CITY OF SUBLETTE, KANSAS

REGULATORY BASIS FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2022

CITY OF SUBLETTE, KANSAS

REGULATORY BASIS FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2022

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LEWIS, HOOPER & DICK LLC
certified public accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council Members
City of Sublette, Kansas

Report on the Audit of the Financial Statement

Opinions

We have audited the regulatory basis fund summary statement of receipts, expenditures and unencumbered cash of the City of Sublette, Kansas (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statement.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City 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 (KMAAG)* as described in Note 1.

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 Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying financial statement referred to above does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the City as of December 31, 2022, or changes in net position and cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *KMAAG*. 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 audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles
As described 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 *KMAAG*, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the State of Kansas' regulatory basis of accounting and budget laws. 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 and pervasive.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the financial reporting provisions of the *KMAAG* to demonstrate compliance with the financial reporting requirements of the State of Kansas' regulatory basis of accounting and budget laws. 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.

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 and the *KMAAG* 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 and the *KMAAG*, 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 regulatory basis fund summary statement of receipts, expenditures and unencumbered cash (the financial statement) as a whole. The regulatory basis summary of expenditures - actual and budget, and the regulatory basis individual fund schedules of 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 financial statement; however, they are required to be presented under the provisions of the *KMAAG*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America and the *KMAAG*. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statement as a whole, on the of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United State of America, the financial statement of the City of Sublette, as of and for the year ended December 31, 2021, (not presented herein), and have issued our report thereon dated March 3, 2022, which contained an unmodified opinion on the financial statement. The 2021 financial statement and our 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/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 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 financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 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 financial statement or to the 2021 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 financial statement as a whole for the year ended December 31, 2021, on the basis of accounting described in Note 1.

Other Information

Management is responsible for the other information included in the financial statement. The other information comprises the other information section (Graphs 1 through 3 as listed in the table of contents) but does not include the financial statement and our auditor's report thereon. Our opinions on the financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statement, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Lewis, Hooper & Dick, LLC

LEWIS, HOOPER & DICK, LLC

March 6, 2023

CITY OF SUBLETTE, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2022

Fund	Unencumbered Cash 1/1/22	Receipts	Expenditures	Unencumbered Cash 12/31/22	Outstanding Encumbrances and Payables	Treasurer's Cash 12/31/22
General	$ 368,034	$ 1,077,667	$ 1,005,084	$ 440,617	$ 19,010	$ 459,627
Special Purpose Funds:						
Police	35,456	142,789	129,164	49,081	-	49,081
Fire	52,528	43,923	73,591	22,860	14,247	37,107
Special Streets and Highway	57,713	66,524	85,535	38,702	-	38,702
Airport	52,838	1,000	6,898	46,940	-	46,940
Equipment Reserve	269,772	115,000	4,363	380,409	-	380,409
Firemen Equipment Reserve	3,986	-	-	3,986	-	3,986
Capital Improvement Reserve	701,431	144,479	30,000	815,910	-	815,910
KDOT Grant	-	13,990	13,990	-	-	-
American Rescue Plan Act	102,172	102,172	16,170	188,174	-	188,174
Bond and Interest	73,215	179,000	164,943	87,272	-	87,272
Business Funds:						
Water and Sewer Utility	120,807	551,092	550,843	121,056	-	121,056
Water Depreciation Reserve	612,633	50,000	12,264	650,369	12,264	662,633
Water Deposits	26,812	2,522	2,278	27,056	-	27,056
Total Reporting Entity (memorandum only)	$ 2,477,397	$ 2,490,158	$ 2,095,123	$ 2,872,432	$ 45,521	$ 2,917,953

Composition of cash:

Centera Bank:		
Money market checking account	$ 2,238,722	
Checking account	78,631	
Petty cash checking account	500	
Total cash in bank		$ 2,317,853
Certificates of deposit		600,000
Change fund		100
Total cash		$ 2,917,953

The accompanying Notes to the Financial Statement are an integral part of this statement.

CITY OF SUBLETTE, KANSAS
Notes to the Financial Statement
For the Year Ended December 31, 2022

1. Summary of significant accounting policies

The City of Sublette, Kansas (the City), was incorporated under the provisions of the State of Kansas. The City operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services. Other services include utilities operations.

A. Financial reporting entity

The City is governed by an elected five-member council and a mayor. This financial statement presents the City of Sublette (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.

The City has no organizations, functions or activities which are considered related municipal entities.

B. Regulatory basis of accounting and departure from accounting principles generally accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* 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 *Kansas Municipal Audit and Accounting Guide* 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.

C. Regulatory basis fund types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The following fund types are used by the City:

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

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

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

1. Summary of significant accounting policies (continued)

C. Regulatory basis fund types (continued)
Capital Project funds – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business funds – 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 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 funds – used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e., payroll clearing fund, etc...).

D. Cash and investments
Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by the City (except for investments in the Kansas Municipal Investment Pool). Cash includes amounts in demand deposits, time deposits and certificates of deposit. Interest income earned, unless specifically designated, is allocated to the general fund.

E. Property taxes and special assessments
The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas are the responsibility of the counties. The County Appraiser annually determines assessed valuations based on real property transactions as recorded by the Register of Deeds and personal property holdings reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls and the County Treasurer collects the taxes for all taxing entities within the County.

Taxes are assessed on a calendar year basis, are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing the taxes collected in the year levied prior to January 1st of the ensuing year. One-half of the property taxes are due December 20th and distributed to the City by January 20th to finance a portion of the current year's budget. The second half is due May 10th and distributed to the City by June 5th. The City Treasurer draws available funds from the County Treasurer's office at designated times throughout the year.

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments received prior to or after the issuance of general obligation bonds are recorded as receipts in the appropriate project fund. Further, state statutes require levying additional general ad valorem property taxes in the Bond and Interest Fund to finance delinquent special assessments receivable.

1. Summary of significant accounting policies (continued)

F. Interfund transactions and reimbursements

Quasi-external transactions (i.e., transactions that would be treated as receipts or expenditures if they involved organizations external to the governmental unit, such as internal service fund billings to departments) are accounted for as receipts or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

G. Memorandum totals

Totals on the financial statement are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. No consolidated financial information is presented nor are all required disclosures presented for these amounts.

2. Stewardship, compliance and accountability

A. 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 of the proposed budget and notice of public hearing on the budget on or before August 5th.
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 City 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 City did not 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 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 during the 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.

2. Stewardship, compliance and accountability (continued)

A. Budgetary information (continued)
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 capital projects funds, trust funds, and the following special purpose and business funds:

Equipment Reserve Fund
Firemen Equipment Reserve Fund
Capital Improvement Reserve Fund
KDOT Grant Fund
American Rescue Plan Act Fund
Water Depreciation Reserve Fund
Water Deposits Fund

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.

B. Compliance with finance-related legal and contractual provisions
References made herein to the statutes are not intended as interpretation of law, but are offered for consideration of the Kansas Department of Administration's Chief Financial Officer and interpretation by the County Attorney and the legal representative of the City.

There are no known material violations of finance-related legal and contractual provisions including Kansas statutes, regulations, contracts, debt covenants, or other agreements for the year ended December 31, 2022.

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3. Detailed notes on all funds

A. Deposits and investments

A reconciliation of cash and investments as shown in the composition of cash on the summary statement of receipts, expenditures and unencumbered cash on Statement 1 is as follows:

Cash on hand	$ 100
Carrying amount of deposits	2,917,853
Total cash	$ 2,917,953

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 K.S.A. 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 except during designated "peak periods" when required coverage is 50%. The City does not use designated "peak periods". All deposits were legally secured at December 31, 2022.

At December 31, 2022, the City's carrying amount of deposits was $2,917,853 and the bank balance was $2,925,413. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $336,692 was covered by federal depository insurance and $2,588,721 was collateralized with securities held by the pledging financial institutions' agents in the City's name. The City's cash deposits at year-end are as follows:

	Centera Bank
FDIC coverage	$ 336,692
Pledged securities at market value	2,836,780
Total coverage	$ 3,173,472
Funds on deposit	$ 2,925,413
Funds at risk	$ -

3. Detailed notes on all funds (continued)

A. Deposits and investments (continued)

Custodial credit risk - investments

Custodial credit risk for an investment 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. The City had no investments of this type at December 31, 2022.

B. Capital projects in process

Capital project authorizations with approved change orders compared to expenditures from inception at December 31, 2022, are as follows:

	Project Authorization	Expenditures to Date	Committed
Street sealing	$ 51,426	$ 51,426	$ -
Manhole rehabilitation	15,000	12,264	2,736
Fire truck engine repairs	20,000	14,247	-

C. Long-term debt

Changes in long-term debt for the year ended December 31, 2022, were as follows:

Issue	Date of Issue	Maximum Rate	Amount of Issue	Date of Final Maturity	Balance 1/1/22	Additions	Reductions/ Payments	Balance 12/31/22	Interest Paid
General obligation bonds payable:									
Series 2021	02/24/21	1.00%	1,600,000	09/01/31	$ 1,600,000	$ -	$ 155,000	$ 1,445,000	$ 9,193
Total general obligation bonds payable					$ 1,600,000	$ -	$ 155,000	$ 1,445,000	$ 9,193

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

	Year						
	2023	2024	2025	2026	2027	2028-2031	Total
Principal:							
General obligation bonds payable	$ 155,000	$ 160,000	$ 160,000	$ 160,000	$ 160,000	$ 650,000	$ 1,445,000
Interest:							
General obligation bonds payable	8,883	8,495	7,935	7,295	6,495	14,735	53,838
Total principal and interest	$ 163,883	$ 168,495	$ 167,935	$ 167,295	$ 166,495	$ 664,735	$ 1,498,838

Legal debt margin

The debt limit per K.S.A. 10-308 is thirty percent of the assessed tangible valuation of the City given by the County Assessor to the County Clerk on the preceding August 25th each year. The amount of debt outstanding does not exceed the statutory limit.

3. Detailed notes on all funds (continued)

D. Interfund transfers between funds
Interfund operating transfers are as follows:

From	To	Statutory Authority		
General	Airport		$	1,000
General	Equipment Reserve	12-1117		115,000
General	Capital Improvement Reserve	12-1118		144,479
Capital Improvement Reserve	Special Street and Highway	12-1119		30,000
Water and Sewer Utility	Bond and Interest	13-1270		179,000
Water and Sewer Utility	Water Depreciation Reserve	12-825d		50,000
Total			$	519,479

4. Other information

A. 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. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years.

B. Post-employment health care 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. There is no cost to the City under this program.

C. Compensated absences
The City's policy is to recognize the costs of compensated absences when actually paid.

The City's policy regarding vacation leave pay permits employees to accumulate vacation days at a maximum rate of 18 days per year. No more than 18 days can be accumulated and carried over from one calendar year to the next. Upon termination, employees are compensated for all accumulated vacation days at their final rate of pay.

The City's policy regarding sick leave pay permits employees to accumulate leave days at a maximum rate of 12 days per year for total accumulation of 60 days. Sick leave may be used for sick leave, bereavement leave and personal leave. The City does not pay employees for unused sick leave.

4. Other information (continued)

D. Retirement plan
In 2001 the City established SEP-IRA's for employees with contributions equaling 5% of the participants' gross salaries paid annually. Employees are covered after meeting length of service requirements. The total paid by the City for the year ended December 31, 2022, was $13,675.

F. Subsequent event
Subsequent to December 31, 2022, the City approved to rehabilitate manholes for a total cost not to exceed $12,000.

REGULATORY REQUIRED SUPPLEMENTAL INFORMATION

CITY OF SUBLETTE, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2022

Fund	Certified Budget	Expenditures Chargeable to Current Year Budget	Variance Over (Under)
General	$ 1,037,415	$ 1,005,084	$ (32,331)
Special Purpose Funds:			
Police	155,649	129,164	(26,485)
Fire	73,591	73,591	-
Special Streets and Highway	128,063	85,535	(42,528)
Airport	47,938	6,898	(41,040)
Bond and Interest Funds:			
Bond and Interest	221,032	164,943	(56,089)
Business Funds:			
Water and Sewer Utility	553,430	550,843	(2,587)

CITY OF SUBLETTE, 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts:				
Ad valorem tax	$ 350,479	$ 372,095	$ 388,785	$ (16,690)
Delinquent tax	14,610	15,473	-	15,473
Motor and recreational vehicle tax	83,097	78,679	61,876	16,803
Sales and compensating use tax	358,275	404,052	237,408	166,644
Franchise taxes	79,595	90,878	64,750	26,128
Trash collections	82,353	80,676	62,900	17,776
Licenses and permits	2,135	2,464	1,000	1,464
Park	4,019	3,273	5,000	(1,727)
Fines and forfeitures	8,791	7,404	1,750	5,654
Reimbursed expense	72	-	-	-
Miscellaneous	29,254	19,616	-	19,616
Interest on idle funds	876	3,057	-	3,057
Transfer from Water and Sewer Utility	-	-	50,000	(50,000)
Total receipts	1,013,556	1,077,667	$ 873,469	$ 204,198
Expenditures:				
General government:				
Personnel	21,945	27,446	$ 27,320	$ 126
Contractual	62,052	69,609	63,675	5,934
Commodities	10,287	14,125	15,000	(875)
Capital outlay	19,205	-	27,000	(27,000)
Miscellaneous	8,454	10,694	8,936	1,758
Total general government	121,943	121,874	141,931	(20,057)
Street:				
Personnel	186,831	193,460	210,850	(17,390)
Contractual	41,011	50,847	50,000	847
Commodities	82,976	79,123	90,000	(10,877)
Capital outlay	-	-	30,000	(30,000)
Miscellaneous	22	235	-	235
Total street	310,840	323,665	380,850	(57,185)
Swimming pool and parks:				
Personnel	18,229	13,459	29,250	(15,791)
Contractual	1,892	393	6,000	(5,607)
Commodities	24,410	29,066	22,000	7,066
Capital outlay	1,723	-	1,500	(1,500)
Total swimming pool and parks	46,254	42,918	58,750	(15,832)

(continued)

CITY OF SUBLETTE, 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
(continued)				
Expenditures: (continued)				
Health and sanitation:				
Contractual	$ 80,140	$ 73,752	$ 108,845	$ (35,093)
Commodities	5,030	3,433	-	3,433
Capital outlay	-	-	10,000	(10,000)
Miscellaneous	706	2,623	-	2,623
Total health and sanitation	85,876	79,808	118,845	(39,037)
Employee benefits:				
Employer FICA	17,300	17,866	29,190	(11,324)
Workmen's compensation	16,106	15,632	22,700	(7,068)
Medical insurance	127,925	129,166	159,720	(30,554)
Employee retirement	12,973	13,676	14,950	(1,274)
Total employee benefits	174,304	176,340	226,560	(50,220)
Transfers out	260,479	260,479	110,479	150,000
Total expenditures	999,696	1,005,084	$ 1,037,415	$ (32,331)
Receipts over expenditures	13,860	72,583		
Unencumbered cash, beginning	354,174	368,034		
Unencumbered cash, ending	$ 368,034	$ 440,617		

CITY OF SUBLETTE, KANSAS
Police 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Ad valorem tax	$ 108,357	$ 114,521	$ 119,587	$ (5,066)
Delinquent tax	1,913	2,009	-	2,009
Motor and recreational vehicle tax	25,594	26,259	19,132	7,127
Total receipts	135,864	142,789	$ 138,719	$ 4,070
Expenditures:				
Personnel	23,818	19,913	$ 26,367	$ (6,454)
Contractual	109,415	109,226	121,282	(12,056)
Commodities	121	25	1,000	(975)
Cash basis reserve	-	-	7,000	(7,000)
Total expenditures	133,354	129,164	$ 155,649	$ (26,485)
Receipts over expenditures	2,510	13,625		
Unencumbered cash, beginning	32,946	35,456		
Unencumbered cash, ending	$ 35,456	$ 49,081		

CITY OF SUBLETTE, KANSAS
Fire 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Ad valorem tax	$ 57,658	$ 28,991	$ 30,268	$ (1,277)
Delinquent tax	1,020	951	-	951
Motor and recreational vehicle tax	13,651	13,981	10,178	3,803
Total receipts	72,329	43,923	$ 40,446	$ 3,477
Expenditures:				
Personnel	19,386	31,800	$ 40,200	$ (8,400)
Contractual	3,274	3,970	8,291	(4,321)
Commodities	13,186	27,734	10,000	17,734
Capital outlay	17,100	10,087	12,100	(2,013)
Cash basis reserve	-	-	3,000	(3,000)
Total expenditures	52,946	73,591	$ 73,591	$ -
Receipts over (under) expenditures	19,383	(29,668)		
Unencumbered cash, beginning	33,145	52,528		
Unencumbered cash, ending	$ 52,528	$ 22,860		

CITY OF SUBLETTE, KANSAS
Special Streets and 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
State payments	$ 38,651	$ 36,524	$ 34,430	$ 2,094
Transfer from Capital Improvement Reserve	30,000	30,000	30,000	-
Total receipts	68,651	66,524	$ 64,430	$ 2,094
Expenditures:				
Personnel	-	-	$ 11,600	$ (11,600)
Commodities	68,466	85,535	116,463	(30,928)
Total expenditures	68,466	85,535	$ 128,063	$ (42,528)
Receipts over (under) expenditures	185	(19,011)		
Unencumbered cash, beginning	57,528	57,713		
Unencumbered cash, ending	$ 57,713	$ 38,702		

CITY OF SUBLETTE, KANSAS
Airport 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Transfer from General	$ 1,000	$ 1,000	$ 1,000	$ -
Expenditures:				
Contractual	-	-	$ 6,825	$ (6,825)
Commodities	2,160	1,541	-	1,541
Capital outlay	5,075	5,357	41,113	(35,756)
Total expenditures	7,235	6,898	$ 47,938	$ (41,040)
Receipts under expenditures	(6,235)	(5,898)		
Unencumbered cash, beginning	59,073	52,838		
Unencumbered cash, ending	$ 52,838	$ 46,940		

CITY OF SUBLETTE, KANSAS
Equipment Reserve 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)

	Prior Year Actual	Current Year Actual
Receipts:		
Transfer from General	$ 115,000	$ 115,000
Expenditures:		
Capital outlay	-	4,363
Receipts over expenditures	115,000	110,637
Unencumbered cash, beginning	154,772	269,772
Unencumbered cash, ending	$ 269,772	$ 380,409

CITY OF SUBLETTE, KANSAS
Firemen Equipment Reserve 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)

	Prior Year Actual	Current Year Actual
Receipts:		
Donations	$ -	$ -
Expenditures:		
Capital outlay	-	-
Receipts over expenditures	-	-
Unencumbered cash, beginning	3,986	3,986
Unencumbered cash, ending	$ 3,986	$ 3,986

CITY OF SUBLETTE, KANSAS
Capital Improvement Reserve 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)

	Prior Year Actual	Current Year Actual
Receipts:		
Transfer from General	$ 144,479	$ 144,479
Expenditures:		
Transfer to Special Streets and Highway	30,000	30,000
Receipts over expenditures	114,479	114,479
Unencumbered cash, beginning	586,952	701,431
Unencumbered cash, ending	$ 701,431	$ 815,910

CITY OF SUBLETTE, KANSAS
KDOT Grant 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)

	Prior Year Actual	Current Year Actual
Receipts:		
Grants	$ 23,434	$ 13,990
Expenditures:		
Capital outlay	23,434	13,990
Receipts over expenditures	-	-
Unencumbered cash, beginning	-	-
Unencumbered cash, ending	$ -	$ -

CITY OF SUBLETTE, KANSAS
American Rescue Plan Act 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)

	Prior Year Actual	Current Year Actual
Receipts:		
Grants	$ 102,172	$ 102,172
Expenditures:		
Contractual	-	16,170
Receipts over expenditures	102,172	86,002
Unencumbered cash, beginning	-	102,172
Unencumbered cash, ending	$ 102,172	$ 188,174

CITY OF SUBLETTE, 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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
Receipts:				
Bond proceeds	$ 1,600,000	$ -	$ -	$ -
Transfer from Water and Sewer Utility	179,000	179,000	179,000	-
Total receipts	1,779,000	179,000	$ 179,000	$ -
Expenditures:				
Principal	1,680,000	155,000	$ 135,000	$ 20,000
Interest and closing costs	71,404	9,193	48,182	(38,989)
Commission and fees	-	750	100	650
Cash basis reserve	-	-	37,750	(37,750)
Total expenditures	1,751,404	164,943	$ 221,032	$ (56,089)
Receipts over expenditures	27,596	14,057		
Unencumbered cash, beginning	45,619	73,215		
Unencumbered cash, ending	$ 73,215	$ 87,272		

CITY OF SUBLETTE, KANSAS
Water and Sewer Utility 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)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Water collections	$ 257,223	$ 333,439	$ 286,500	$ 46,939
Sewer collections	169,807	170,461	171,000	(539)
Royalties	19,410	41,080	10,900	30,180
Sale of water meters	-	-	1,500	(1,500)
Interest	1,751	6,112	2,000	4,112
Miscellaneous	-	-	2,500	(2,500)
Total receipts	448,191	551,092	$ 474,400	$ 76,692
Expenditures:				
Personnel	81,202	86,508	$ 81,930	$ 4,578
Repairs and maintenance	25,433	14,807	25,000	(10,193)
Electric power	74,216	137,389	71,000	66,389
Sales tax	2,963	3,163	7,500	(4,337)
Meters and supplies	18,114	23,182	28,000	(4,818)
Office supplies and postage	10,644	2,908	-	2,908
Gas, oil and service	7,122	3,083	6,000	(2,917)
Miscellaneous	14,323	15,451	5,000	10,451
Capital expenditures	10,000	35,352	50,000	(14,648)
Transfer to General	-	-	50,000	(50,000)
Transfer to Bond and Interest	179,000	179,000	179,000	-
Transfer to Water Depreciation Reserve	50,000	50,000	50,000	-
Total expenditures	473,017	550,843	$ 553,430	$ (2,587)
Receipts over (under) expenditures	(24,826)	249		
Unencumbered cash, beginning	145,633	120,807		
Unencumbered cash, ending	$ 120,807	$ 121,056		

CITY OF SUBLETTE, KANSAS
Water Depreciation Reserve 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)

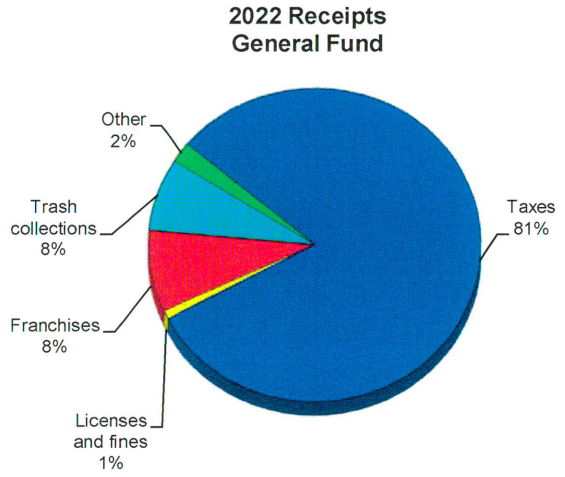
	Prior Year Actual	Current Year Actual
Receipts:		
Transfer from Water and Sewer Utility	$ 50,000	$ 50,000
Expenditures:		
Capital outlay	11,550	12,264
Receipts over expenditures	38,450	37,736
Unencumbered cash, beginning	574,183	612,633
Unencumbered cash, ending	$ 612,633	$ 650,369

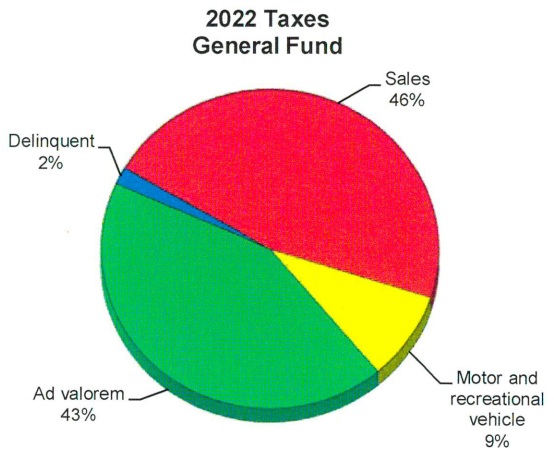
CITY OF SUBLETTE, KANSAS
Water Deposits Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

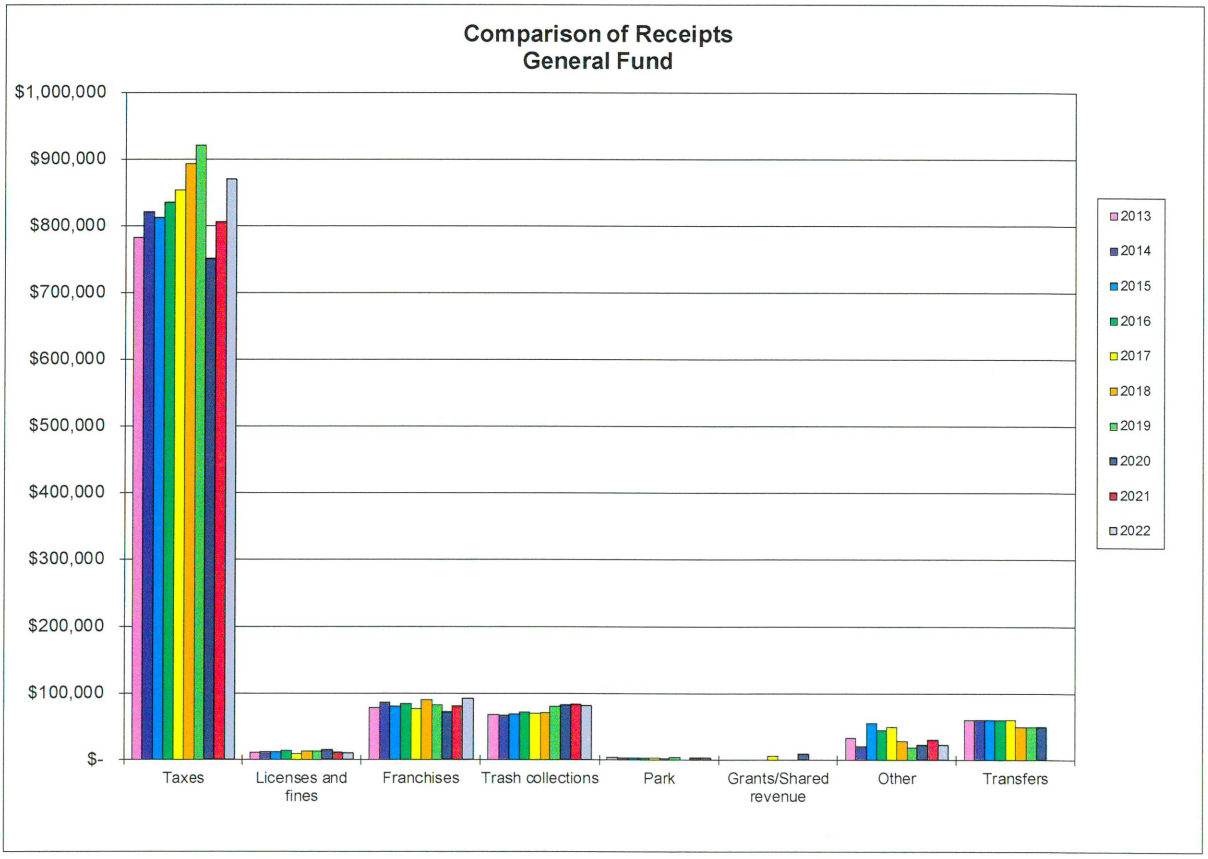
	Prior Year Actual	Current Year Actual
Receipts:		
Customer deposits	$ 2,275	$ 2,522
Expenditures:		
Customer deposit refunds	2,166	2,278
Receipts over expenditures	109	244
Unencumbered cash, beginning	26,703	26,812
Unencumbered cash, ending	$ 26,812	$ 27,056

OTHER INFORMATION

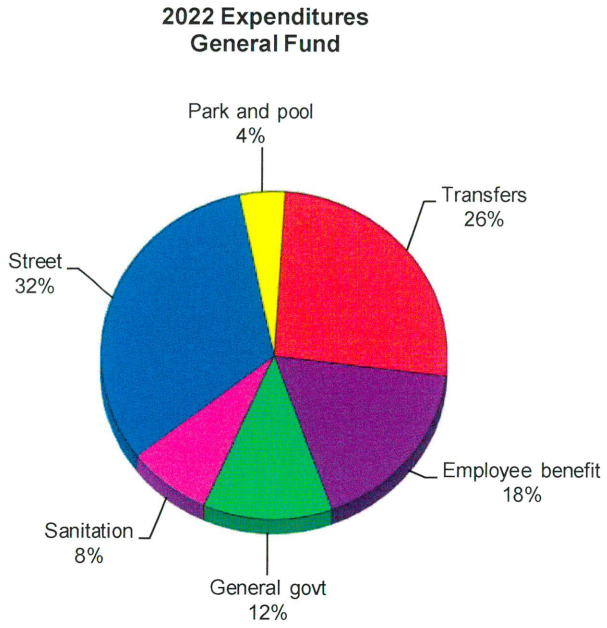
CITY OF SUBLETTE, KANSAS
Receipts - General Fund
Regulatory Basis
For the Year Ended December 31

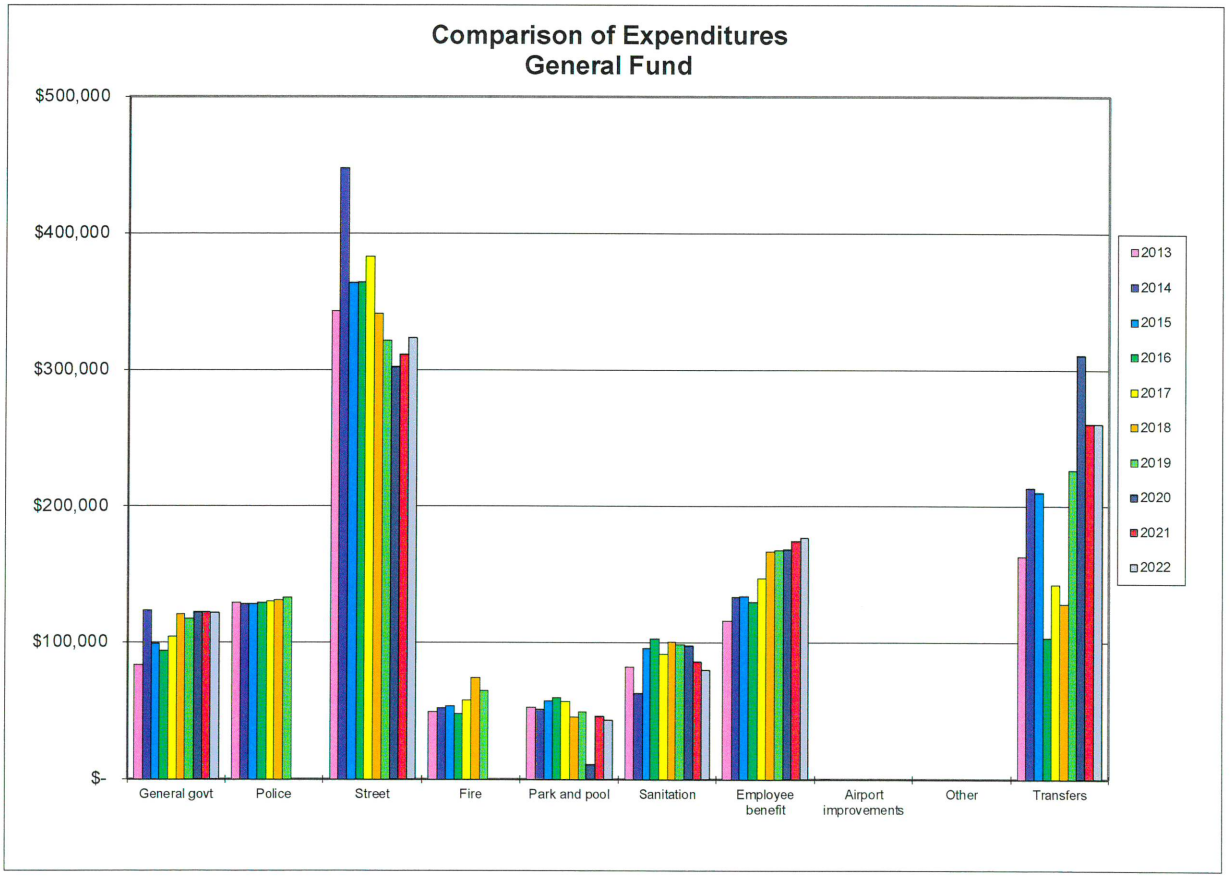






CITY OF SUBLETTE, KANSAS
Expenditures - General Fund
Regulatory Basis
For the Year Ended December 31





CITY OF SUBLETTE, KANSAS
Comparison of Receipts and Expenditures - General Fund
Regulatory Basis
For the Year Ended December 31

