

CITY OF CIMARRON, KANSAS

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED DECEMBER 31, 2022**

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Kennedy
McKee & Company LLP Certified Public Accountants

1100 W. Frontview
P. O. Box 1477
Dodge City, Kansas 67801
Tel. (620) 227-3135
Fax (620) 227-2308
www.kmc-cpa.com

JAMES W. KENNEDY, CPA
PATRICK M. FRIESS, CPA
JOHN W. HENDRICKSON, CPA
JEREMY J. APPEL, CPA

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
Cimarron, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of the City of Cimarron, Kansas and its related municipal entity, the Cimarron City Library (collectively referred to as the Municipal Financial Reporting Entity), as of and for the year ended December 31, 2022 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Municipal Financial Reporting Entity, as of December 31, 2022, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the Municipal Financial Reporting Entity, as of December 31, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

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 Municipal Financial Reporting Entity 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 A of the financial statement, the financial statement is prepared by the Municipal Financial Reporting Entity 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 A 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 A; 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, which raise substantial doubt about the Municipal Financial Reporting Entity'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 judgement 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 Municipal Financial Reporting Entity'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, which raise substantial doubt about the Municipal Financial Reporting Entity'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 (basic financial statement) as a whole. The summary of regulatory basis expenditures — actual and budget and individual fund schedules of regulatory basis receipts and expenditures (Schedules 1 and 2 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 A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated August 30, 2022, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the website of the Kansas Department of Administration at the following link: <https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits>. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended December 31, 2022 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2021 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2021, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

September 28, 2023

CITY OF CIMARRON, KANSAS

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended December 31, 2022

<u>Fund</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior period adjustment</u>	<u>Receipts</u>
General fund:			
General	<u>\$ 668,023</u>	<u>\$ 22,822</u>	<u>\$ 1,346,389</u>
Special purpose funds:			
Library	20,739	-	206,861
Special park and recreation	15,421	-	4,799
Special highway	142,341	-	58,134
Transient guest tax	57,639	-	11,777
PBC sales tax	271,606	-	397,956
Special park donation	11,927	-	-
Recreation committee	29,891	-	217
Community foundation	617	-	(46)
Equipment reserve	795,218	-	242,089
Capital improvement	485,479	-	897,003
ARPA	167,946	-	167,946
Total special purpose funds	<u>1,998,824</u>	<u>-</u>	<u>1,986,736</u>
Bond and interest fund:			
Bond and interest	<u>268,600</u>	<u>-</u>	<u>158,681</u>
Trust fund:			
Pearl Luther endowment	<u>22,050</u>	<u>-</u>	<u>68</u>
Business funds:			
Light enterprise	502,604	-	2,051,248
Water enterprise	510,060	-	550,672
Trash enterprise	221,906	-	255,123
Sewer enterprise	541,222	-	350,429
Sewer plant replacement	328,931	-	63,600
Total business funds	<u>2,104,723</u>	<u>-</u>	<u>3,271,072</u>
Total City of Cimarron	<u>5,062,220</u>	<u>22,822</u>	<u>6,762,946</u>
Related municipal entity:			
Cimarron City Library:			
General	129,260	-	291,939
Special purpose fund:			
Friends of the Library	<u>10,103</u>	<u>-</u>	<u>25,207</u>
Total Cimarron City Library	<u>139,363</u>	<u>-</u>	<u>317,146</u>
Total municipal financial reporting entity	<u>\$ 5,201,583</u>	<u>\$ 22,822</u>	<u>\$ 7,080,092</u>

<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
\$ 1,386,202	\$ 651,032	\$ 17,901	\$ 668,933
217,600	10,000	3,112	13,112
-	20,220	-	20,220
75,926	124,549	-	124,549
-	69,416	-	69,416
261,877	407,685	-	407,685
5,400	6,527	-	6,527
-	30,108	-	30,108
-	571	-	571
141,195	896,112	-	896,112
295,937	1,086,545	1,662	1,088,207
37,898	297,994	-	297,994
<u>1,035,833</u>	<u>2,949,727</u>	<u>4,774</u>	<u>2,954,501</u>
<u>92,718</u>	<u>334,563</u>	<u>-</u>	<u>334,563</u>
<u>-</u>	<u>22,118</u>	<u>-</u>	<u>22,118</u>
2,025,360	528,492	85,554	614,046
544,098	516,634	9,704	526,338
260,760	216,269	23,394	239,663
357,382	534,269	3,895	538,164
-	392,531	-	392,531
<u>3,187,600</u>	<u>2,188,195</u>	<u>122,547</u>	<u>2,310,742</u>
<u>5,702,353</u>	<u>6,145,635</u>	<u>145,222</u>	<u>6,290,857</u>
264,310	156,889	166	157,055
-	35,310	-	35,310
<u>264,310</u>	<u>192,199</u>	<u>166</u>	<u>192,365</u>
<u>\$ 5,966,663</u>	<u>\$ 6,337,834</u>	<u>\$ 145,388</u>	<u>\$ 6,483,222</u>

CITY OF CIMARRON, KANSAS

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended December 31, 2022

Composition of cash:

Petty cash	\$	200
Clerk's petty cash checking		5,798
Operating checking		2,075,046
Money market checking		434,813
Certificates of deposit		<u>3,775,000</u>
Total City of Cimarron		6,290,857
Related municipal entity		<u>192,365</u>
Total municipal financial reporting entity	\$	<u><u>6,483,222</u></u>

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

CITY OF CIMARRON, KANSAS

NOTES TO THE FINANCIAL STATEMENT

December 31, 2022

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the City's financial statement. The financial statement, schedules, and notes are representations of the City's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

The City of Cimarron is a municipal corporation governed by an elected mayor and five-member council. This regulatory financial statement presents the City of Cimarron (the Municipality) and its related municipal entities. The related municipal entities are included in the City's reporting entity because they were established to benefit the City and/or its constituents.

Public Building Commission. The Commission was authorized by City Ordinance, pursuant to K.S.A. 12-1757 et. seq., and all amendments thereto, and as amended, supplemented, and limited by a City of Cimarron, Kansas Charter Ordinance establishing the composition thereof, and purposes for which established. For financial reporting, the financial activities of the Public Building Commission are accounted for within a budgeted special purpose fund.

Cimarron City Library. The Library provides library services to the community. The Library operates as a separate governing body, but the City levies taxes for the Library and pays most employees' salaries. The City Council approves appointments to the Library Board.

2. Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the City for the year ended December 31, 2022:

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.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Basis of Presentation – Fund Accounting (Continued)

REGULATORY BASIS FUND TYPES (CONTINUED)

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

Trust fund – 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.).

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

3. 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.

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.

4. 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:

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

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The 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 such budget amendments for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which 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 trust funds and the following special purpose and business funds:

Special Park Donation	Capital Improvement
Recreation Committee	ARPA
Community Foundation	Sewer Plant Replacement
Equipment Reserve	

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

5. Special Assessments

Projects financed in part by special assessments are financed through issuance of general obligation bonds of the City and are retired from the Bond and Interest Fund. Special assessments paid prior to the issuance of bonds are recorded as receipts in the appropriate project. Special assessments received after the issuance of bonds are recorded as receipts in the Bond and Interest Fund.

B. 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 to 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.

Custodial credit risk - deposits. Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2022.

At December 31, 2022, the City's carrying amount of deposits was \$6,290,657 and the bank balance was \$6,508,296. Of the bank balance, \$250,000 was covered by federal depository insurance and \$6,258,296 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

C. LONG-TERM DEBT

Changes in long-term liabilities for the municipal financial reporting entity for the year ended December 31, 2022, were as follows:

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ payments</u>	<u>Balance end of year</u>	<u>Interest paid</u>
General obligation bonds:					
2021 Refunding					
issued February 18, 2021 in the amount of \$975,000 at interest rates of 0.45% to 2.00% maturing September 1, 2034	\$ 895,000	\$ -	\$ 80,000	\$ 815,000	\$ 12,718
Revenue bonds:					
Public Building Commission					
Refunding revenue bonds issued November 14, 2016 in the amount of \$1,955,000 at interest rates of 1.20% to 2.80% maturing December 1, 2026	605,000	-	195,000	410,000	13,945
Loans:					
KDOT – Highway Improvement					
issued March 1, 2010 in the amount of \$184,940 at interest rate of 3.68% maturing August 1, 2029	89,230	-	9,852	79,378	3,284
KDHE – Wetlands Project					
issued February 18, 2020 in the amount of \$1,659,536 at interest rate of 1.62% maturing September 1, 2041	1,659,536	-	77,327	1,582,209	22,752
Total loans	1,748,766	-	87,179	1,661,587	26,036

C. LONG-TERM DEBT (CONTINUED)

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ payments</u>	<u>Balance end of year</u>	<u>Interest paid</u>
Finance lease: FNB – Vac Truck issued August 20, 2019 in the amount of \$309,521 at interest rate of 4.00% maturing August 20, 2024	\$ 167,654	\$ -	\$ 57,529	\$ 110,125	\$ 5,183
Total long-term debt	<u>\$3,416,420</u>	<u>\$ -</u>	<u>\$ 419,708</u>	<u>\$2,996,712</u>	<u>\$ 57,882</u>

Current maturities of general obligation bonds and interest for the next five years and in five-year increments through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2023	\$ 80,000	\$ 12,357	\$ 92,357
2024	80,000	11,838	91,838
2025	80,000	11,317	91,317
2026	75,000	10,638	85,638
2027	80,000	10,000	90,000
2028-2032	360,000	25,700	385,700
2033-2034	<u>60,000</u>	<u>1,800</u>	<u>61,800</u>
Total	<u>\$ 815,000</u>	<u>\$ 83,650</u>	<u>\$ 898,650</u>

Current maturities of revenue bonds and interest through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2023	<u>\$ 410,000</u>	<u>\$ 4,876</u>	<u>\$ 414,876</u>

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

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2023	\$ 151,116	\$ 26,804	\$ 177,920
2024	72,905	24,176	97,081
2025	74,091	22,990	97,081
2026	75,296	21,785	97,081
2027	76,521	20,560	97,081
2028-2032	401,684	83,719	485,403
2033-2037	435,432	49,971	485,403
2038-2041	<u>374,542</u>	<u>13,781</u>	<u>388,323</u>
Total	<u>\$ 1,661,587</u>	<u>\$ 263,786</u>	<u>\$ 1,925,373</u>

C. LONG-TERM DEBT (CONTINUED)

Current maturities of capital leases and interest through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2023	\$ 65,195	\$ 3,217	\$ 68,412
2024	<u>44,930</u>	<u>678</u>	<u>45,608</u>
Total	<u>\$ 110,125</u>	<u>\$ 3,895</u>	<u>\$ 114,020</u>

D. DEFEASED DEBT

Series 2021 Refunding General Obligation Bonds

On February 18, 2021, the City of Cimarron, Kansas issued \$975,000 in refunding general obligation bonds with interest rates ranging from 0.45% to 2.00% to advance refund \$435,000 of outstanding series 2013 general obligation bonds and \$515,000 of 2016 refunding bonds with interest rates ranging from 0.90% to 4.40%. The net proceeds of \$964,218 (\$975,000 issue plus premium of \$21,218 less payments of \$20,300 for issuance costs and \$11,700 for underwriter's discount) were paid to the Treasurer of the State of Kansas to call the series 2013 general obligation bonds and series 2016 refunding bonds. As a result, those bonds are considered to be defeased and the liability has been removed from the long-term debt footnote.

The City advance refunded the series 2013 general obligation bonds and 2016 refunding bonds to reduce its total debt service payments over the next 14 years by \$94,807 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$85,005.

E. TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
General	Capital improvement	\$ 300,000	K.S.A. 12-1,118
Light enterprise	Equipment reserve	50,000	K.S.A. 12-825d
Water enterprise	Equipment reserve	175,000	K.S.A. 12-825d
Sewer enterprise	Sewer plant replacement	<u>63,600</u>	K.S.A. 12-825d
		<u>\$ 588,600</u>	

Transfers to the related municipal entity were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>
Library	Cimarron City Library	\$ 217,600
General	Cimarron City Library	<u>6,698</u>
		<u>\$ 224,298</u>

F. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	<u>Project authorization</u>	<u>Cash disbursements and accounts payable to date</u>
Streetscape Project	\$ 67,960	\$ 67,960
WWTF Wetlands	1,659,536	1,659,536
Airport Apron and Taxi Lane	622,749	622,749
Airport Fueling Station	116,843	93,134
KDOT CCLIP Resurfacing Project	36,000	36,000
Library HVAC	<u>62,000</u>	<u>37,899</u>
Total	<u>\$ 2,565,088</u>	<u>\$ 2,517,278</u>

G. LAW ENFORCEMENT SERVICES AGREEMENT

On July 31, 2018, the City entered into an agreement with Gray County, Kansas to provide police protection and perform all law enforcement functions and services within the boundaries of the City. The agreement is for a period of five years, beginning January 1, 2019, and called for a beginning annual payment of \$140,000 with annual increases of 10%. The agreement also calls for an even split of the net revenue generated by the municipal court. Payments of \$200,931 were made to the County in 2022. The remaining minimum contractual commitments are as follows:

2023	<u>\$ 204,864</u>
------	-------------------

H. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

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 the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate was set at 1% and contributions were \$4,336 for the year ended December 31, 2022.

Section 125 Plan. The City offers a Section 125 flexible benefit plan to all eligible employees. It is used for medical insurance premiums, unreimbursed medical expenses, and childcare expenses. The plan is administered by the health insurance provider. The City withholds the amounts from the employee's paychecks and remits the withholding to the plan administrator.

H. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

Compensated Absences. Full-time employees accumulate sick leave at the rate of one day per month beginning at the end of the first month of employment. Sick leave that is unused at year-end may be carried over to the next year up to a limit of sixty days. Full-time employees who have worked at least one year receive two weeks of vacation, and those who have worked five years or more receive three weeks. After fifteen years of service, employees receive four weeks of vacation. Employees are allowed to carry over five days of unused vacation to the following year.

I. DEFINED BENEFIT PENSION PLAN

General Information About the Pension Plan

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. KPERs' financial statements are included in its 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 the City and paid to KPERs according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERs 1, KPERs 2 and KPERs 3 be determined based on the results of each annual actuarial valuation.

Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.90% for KPERs for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were \$71,609 for the year ended December 31, 2022.

Net Pension Liability

At December 31, 2022, the City's proportionate share of the collective net pension liability reported by KPERs was \$763,131. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERs, relative to the total employer and non-employer contributions of the Local subgroup within KPERs. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial 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.

J. 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 purchases commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

K. PRIOR PERIOD ADJUSTMENT

A prior period adjustment was made to adjust the beginning unencumbered cash and accounts payable in the General fund for the over-accrual of court-ordered bonds in the prior years. This resulted in accounts payable decreasing by \$22,822 at the end of the current year.

L. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 28, 2023 and does not believe any events have occurred which affect the financial statement as presented.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF CIMARRON, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022

<u>Fund</u>	<u>Certified budget</u>	<u>Adjustment for qualifying budget credits</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General fund	\$ 1,547,261	\$ -	\$ 1,547,261	\$ 1,386,202	\$ 161,059
Special purpose funds:					
Library	217,600	-	217,600	217,600	-
Special park and recreation	17,500	-	17,500	-	17,500
Special highway	153,117	-	153,117	75,926	77,191
Transient guest tax	60,000	-	60,000	-	60,000
PBC sales tax	517,945	-	517,945	261,877	256,068
Bond and interest fund:					
Bond and interest	122,420	-	122,420	92,718	29,702
Business funds:					
Light enterprise	2,259,000	-	2,259,000	2,025,360	233,640
Water enterprise	819,000	-	819,000	544,098	274,902
Trash enterprise	450,000	-	450,000	260,760	189,240
Sewer enterprise	577,090	-	577,090	357,382	219,708
Total	\$ 6,740,933	\$ -	\$ 6,740,933	\$ 5,221,923	\$ 1,519,010

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 654,139	\$ 679,944	\$ 666,017	\$ 13,927
Delinquent tax	19,958	8,246	3,000	5,246
Vehicle tax	150,657	126,279	130,415	(4,136)
Shared receipts:				
Local alcohol liquor fund	5,639	4,799	4,000	799
Local sales tax	266,279	296,294	185,000	111,294
State of Kansas - connecting link	39,123	39,150	30,000	9,150
Licenses, permits and fees:				
Franchise fees	43,137	52,894	35,000	17,894
Other licenses, permits and fees	9,681	8,329	3,000	5,329
Fines, forfeitures and penalties:				
Fines - police	112,551	54,653	15,000	39,653
Charges for services:				
Swimming pool	44,910	46,363	30,000	16,363
Interest on idle funds	2,696	9,055	5,000	4,055
Other:				
Rent	1,943	1,943	1,000	943
Recreation sponsor fees	3,650	3,100	1,000	2,100
Miscellaneous	60,021	40,850	-	40,850
Neighborhood revitalization rebate	(30,781)	(25,510)	(26,054)	544
Total receipts	1,383,603	1,346,389	\$ 1,082,378	\$ 264,011
Expenditures:				
General government:				
General administration:				
Personal services	44,735	64,533	\$ 50,000	\$ (14,533)
Contractual services	139,346	139,986	102,000	(37,986)
Commodities	47,495	34,316	50,000	15,684
Capital outlay	2,960	-	-	-
Subtotal	234,536	238,835	202,000	(36,835)
Employee benefits:				
Health and life insurance	19,425	20,612	42,000	21,388
Payroll taxes and benefits	46,558	56,242	58,000	1,758
Subtotal	65,983	76,854	100,000	23,146
Total general government	300,519	315,689	302,000	(13,689)

CITY OF CIMARRON, KANSAS

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Public safety:				
Police department:				
Personal services	\$ 4,629	\$ -	\$ 6,000	\$ 6,000
Contractual services	240,569	223,473	226,340	2,867
Commodities	9	874	-	(874)
Subtotal	<u>245,207</u>	<u>224,347</u>	<u>232,340</u>	<u>7,993</u>
Fire department:				
Personal services	7,017	4,724	7,000	2,276
Contractual services	5,964	11,132	500	(10,632)
Commodities	551	1,714	2,000	286
Capital outlay	-	5,534	500	(5,034)
Reimbursed expenditures	(10,850)	(17,267)	-	17,267
Subtotal	<u>2,682</u>	<u>5,837</u>	<u>10,000</u>	<u>4,163</u>
Total public safety	<u>247,889</u>	<u>230,184</u>	<u>242,340</u>	<u>12,156</u>
Public works:				
Street and alley:				
Contractual services	100,053	43,159	130,000	86,841
Commodities	27,528	58,898	106,000	47,102
Capital outlay	206	213	-	(213)
Subtotal	<u>127,787</u>	<u>102,270</u>	<u>236,000</u>	<u>133,730</u>
Airport:				
Contractual services	4,172	5,341	28,000	22,659
Commodities	896	717	1,000	283
Capital outlay	-	-	1,000	1,000
Subtotal	<u>5,068</u>	<u>6,058</u>	<u>30,000</u>	<u>23,942</u>
Total public works	<u>132,855</u>	<u>108,328</u>	<u>266,000</u>	<u>157,672</u>
Culture and recreation:				
Park department:				
Personal services	58,156	48,500	50,000	1,500
Contractual services	838	1,936	14,000	12,064
Commodities	9,715	8,116	13,000	4,884
Capital outlay	-	-	3,000	3,000
Subtotal	<u>68,709</u>	<u>58,552</u>	<u>80,000</u>	<u>21,448</u>

CITY OF CIMARRON, KANSAS

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Culture and recreation (continued):				
Recreation department:				
Personal services	\$ 1,832	\$ 758	\$ 5,000	\$ 4,242
Contractual services	3,827	3,049	7,500	4,451
Commodities	13,632	11,121	30,000	18,879
Capital outlay	1,348	-	7,500	7,500
Appropriation to recreation	5,000	5,000	5,000	-
Subtotal	25,639	19,928	55,000	35,072
Golf course:				
Appropriation to Cimarron Golf Club	185,000	197,919	185,000	(12,919)
Swimming pool:				
Personal services	47,428	52,612	50,000	(2,612)
Contractual services	2,662	5,573	10,000	4,427
Commodities	28,316	51,606	25,000	(26,606)
Capital outlay	710	-	-	-
Subtotal	79,116	109,791	85,000	(24,791)
Economic development:				
Personal services	31,101	32,090	50,000	17,910
Contractual services	4,835	6,963	5,000	(1,963)
Commodities	44	60	5,000	4,940
Capital outlay	-	-	5,000	5,000
Subtotal	35,980	39,113	65,000	25,887
Total culture and recreation	394,444	425,303	470,000	44,697
Transfers:				
Capital improvement	300,000	300,000	125,000	(175,000)
Equipment reserve	-	-	135,000	135,000
Total transfers	300,000	300,000	260,000	(40,000)
Transfer to related municipal entity:				
Cimarron City Library	8,063	6,698	6,921	223
Total expenditures	1,383,770	1,386,202	\$ 1,547,261	\$ 161,059
Receipts over (under) expenditures	(167)	(39,813)		
Unencumbered cash, beginning of year, as previously stated	668,190	668,023	\$ 464,883	\$ 203,140
Prior period adjustment	-	22,822		
Unencumbered cash, end of year	\$ 668,023	\$ 651,032		

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 171,349	\$ 178,526	\$ 174,884	\$ 3,642
Delinquent tax	4,918	2,148	500	1,648
Vehicle tax	38,198	32,885	34,168	(1,283)
Neighborhood revitalization rebate	(8,064)	(6,698)	(6,921)	223
Total receipts	206,401	206,861	<u>\$ 202,631</u>	<u>\$ 4,230</u>
Expenditures:				
Transfer to related municipal entity	210,200	217,600	<u>\$ 217,600</u>	<u>\$ -</u>
Receipts over (under) expenditures	(3,799)	(10,739)		
Unencumbered cash, beginning of year	24,538	20,739	<u>\$ 14,969</u>	<u>\$ 5,770</u>
Unencumbered cash, end of year	<u>\$ 20,739</u>	<u>\$ 10,000</u>		

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

SPECIAL PARK AND RECREATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022

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

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Shared receipts:				
Local alcohol liquor fund	\$ 5,639	\$ 4,799	\$ 4,000	\$ 799
Expenditures:				
Culture and recreation:				
Contractual services	-	-	\$ 3,500	\$ 3,500
Commodities	-	-	3,500	3,500
Capital outlay	-	-	10,500	10,500
Total expenditures	-	-	\$ 17,500	\$ 17,500
Receipts over (under) expenditures	5,639	4,799		
Unencumbered cash, beginning of year	9,782	15,421	\$ 13,782	\$ 1,639
Unencumbered cash, end of year	\$ 15,421	\$ 20,220	\$ 282	\$ 19,938

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

SPECIAL HIGHWAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Shared receipts:				
State of Kansas - gas tax	\$ 63,825	\$ 56,326	\$ 56,600	\$ (274)
Interest on idle funds	79	1,808	500	1,308
Total receipts	<u>63,904</u>	<u>58,134</u>	<u>\$ 57,100</u>	<u>\$ 1,034</u>
Expenditures:				
Public works:				
Contractual services	22,759	62,790	\$ 130,000	\$ 67,210
Commodities	-	-	10,000	10,000
Debt service:				
Principal	9,503	9,852	9,825	(27)
Interest and commissions	<u>3,633</u>	<u>3,284</u>	<u>3,292</u>	<u>8</u>
Total expenditures	<u>35,895</u>	<u>75,926</u>	<u>\$ 153,117</u>	<u>\$ 77,191</u>
Receipts over (under) expenditures	28,009	(17,792)		
Unencumbered cash, beginning of year	<u>114,332</u>	<u>142,341</u>	<u>\$ 96,126</u>	<u>\$ 46,215</u>
Unencumbered cash, end of year	<u>\$ 142,341</u>	<u>\$ 124,549</u>	<u>\$ 109</u>	<u>\$ 124,440</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

TRANSIENT GUEST TAX

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Shared receipts:				
Transient guest tax	\$ 9,293	\$ 11,564	\$ 10,000	\$ 1,564
Interest on idle funds	19	213	100	113
Total receipts	<u>9,312</u>	<u>11,777</u>	<u>\$ 10,100</u>	<u>\$ 1,677</u>
Expenditures:				
Community services:				
Contractual services	-	-	\$ 15,000	\$ 15,000
Commodities	-	-	15,000	15,000
Capital outlay	-	-	30,000	30,000
Total expenditures	<u>-</u>	<u>-</u>	<u>\$ 60,000</u>	<u>\$ 60,000</u>
Receipts over (under) expenditures	9,312	11,777		
Unencumbered cash, beginning of year	<u>48,327</u>	<u>57,639</u>	<u>\$ 49,927</u>	<u>\$ 7,712</u>
Unencumbered cash, end of year	<u>\$ 57,639</u>	<u>\$ 69,416</u>	<u>\$ 27</u>	<u>\$ 69,389</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

PBC SALES TAX FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Shared receipts:				
Sales tax	\$ 337,626	\$ 395,142	\$ 275,000	\$ 120,142
Interest on idle funds	236	2,814	1,000	1,814
Total receipts	<u>337,862</u>	<u>397,956</u>	<u>\$ 276,000</u>	<u>\$ 121,956</u>
Expenditures:				
Culture and recreation:				
Capital outlay	8,123	52,932	\$ 309,000	\$ 256,068
Debt service:				
Principal	190,000	195,000	195,000	-
Interest	<u>17,745</u>	<u>13,945</u>	<u>13,945</u>	<u>-</u>
Total expenditures	<u>215,868</u>	<u>261,877</u>	<u>\$ 517,945</u>	<u>\$ 256,068</u>
Receipts over (under) expenditures	121,994	136,079		
Unencumbered cash, beginning of year	<u>149,612</u>	<u>271,606</u>	<u>\$ 242,867</u>	<u>\$ 28,739</u>
Unencumbered cash, end of year	<u>\$ 271,606</u>	<u>\$ 407,685</u>	<u>\$ 922</u>	<u>\$ 406,763</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

NON-BUDGETED SPECIAL PURPOSE FUNDS

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended December 31, 2022

	<u>Special park donation</u>	<u>Recreation committee</u>	<u>Community foundation</u>
Receipts:			
Interest on idle funds	\$ -	\$ 217	\$ -
Federal aid	-	-	-
State aid	-	-	-
Grant proceeds	-	-	(46)
Miscellaneous	-	-	-
Transfers:			
General	-	-	-
Light enterprise	-	-	-
Water enterprise	-	-	-
	<hr/>	<hr/>	<hr/>
Total receipts	-	217	(46)
	<hr/>	<hr/>	<hr/>
Expenditures:			
Commodities	-	-	-
Capital outlay	5,400	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	5,400	-	-
	<hr/>	<hr/>	<hr/>
Receipts over (under) expenditures	(5,400)	217	(46)
Unencumbered cash, beginning of year	11,927	29,891	617
	<hr/>	<hr/>	<hr/>
Unencumbered cash, end of year	\$ 6,527	\$ 30,108	\$ 571
	<hr/>	<hr/>	<hr/>

See Independent Auditor's Report.

Schedule 2-7

<u>Equipment reserve</u>	<u>Capital improvement</u>	<u>ARPA</u>	<u>Total</u>
\$ 3,695	\$ 2,672	\$ -	\$ 6,584
-	-	167,946	167,946
-	594,331	-	594,331
-	-	-	(46)
13,394	-	-	13,394
-	300,000	-	300,000
50,000	-	-	50,000
175,000	-	-	175,000
<u>242,089</u>	<u>897,003</u>	<u>167,946</u>	<u>1,307,209</u>
-	29,575	-	29,575
<u>141,195</u>	<u>266,362</u>	<u>37,898</u>	<u>450,855</u>
<u>141,195</u>	<u>295,937</u>	<u>37,898</u>	<u>480,430</u>
100,894	601,066	130,048	826,779
<u>795,218</u>	<u>485,479</u>	<u>167,946</u>	<u>1,491,078</u>
<u>\$ 896,112</u>	<u>\$ 1,086,545</u>	<u>\$ 297,994</u>	<u>\$ 2,317,857</u>

CITY OF CIMARRON, KANSAS

BOND AND INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022

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

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 62,476	\$ 66,655	\$ 65,349	\$ 1,306
Delinquent tax	1,628	739	250	489
Vehicle tax	9,082	11,251	12,475	(1,224)
Special assessments	97,587	80,969	-	80,969
Debt proceeds	115,401	(219)	-	(219)
Interest on idle funds	79	1,789	-	1,789
Neighborhood revitalization rebate	(2,944)	(2,503)	(2,591)	88
Total receipts	<u>283,309</u>	<u>158,681</u>	<u>\$ 75,483</u>	<u>\$ 83,198</u>
Expenditures:				
Debt service:				
Principal	80,000	80,000	\$ 70,000	\$ (10,000)
Interest and commissions	7,011	12,718	27,420	14,702
Cash basis reserve	-	-	25,000	25,000
Total expenditures	<u>87,011</u>	<u>92,718</u>	<u>\$ 122,420</u>	<u>\$ 29,702</u>
Receipts over (under) expenditures	196,298	65,963		
Unencumbered cash, beginning of year	<u>72,302</u>	<u>268,600</u>	<u>\$ 46,937</u>	<u>\$ 221,663</u>
Unencumbered cash, end of year	<u>\$ 268,600</u>	<u>\$ 334,563</u>		

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

PEARL LUTHER ENDOWMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	<u>2021</u>	<u>2022</u>
Receipts:		
Interest on idle funds	\$ 11	\$ 68
Expenditures	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	11	68
Unencumbered cash, beginning of year	<u>22,039</u>	<u>22,050</u>
Unencumbered cash, end of year	<u><u>\$ 22,050</u></u>	<u><u>\$ 22,118</u></u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

LIGHT ENTERPRISE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022

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

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Sales	\$ 2,185,414	\$ 2,044,893	\$ 1,800,000	\$ 244,893
Debt proceeds	597,837	-	-	-
Interest on idle funds	588	6,355	2,000	4,355
Total receipts	<u>2,783,839</u>	<u>2,051,248</u>	<u>\$ 1,802,000</u>	<u>\$ 249,248</u>
Expenditures:				
Public works:				
Personal services	385,342	368,678	\$ 400,000	\$ 31,322
Contractual services	198,700	164,934	200,000	35,066
Commodities	1,689,000	1,419,799	1,300,000	(119,799)
Capital outlay	10,000	-	110,000	110,000
Debt service:				
Principal	618,951	20,135	22,871	2,736
Interest	3,216	1,814	1,129	(685)
Transfers:				
Capital improvement	-	-	125,000	125,000
Equipment reserve	-	50,000	100,000	50,000
Total expenditures	<u>2,905,209</u>	<u>2,025,360</u>	<u>\$ 2,259,000</u>	<u>\$ 233,640</u>
Receipts over (under) expenditures	(121,370)	25,888		
Unencumbered cash, beginning of year	<u>623,974</u>	<u>502,604</u>	<u>\$ 457,974</u>	<u>\$ 44,630</u>
Unencumbered cash, end of year	<u>\$ 502,604</u>	<u>\$ 528,492</u>	<u>\$ 974</u>	<u>\$ 527,518</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

WATER ENTERPRISE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021		2022	
	Actual	Budget	Actual	Budget
Receipts:				
Sales	\$ 489,765	\$ 500,000	\$ 545,951	\$ 500,000
Interest on idle funds	437	2,000	4,721	2,000
Total receipts	<u>490,202</u>	<u>502,000</u>	<u>550,672</u>	<u>502,000</u>
Expenditures:				
Public works:				
Personal services	125,104	\$ 120,000	123,206	\$ 120,000
Contractual services	81,524	100,000	81,294	100,000
Commodities	95,584	100,000	142,649	100,000
Capital outlay	-	175,000	-	175,000
Debt service:				
Principal	20,940	22,871	20,135	22,871
Interest and commissions	2,793	1,129	1,814	1,129
Transfers:				
Equipment reserve	200,000	100,000	175,000	100,000
Capital improvement	-	200,000	-	200,000
Total expenditures	<u>525,945</u>	<u>819,000</u>	<u>544,098</u>	<u>819,000</u>
Receipts over (under) expenditures	(35,743)		6,574	
Unencumbered cash, beginning of year	<u>545,803</u>	<u>317,303</u>	<u>510,060</u>	<u>317,303</u>
Unencumbered cash, end of year	<u>\$ 510,060</u>	<u>\$ 303</u>	<u>\$ 516,634</u>	<u>\$ 516,331</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

TRASH ENTERPRISE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Sales	\$ 246,866	\$ 253,232	\$ 300,000	\$ (46,768)
Interest on idle funds	156	1,891	1,000	891
Total receipts	<u>247,022</u>	<u>255,123</u>	<u>\$ 301,000</u>	<u>\$ (45,877)</u>
Expenditures:				
Public works:				
Contractual services	238,684	260,603	\$ 330,000	\$ 69,397
Commodities	128	157	20,000	19,843
Transfers:				
Equipment reserve	-	-	50,000	50,000
Capital improvement	-	-	50,000	50,000
Total expenditures	<u>238,812</u>	<u>260,760</u>	<u>\$ 450,000</u>	<u>\$ 189,240</u>
Receipts over (under) expenditures	8,210	(5,637)		
Unencumbered cash, beginning of year	<u>213,696</u>	<u>221,906</u>	<u>\$ 149,696</u>	<u>\$ 72,210</u>
Unencumbered cash, end of year	<u>\$ 221,906</u>	<u>\$ 216,269</u>	<u>\$ 696</u>	<u>\$ 215,573</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

SEWER ENTERPRISE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021		2022	
	Actual	Budget	Actual	Budget
Receipts:				
Sales	\$ 311,266	\$ 240,000	\$ 348,355	\$ 240,000
Interest on idle funds	234	1,000	2,074	1,000
Total receipts	<u>311,500</u>	<u>\$ 241,000</u>	<u>350,429</u>	<u>\$ 241,000</u>
Expenditures:				
Public works:				
Personal services	76,167	\$ 100,000	120,958	\$ 100,000
Contractual services	23,251	50,000	24,726	50,000
Commodities	25,780	30,000	29,205	30,000
Capital outlay	-	110,000	-	110,000
Debt service:				
Principal	18,341	94,403	94,586	94,403
Interest and commissions	6,947	29,087	24,307	29,087
Transfers:				
Sewer plant replacement	63,600	63,600	63,600	63,600
Equipment reserve	-	100,000	-	100,000
Total expenditures	<u>214,086</u>	<u>\$ 577,090</u>	<u>357,382</u>	<u>\$ 577,090</u>
Receipts over (under) expenditures	97,414		(6,953)	
Unencumbered cash, beginning of year	<u>443,808</u>	<u>\$ 336,796</u>	<u>541,222</u>	<u>\$ 336,796</u>
Unencumbered cash, end of year	<u>\$ 541,222</u>	<u>\$ 706</u>	<u>\$ 534,269</u>	<u>\$ 533,563</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

SEWER PLANT REPLACEMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	<u>2021</u>	<u>2022</u>
Receipts:		
Transfers:		
Sewer enterprise	\$ 63,600	\$ 63,600
Expenditures	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	63,600	63,600
Unencumbered cash, beginning of year	<u>265,331</u>	<u>328,931</u>
Unencumbered cash, end of year	<u>\$ 328,931</u>	<u>\$ 392,531</u>

See Independent Auditor's Report.

CITY OF CIMARRON, KANSAS

CIMARRON CITY LIBRARY
(A RELATED MUNICIPAL ENTITY)SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2022

	General	Special purpose Friends of the Library fund	Total
Receipts:			
Transfers from City of Cimarron	\$ 224,298	\$ -	\$ 224,298
Gray County Library Board	24,808	-	24,808
State of Kansas	629	-	629
Grants	7,036	-	7,036
Fines, photocopies and other charges	1,393	-	1,393
Donations and memorials	13,185	15,155	28,340
Interest	442	52	494
Rent	330	-	330
Program income	13,903	-	13,903
Other	5,915	-	5,915
Transfers in	-	10,000	10,000
	<u>291,939</u>	<u>25,207</u>	<u>317,146</u>
Expenditures:			
Salaries and payroll taxes	156,988	-	156,988
Books and periodicals	12,628	-	12,628
Supplies	10,114	-	10,114
Audios and videos	6,744	-	6,744
Computer software	2,233	-	2,233
Utilities	8,620	-	8,620
Repairs and maintenance	8,930	-	8,930
Dues and contracts	15,923	-	15,923
Contractual services	4,771	-	4,771
Capital outlay	2,773	-	2,773
Grant/program expense	23,277	-	23,277
Miscellaneous	1,309	-	1,309
Transfers out	10,000	-	10,000
	<u>264,310</u>	<u>-</u>	<u>264,310</u>
Receipts over (under) expenditures	27,629	25,207	52,836
Unencumbered cash, beginning of year	129,260	10,103	139,363
	<u>156,889</u>	<u>35,310</u>	<u>192,199</u>

See Independent Auditor's Report.