreational vehicle tax	154	172	254	(82)
16/20M vehicle tax	35	26	36	(10)
Commercial vehicle tax	1,296	1,462	1,278	184
Neighborhood revitalization rebate	(5,179)	(5,997)	(5,477)	(520)
Total Receipts	71,976	83,899	$ 84,536	$ (637)
Expenditures				
Appropriation to Sterling Community Cemetery	69,592	71,460	$ 85,410	$ (13,950)
Receipts Over (Under) Expenditures	2,384	12,439		
Unencumbered Cash, Beginning	91	2,475		
Unencumbered Cash, Ending	$ 2,475	$ 14,914		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

SPECIAL HIGHWAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Ad valorem property tax	$ 175,951	$ 183,516	$ 195,857	$ (12,341)
Delinquent tax	7,117	6,673	7,500	(827)
Motor vehicle tax	31,913	28,763	25,155	3,608
Recreational vehicle tax	524	471	494	(23)
16/20M vehicle tax	119	88	99	(11)
Commercial vehicle tax	4,411	4,306	3,505	801
Local sales tax	351,767	385,107	317,000	68,107
State of Kansas gas tax	62,107	61,851	58,000	3,851
State connecting links	14,570	14,580	-	14,580
FEMA reimbursement	-	-	425,712	(425,712)
Neighborhood revitalization rebate	(14,205)	(14,624)	(16,524)	1,900
Miscellaneous	6,887	5,600	-	5,600
Total Receipts	641,161	676,331	$ 1,016,798	$ (340,467)
Expenditures				
Personal services	144,230	152,273	$ 124,132	$ 28,141
Contractual services	387,703	281,278	55,000	226,278
Commodities	118,367	73,035	88,500	(15,465)
Capital outlay	29,114	-	726,072	(726,072)
Principal and interest	44,739	49,833	51,050	(1,217)
Cash forward	-	-	688,690	(688,690)
Total Expenditures	724,153	556,419	$ 1,733,444	$ (1,177,025)
Receipts Over (Under) Expenditures	(82,992)	119,912		
Unencumbered Cash, Beginning	966,326	883,334		
Unencumbered Cash, Ending	$ 883,334	$ 1,003,246		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

SPECIAL PARKS AND RECREATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local alcoholic liquor tax	$ 1,732	$ 1,818	$ 2,002	$ (184)
Expenditures				
Capital outlay	-	-	$ 12,205	$ (12,205)
Receipts Over (Under) Expenditures	1,732	1,818		
Unencumbered Cash, Beginning	8,515	10,247		
Unencumbered Cash, Ending	$ 10,247	$ 12,065		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

AMBULANCE AND FIRE EQUIPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance - Over (Under)
Receipts				
Ad valorem property tax	$ 25,659	$ 37,248	$ 39,638	$ (2,390)
Delinquent tax	862	965	-	965
Motor vehicle tax	3,751	4,185	3,668	517
Recreational vehicle tax	62	69	102	(33)
16/20M vehicle tax	14	473	14	459
Commercial vehicle tax	519	584	511	73
Neighborhood revitalization rebate	(2,072)	(2,987)	(2,191)	(796)
Total Receipts	28,795	40,537	$ 41,742	$ (1,205)
Expenditures				
Capital outlay	22,040	119,471	$ 169,257	$ (49,786)
Receipts Over (Under) Expenditures	6,755	(78,934)		
Unencumbered Cash, Beginning	167,088	173,843		
Unencumbered Cash, Ending	$ 173,843	$ 94,909		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

STERLING COMMUNITY CEMETERY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2024		
	General Fund Actual	Stevenson Fund Actual	Perpetual Care Actual
Receipts			
Interest income	$ 4,845	$ -	$ -
Charges for service	14,073	-	-
Sale of lots	2,367	-	10,177
Township distribution	75,460	-	-
Total Receipts	96,745	-	10,177
Expenditures			
Personal services	82,593	-	-
Contractual services	10,067	-	-
Commodities	6,840	-	-
Capital outlay	-	-	-
Total Expenditures	99,500	-	-
Receipts Over (Under) Expenditures	(2,755)	-	10,177
Unencumbered Cash, Beginning	21,289	59,700	69,062
Unencumbered Cash, Ending	$ 18,534	$ 59,700	$ 79,239

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

STERLING COMMUNITY CEMETERY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2024				
	Mausoleum Trust Funds				
	Mincer Actual	Manz Actual	Mead Actual	Total Cemetery Actual	2023 Actual
Receipts					
Interest income	$ 13	$ 9	$ 3	$ 4,870	$ 1,555
Charges for service	-	-	-	14,073	8,901
Sale of lots	-	-	-	12,544	10,010
Township distribution	-	-	-	75,460	77,592
Total Receipts	13	9	3	106,947	98,058
Expenditures					
Personal services	-	-	-	82,593	93,787
Contractual services	-	-	-	10,067	6,629
Commodities	-	-	-	6,840	9,256
Capital outlay	-	-	-	-	57,040
Total Expenditures	-	-	-	99,500	166,712
Receipts Over (Under) Expenditures	13	9	3	7,447	(68,654)
Unencumbered Cash, Beginning	2,501	1,737	826	155,115	223,769
Unencumbered Cash, Ending	$ 2,514	$ 1,746	$ 829	$ 162,562	$ 155,115

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

HEALTH INSURANCE SAVINGS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts		
Grants	$ 47,349	$ 43,629
Expenditures		
Capital outlay	28,820	29,492
Receipts Over (Under) Expenditures	18,529	14,137
Unencumbered Cash, Beginning	28,761	47,290
Unencumbered Cash, Ending	$ 47,290	$ 61,427

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

RESCUE PROJECTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts		
Grants	$ -	$ -
Expenditures		
Personal services	100,974	34,384
Receipts Over (Under) Expenditures	(100,974)	(34,384)
Unencumbered Cash, Beginning	135,358	34,384
Unencumbered Cash, Ending	$ 34,384	$ -

CITY OF STERLING, KANSAS

CAPITAL PROJECT FUND

STORM SEWER PROJECT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts	$ -	$ -
Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	5,698	5,698
Unencumbered Cash, Ending	$ 5,698	$ 5,698

CITY OF STERLING, KANSAS

CAPITAL PROJECT FUND

BOND PROJECTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts		
Corwin project	$ -	$ 37,500
Expenditures		
Substation project	7,696	-
Corwin project	-	37,500
Total Expenditures	7,696	37,500
Receipts Over (Under) Expenditures	(7,696)	-
Unencumbered Cash, Beginning	7,696	-
Unencumbered Cash, Ending	$ -	$ -

CITY OF STERLING, KANSAS

BUSINESS FUND

WATER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance - Over (Under)
Receipts				
Sale to customers	$ 396,087	$ 422,196	$ 439,290	$ (17,094)
Connection fees	4,250	3,550	2,900	650
Hookups	1,388	1,340	500	840
Miscellaneous	12,764	272	5,030	(4,758)
Tower rent	14,219	327,045	17,232	309,813
Total Receipts	428,708	754,403	$ 464,952	$ 289,451
Expenditures				
Production -				
Contractual services	3,908	2,648	$ 4,800	$ (2,152)
Commodities	5,815	6,980	8,500	(1,520)
Total Production	9,723	9,628	13,300	(3,672)
Distribution -				
Personal services	118,848	121,058	108,578	12,480
Contractual services	10,821	8,609	14,100	(5,491)
Commodities	91,897	149,154	53,100	96,054
Total Distribution	221,566	278,821	175,778	103,043
General and Administrative -				
Personal services	104,521	94,872	101,581	(6,709)
Contractual services	38,966	23,941	12,900	11,041
Commodities	3,476	4,529	3,500	1,029
Revolving loan principal	25,000	15,000	24,543	(9,543)
Revolving loan interest	10,268	9,544	-	9,544
Miscellaneous	1,708	2,116	12,000	(9,884)
Transfer to General Fund	-	-	18,275	(18,275)
Transfer to Capital Improvement Fund	-	-	60,000	(60,000)
Cash forward	-	-	113,451	(113,451)
Total General and Administrative	183,939	150,002	346,250	(196,248)
Total Expenditures	415,228	438,451	$ 535,328	$ (96,877)
Receipts Over (Under) Expenditures	13,480	315,952		
Unencumbered Cash, Beginning	68,447	81,927		
Unencumbered Cash, Ending	$ 81,927	$ 397,879		

CITY OF STERLING, KANSAS

BUSINESS FUND

ELECTRIC UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Sales to customers	$ 2,898,246	$ 2,531,546	$ 2,968,000	$ (436,454)
Connection fees	3,670	3,265	3,800	(535)
Street lighting	-	-	11,288	(11,288)
Installation charges	3,770	1,546	-	1,546
Capacity purchase reserve	77,571	13,469	93,449	(79,980)
Miscellaneous	106,004	136,038	136,000	38
Total Receipts	3,089,261	2,685,864	$ 3,212,537	$ (526,673)
Expenditures				
Production -				
Personal services	283,610	282,122	$ 231,777	$ 50,345
Contractual services	1,444,789	1,186,352	1,587,000	(400,648)
Commodities	59,846	56,030	71,650	(15,620)
Capital outlay	21,897	-	-	-
Total Production	1,810,142	1,524,504	1,890,427	(365,923)
Distribution -				
Personal services	303,112	305,025	308,629	(3,604)
Contractual services	50,929	65,488	49,200	16,288
Commodities	199,455	104,646	205,750	(101,104)
Total Distribution	553,496	475,159	563,579	(88,420)
General and Administrative -				
Personal services	104,815	113,149	102,098	11,051
Contractual services	275,389	293,267	81,516	211,751
Commodities	7,801	11,898	6,900	4,998
Capital outlay	18,815	339,734	-	339,734
Catalytic convertors lease payment	95,247	35,054	108,000	(72,946)
Miscellaneous	489	762	97,749	(96,987)
Transfer to Medical Services Fund	56,877	-	-	-
Transfer to Electric Equipment Reserve	-	-	333,392	(333,392)
Transfer to General Fund	187,900	95,000	95,000	-
Cash forward	-	-	1,203,821	(1,203,821)
Total General and Administrative	747,333	888,864	2,028,476	(1,139,612)
Total Expenditures	3,110,971	2,888,527	$ 4,482,482	$ (1,593,955)
Receipts Over (Under) Expenditures	(21,710)	(202,663)		
Unencumbered Cash, Beginning	1,271,966	1,250,256		
Unencumbered Cash, Ending	$ 1,250,256	$ 1,047,593		

CITY OF STERLING, KANSAS

BUSINESS FUND

ELECTRIC EQUIPMENT RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023 Actual	2024 Actual
Receipts		
Miscellaneous	$ -	$ -
Expenditures		
Commodities	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	148,460	148,460
Unencumbered Cash, Ending	$ 148,460	$ 148,460

CITY OF STERLING, KANSAS

BUSINESS FUND

SEWER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Sale to customers	$ 424,062	$ 402,944	$ 416,000	$ (13,056)
Miscellaneous	6,580	9,857	36,000	(26,143)
Total Receipts	430,642	412,801	$ 452,000	$ (39,199)
Expenditures				
Collection -				
Contractual services	32,749	30,075	$ 21,500	$ 8,575
Commodities	16,984	17,406	8,300	9,106
Total Collection	49,733	47,481	29,800	17,681
Treatment -				
Personal services	141,322	134,393	112,971	21,422
Contractual services	18,475	9,050	23,750	(14,700)
Commodities	8,869	20,444	22,500	(2,056)
Total Treatment	168,666	163,887	159,221	4,666
General and Administration -				
Personal services	95,239	94,888	99,846	(4,958)
Contractual services	57,454	33,612	35,000	(1,388)
Commodities	3,170	2,008	3,400	(1,392)
Capital outlay	(5,296)	-	-	-
Revolving loan payment	89,297	87,170	88,105	(935)
Transfer to General Fund	18,275	-	18,275	(18,275)
Cash forward	-	-	213,235	(213,235)
Total General and Administrative	258,139	217,678	457,861	(240,183)
Total Expenditures	476,538	429,046	$ 646,882	$ (217,836)
Receipts Over (Under) Expenditures	(45,896)	(16,245)		
Unencumbered Cash, Beginning	218,366	172,470		
Unencumbered Cash, Ending	$ 172,470	$ 156,225		

CITY OF STERLING, KANSAS

BUSINESS FUND

MEDICAL SERVICES FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Rent	$ 31,896	$ 31,896	$ 31,696	$ 200
Reimbursements	-	-	43,655	(43,655)
Grant	-	36,562	-	36,562
Transfer from Electric Utility Fund	56,877	-	-	-
Total Receipts	88,773	68,458	$ 75,351	$ (6,893)
Expenditures				
Contractual services	29,534	73,825	$ 143,064	$ (69,239)
Receipts Over (Under) Expenditures	59,239	(5,367)		
Unencumbered Cash, Beginning	14,393	73,632		
Unencumbered Cash, Ending	$ 73,632	$ 68,265		

CITY OF STERLING, KANSAS

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended December 31, 2024

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
State cost analysis	$ 3,714	$ -	$ -	$ 3,714
Water utility deposits	5,052	1,350	1,030	5,372
Electric utility depostis	12,679	8,212	4,605	16,286
Police forfeiture	299	2	-	301
Peace Estates	63,632	585,000	585,000	63,632
Corwin Corner	21,232	16,268	22,500	15,000
Total	$ 106,608	$ 610,832	$ 613,135	$ 104,305