CITY OF SEDGWICK, KANSAS

FINANCIAL STATEMENT
DECEMBER 31, 2022

BFR

CITY OF SEDGWICK
TABLE OF CONTENTS
DECEMBER 31, 2022

	Page Number
Independent Auditors' Report	1 – 4
Financial Statement	
Summary of Cash Receipts, Expenditures, and Unencumbered Cash	5
Notes to the Financial Statement	6 – 12
Regulatory-Required Supplementary Information	
Summary of Expenditures - Actual and Budget	13
Schedule of Cash Receipts and Expenditures - Actual and Budget	
General Fund	14
Employee Benefits Fund	15
Library Fund	16
Special Street and Highway Fund	17
Special Parks and Recreation Fund	18
Schedule of Cash Receipts and Expenditures - Actual	
East Park Pond Project Fund	19
Capital Improvement Fund	20
Capital Equipment Fund	21
ARPA Fund	22
OPIOD/Drug Settlement Fund	23
Schedule of Cash Receipts and Expenditures - Actual and Budget	
Bond & Interest Fund	24
Water Operating Fund	25
Refuse Fund	26
Wastewater Treatment Fund	27
Schedule of Cash Receipts and Expenditures - Actual	
Waste Reserve Fund	28
Wastewater Treatment Reserve Fund	29

BFR

INDEPENDENT AUDITORS' REPORT

Mayor and City Council
City of Sedgwick, Kansas

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

Adverse and Unmodified Opinions

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the **City of Sedgwick, Kansas**, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the **City of Sedgwick, Kansas**, 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 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statement section of the report. We are required to be independent of the **City of Sedgwick, Kansas**, 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.

BFR CPA, LLC
10000 W. 37th St. N.
Wichita, Kansas 67205-7700

(316) 945-1500
Fax (316) 945-1505
bfr@bfrcpa.com

Mayor and City Council
City of Sedgwick, Kansas

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

Responsibilities of Management for the Financial Statement

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

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the **City of Sedgwick, Kansas'** 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.

Auditors' 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 auditors' 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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, 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 of Sedgwick, Kansas'** 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 of Sedgwick, Kansas'** ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and individual fund schedules of regulatory basis receipts and expenditures-actual (Regulatory-Required Supplementary Information 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 financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United State of America, the basic financial statement of the **City of Sedgwick, Kansas**, as of and for the year ended December 31, 2021, and have issued our report thereon dated May 31, 2022, which contained an unmodified opinion on the basic financial statement.

Mayor and City Council
City of Sedgwick, Kansas

The 2021 basic 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/oar/municipal-services. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2021 (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 1.

BFR CPA, LLC

BFR CPA, LLC
Wichita, KS
May 22, 2023

CITY OF SEDGWICK
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

Fund	Beginning Unencumbered Cash Balance	Prior Year Canceled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental							
General	$ 100,909	$ 0	$ 1,182,165	$ 1,095,313	$ 187,761	$ 0	$ 187,761
Special Purpose Funds							
Employee Benefits	32,284	0	222,627	183,365	71,546	550	72,096
Library	1,350	0	50,147	50,386	1,111	3,589	4,700
Special Street and Highway	144,415	0	237,223	354,056	27,582	15	27,597
Special Parks and Recreation	12,174	0	6,627	0	18,801	0	18,801
East Park Pond Project	5,305	0	10	0	5,315	0	5,315
Capital Improvement	421,237	0	512,084	99,591	833,730	0	833,730
Capital Equipment	616,956	0	191,005	260,745	547,216	0	547,216
ARPA	126,513	0	126,513	126,889	126,137	0	126,137
OPIOID/Drug Settlement	0	0	2,683	0	2,683	0	2,683
Bond & Interest	0	0	466,162	458,270	7,892	0	7,892
Business							
Water Operating	248,466	0	416,682	567,798	97,350	10,320	107,670
Refuse	44,763	0	121,237	156,834	9,166	976	10,142
Wastewater Treatment	146,965	0	282,773	346,263	83,475	4,996	88,471
Water Reserve	33,358	0	0	31,290	2,068	0	2,068
Wastewater Treatment Reserve	7,780	0	0	5,712	2,068	0	2,068
	$ 1,942,475	$ 0	$ 3,817,938	$ 3,736,512	$ 2,023,901	$ 20,446	$ 2,044,347

Composition of Cash:		
	Checking	$ 46,809
	Money Market	1,992,214
	Savings	5,324
		$ 2,044,347

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

CITY OF SEDGWICK
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2022

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

The **City of Sedgwick** is a municipal corporation governed by an elected Mayor and five-member City Council. The City's financial statement includes all funds over which the Mayor and City Council exercise financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

Basis of Presentation - Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The City has created several types of funds and a number of discrete funds within each fund type. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, receipts, and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions.

KMAAG Regulatory Basis of Presentation Fund Definitions:

Governmental Funds

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 regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

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

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The 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 costs 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.

CITY OF SEDGWICK
NOTES TO FINANCIAL STATEMENT
DECEMBER 31, 2022

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

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond & interest fund, 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 statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held, and the governing body may amend the budget at that time. There were no budget amendments for the year ended December 31, 2022.

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 regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the City 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 and the following special purpose and business funds:

East Park Pond Project Fund
Capital Equipment Fund
OPIOID/Drug Settlement Fund
Wastewater Treatment Reserve Fund
Capital Improvement Fund
ARPA Fund
Water Reserve 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.

Special Assessments

Projects financed in part by special assessments are financed through the issuance of general obligation bonds which are secured in full by the City and are retired from the City's bond & interest fund. Further, state statutes permit the levying of additional general ad valorem property taxes in the City's bond & interest fund to finance delinquent special assessments. Special assessment taxes are levied over a ten- or fifteen-year period and the annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears.

Note 2 - Compensated Absences:

Full-time employees are entitled to paid vacation according to the following schedule:

Years of Continuous Service	Accrual
After 1 Year	5 Days
Years 3 Through 7	10 Days
After 7 Years	15 Days

Employees are allowed to carryover five days into the next year, which must be used or lost. A maximum of five days per year may be purchased in lieu of vacation. Accrued vacation time has not been recorded as a liability in the accompanying financial statement.

Full-time employees earn one day of sick leave per month, which can be accumulated to a maximum of 720 hours. Unused sick leave is not paid upon termination. On retirement from city employment, one-half (1/2) of accumulated sick leave shall be paid if the retiree has retained at least 90% (648 hours) of the maximum accumulated hours or one-third (1/3) of accumulated sick leave shall be paid if the retiree has retained at least 70% (504 hours) of the maximum accumulated hours. Unused sick leave has not been recorded in the accompanying financial statement.

Note 3 - Deposits:

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

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

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may 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%. All deposits were legally secured at December 31, 2022.

At December 31, 2022, the City's carrying amount of deposits was $2,044,347 and the bank balance was $2,090,009. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance and the remaining $1,840,009 was collateralized with securities held by the pledging financial institution's agent in the City's name.

Note 4 - Reimbursed Expenditures:

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

Note 5 - Postemployment 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.

The City did not provide any significant postemployment benefits for former employees at December 31, 2022.

Note 6 - Contingencies:

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 carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Grant Programs
The City participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Note 7 - Defined Benefit Pension Plan:

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

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

State law provides that the employer contribution rates for KPERS 1, 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 the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were $40,346 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 $414,964. 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 valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

Note 8 - Interfund Transactions:

		Transfer to:					
Transfer from:	Statutory Authority	General	Employee Benefits	Capital Improvement	Capital Equipment	Bond & Interest	Total
General Fund	K.S.A. 12-1,117	$ 0	$ 0	$ 31,648	$ 170,790	$ 0	$ 202,438
Special Street and Highway Fund	K.S.A. 12-1,118	0	0	117,000	0	0	117,000
Water Operating Fund	K.S.A. 12-825d	20,834	18,189	140,776	0	52,000	231,799
Refuse Fund	K.S.A. 12-825d	6,062	0	65,174	0	0	71,236
Wastewater Treatment Fund	K.S.A. 12-825d	14,139	19,373	115,214	0	0	148,726
Water Reserve Fund	K.S.A. 12-1,118	0	0	31,290	0	0	31,290
Wastewater Treatment Reserve Fund	K.S.A. 12-631p	0	0	5,712	0	0	5,712
		$ 41,035	$ 37,562	$ 506,814	$ 170,790	$ 52,000	$ 808,201

Note 9 - Subsequent Events:

The City has evaluated subsequent events through May 22, 2023, the date which the financial statement was available to be issued.

Note 10 - Long-Term Debt:

Principal payments are due annually and interest payments are due semi-annually on general obligation bonds.

Principal and interest payments are due annually on the lease purchase agreement.

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

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds				
Series 2010	2.00 - 4.38	7/15/2010	$ 2,620,000	9/1/2030
Series 2011	3.75	11/28/2011	$ 195,000	11/28/2041
Series 2012-A	2.00 - 2.87	10/1/2012	$ 1,380,000	9/1/2024
Series 2012-B	2.93 - 4.15	10/1/2012	$ 400,000	9/1/2022
Series 2015-A	0.45 - 2.80	4/28/2015	$ 255,000	9/1/2025
Series 2016	1.00 - 3.20	5/10/2016	$ 215,000	9/1/2026
Series 2017	3.00	7/27/2017	$ 1,325,000	9/1/2030
Series 2021	3.50	1/21/2021	$ 53,981	9/1/2036
Lease Purchase Agreement				
Police Vehicles	3.498	10/6/2021	$ 87,234	3/1/2027

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

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
Series 2010	$ 525,000	$ 0	$ 125,000	$ 400,000	$ 20,862
Series 2011	151,984	0	5,238	146,746	5,699
Series 2012-A	155,000	0	60,000	95,000	4,456
Series 2012-B	55,000	0	55,000	0	2,269
Series 2015-A	110,000	0	25,000	85,000	2,723
Series 2016	110,000	0	22,000	88,000	2,794
Series 2017	1,240,000	0	85,000	1,155,000	37,200
Series 2021	53,981	0	1,981	52,000	3,044
	2,400,965	0	379,219	2,021,746	79,047
Lease Purchase Agreement					
Police Vehicles	87,234	0	13,540	73,694	2,480
	$ 2,488,199	$ 0	$ 392,759	$ 2,095,440	$ 81,527

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

	Principal			Interest			
	General Obligation Bonds	Lease Purchase Agreement	Total Principal	General Obligation Bonds	Lease Purchase Agreement	Total Interest	Total Principal and Interest
2023	$ 320,434	$ 13,925	$ 334,359	$ 65,418	$ 2,095	$ 67,513	$ 401,872
2024	330,638	14,320	344,958	54,877	1,700	56,577	401,535
2025	295,849	14,728	310,577	43,893	1,292	45,185	355,762
2026	191,069	15,146	206,215	33,477	874	34,351	240,566
2027	179,296	15,575	194,871	27,641	444	28,085	222,956
2028 - 2032	605,205	0	605,205	57,705	0	57,705	662,910
2033 - 2037	59,320	0	59,320	13,906	0	13,906	73,226
2038 - 2041	39,935	0	39,935	3,813	0	3,813	43,748
	$ 2,021,746	$ 73,694	$ 2,095,440	$ 300,730	$ 6,405	$ 307,135	$ 2,402,575

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SEDGWICK
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022

Fund	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
Governmental					
General	$ 1,412,603	$ 0	$ 1,412,603	$ 1,095,313	$ (317,290)
Special Purpose Funds					
Employee Benefits	304,329	0	304,329	183,365	(120,964)
Library	50,900	0	50,900	50,386	(514)
Special Street and Highway	355,000	0	355,000	354,056	(944)
Special Parks and Recreation	0	0	0	0	0
East Park Pond Project	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	0	XXXXXXXXX
Capital Improvement	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	99,591	XXXXXXXXX
Capital Equipment	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	260,745	XXXXXXXXX
ARPA	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	126,889	XXXXXXXXX
OPIOID/Drug Settlement	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	0	XXXXXXXXX
Bond & Interest	471,500	0	471,500	458,270	(13,230)
Business					
Water Operating	805,914	0	805,914	567,798	(238,116)
Refuse	235,704	0	235,704	156,834	(78,870)
Wastewater Treatment	629,450	0	629,450	346,263	(283,187)
Water Reserve	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	31,290	XXXXXXXXX
Wastewater Treatment Reserve	XXXXXXXXX	XXXXXXXXX	XXXXXXXXX	5,712	XXXXXXXXX
	$ 4,265,400	$ 0	$ 4,265,400	$ 3,736,512	$ (1,053,115)

CITY OF SEDGWICK
SCHEDULE OF CASH 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)

General Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Ad valorem tax	$ 341,476	$ 379,985	$ 403,321	$ (23,336)
Delinquent tax	10,424	9,375	17,160	(7,785)
Motor vehicle tax	34,793	51,329	50,774	555
Recreational vehicle	621	1,054	1,282	(228)
16/20M vehicle	45	16	599	(583)
Local alcoholic liquor tax	6,500	6,726	5,597	1,129
Sales tax	386,415	407,618	363,542	44,076
Licenses & permits	12,925	17,226	14,370	2,856
Franchise fees	107,357	123,912	106,311	17,601
Police fines & fees	62,760	33,929	52,731	(18,802)
Pool admissions & concessions	30,265	28,756	28,372	384
Reimbursed expenses	16,068	25,726	30,321	(4,595)
Township fire protection fees	30,496	27,245	30,820	(3,575)
Interest	3,070	11,141	5,558	5,583
Proceeds	0	0	14,595	(14,595)
Other	22,302	17,092	10,071	7,021
Transfers	0	41,035	37,314	3,721
	1,065,517	1,182,165	$ 1,172,738	$ 9,427
Expenditures				
Administration	254,758	237,905	$ 273,890	$ (35,985)
Ambulance	170,000	178,500	180,000	(1,500)
Police	172,765	160,072	179,020	(18,948)
Fire	35,449	36,665	42,801	(6,136)
Legal	32,051	34,632	44,230	(9,598)
Swimming pool	52,781	51,849	58,365	(6,516)
Community relations	20,680	27,000	49,000	(22,000)
Parks	10,442	17,592	15,798	1,794
Cemetery	8,912	9,152	13,300	(4,148)
Streets	71,399	87,875	89,200	(1,325)
Shop/maintenance	37,730	51,633	50,999	634
Transfers	214,411	202,438	322,370	(119,932)
Cash forward	0	0	93,630	(93,630)
	1,081,378	1,095,313	$ 1,412,603	$ (317,290)
Receipts Over (Under) Expenditures	(15,861)	86,852		
Unencumbered Cash, Beginning	116,770	100,909		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 100,909	$ 187,761		

CITY OF SEDGWICK
SCHEDULE OF CASH 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)

Employee Benefits Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Ad valorem tax	$ 140,780	$ 147,493	$ 157,976	$ (10,483)
Delinquent tax	1,555	3,308	0	3,308
Motor vehicle tax	32,429	22,680	41,342	(18,662)
Recreational vehicle tax	665	453	822	(369)
Reimbursements	5,734	11,131	58,467	(47,336)
Transfers	15,000	37,562	0	37,562
	196,163	222,627	$ 258,607	$ (35,980)
Expenditures				
Personnel services	185,611	183,365	$ 264,600	$ (81,235)
Cash basis reserve	0	0	39,729	(39,729)
	185,611	183,365	$ 304,329	$ (120,964)
Receipts Over (Under) Expenditures	10,552	39,262		
Unencumbered Cash, Beginning	21,732	32,284		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 32,284	$ 71,546		

CITY OF SEDGWICK
SCHEDULE OF CASH 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)

Library Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Ad valorem tax	$ 35,890	$ 43,471	$ 44,033	$ (562)
Delinquent tax	773	959	1,247	(288)
Motor vehicle tax	5,753	5,601	5,420	181
Recreational vehicle tax	114	113	137	(24)
16/20M vehicle	2	3	63	(60)
Miscellaneous	1,600	0	0	0
	44,132	50,147	$ 50,900	$ (753)
Expenditures				
Appropriations to library board	43,000	50,386	$ 50,900	$ (514)
	43,000	50,386	$ 50,900	$ (514)
Receipts Over (Under) Expenditures	1,132	(239)		
Unencumbered Cash, Beginning	218	1,350		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 1,350	$ 1,111		

CITY OF SEDGWICK
SCHEDULE OF CASH 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)

Special Street and Highway Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
State gas tax	$ 48,108	$ 43,998	$ 42,630	$ 1,368
County gas tax	2,454	2,340	2,180	160
Sales tax	183,125	190,885	175,190	15,695
Reimbursements	0	0	0	0
	233,687	237,223	$ 220,000	$ 17,223
Expenditures				
Street repair and maintenance	106,951	237,056	$ 355,000	$ (117,944)
Transfers	57,148	117,000	0	117,000
	164,099	354,056	$ 355,000	$ (944)
Receipts Over (Under) Expenditures	69,588	(116,833)		
Unencumbered Cash, Beginning	74,827	144,415		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 144,415	$ 27,582		

CITY OF SEDGWICK
SCHEDULE OF CASH 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)

Special Parks and Recreation Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Local alcohol liquor tax	$ 6,500	$ 6,627	$ 6,000	$ 627
	6,500	6,627	$ 6,000	$ 627
Expenditures				
Transfers	0	0	$ 0	$ 0
	0	0	$ 0	$ 0
Receipts Over (Under) Expenditures	6,500	6,627		
Unencumbered Cash, Beginning	5,674	12,174		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 12,174	$ 18,801		

CITY OF SEDGWICK
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

East Park Pond Project Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest	$ 4	$ 10
	4	10
Expenditures		
Miscellaneous	0	0
	0	0
Receipts Over (Under) Expenditures	4	10
Unencumbered Cash, Beginning	5,301	5,305
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 5,305	$ 5,315

CITY OF SEDGWICK
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

Capital Improvement Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Miscellaneous	$ 222,057	$ 5,270
Transfers	488,185	506,814
	710,242	512,084
Expenditures		
Capital outlay	469,061	99,591
	469,061	99,591
Receipts Over (Under) Expenditures	241,181	412,493
Unencumbered Cash, Beginning	180,056	421,237
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 421,237	$ 833,730

CITY OF SEDGWICK
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

Capital Equipment Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Miscellaneous	$ 119,431	$ 20,215
Transfers	496,000	170,790
	615,431	191,005
Expenditures		
Capital outlay	48,120	260,745
	48,120	260,745
Receipts Over (Under) Expenditures	567,311	(69,740)
Unencumbered Cash, Beginning	49,645	616,956
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 616,956	$ 547,216

CITY OF SEDGWICK
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

ARPA Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Miscellaneous	$ 126,513	$ 126,513
	126,513	126,513
Expenditures		
Miscellaneous	0	126,889
	0	126,889
Receipts Over (Under) Expenditures	126,513	(376)
Unencumbered Cash, Beginning	0	126,513
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 126,513	$ 126,137

CITY OF SEDGWICK
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

OPIOID/Drug Settlement Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Miscellaneous	$ 0	$ 2,683
	0	2,683
Expenditures		
Miscellaneous	0	0
	0	0
Receipts Over (Under) Expenditures	0	2,683
Unencumbered Cash, Beginning	0	0
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 0	$ 2,683

CITY OF SEDGWICK
SCHEDULE OF CASH 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)

Bond & Interest Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Ad valorem tax	$ 321,818	$ 247,684	$ 274,616	$ (26,932)
Delinquent tax	3,973	7,048	9,230	(2,182)
Motor vehicle tax	51,463	42,720	40,861	1,859
Recreational vehicle tax	1,055	860	1,031	(171)
16/20M vehicle	0	27	481	(454)
Special assessments	96,096	115,823	145,281	(29,458)
Transfers	23,569	52,000	0	52,000
	497,974	466,162	$ 471,500	$ (5,338)
Expenditures				
Principal	361,048	379,219	$ 380,000	$ (781)
Interest	87,523	79,047	80,000	(953)
Services & fees	610	0	0	0
Cash basis reserve	0	4	11,500	(11,496)
	449,181	458,270	$ 471,500	$ (13,230)
Receipts Over (Under) Expenditures	48,793	7,892		
Unencumbered Cash, Beginning	(48,793)	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 0	$ 7,892		

CITY OF SEDGWICK
SCHEDULE OF CASH 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)

Water Operating Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Sales	$ 384,741	$ 400,284	$ 387,287	$ 12,997
Late charges	5,785	6,235	6,468	(233)
Miscellaneous	10,709	10,163	5,244	4,919
	401,235	416,682	$ 398,999	$ 17,683
Expenditures				
Water operating & maintenance	219,057	335,999	$ 259,246	$ 76,753
Transfers	299,943	231,799	546,668	(314,869)
	519,000	567,798	$ 805,914	$ (238,116)
Receipts Over (Under) Expenditures	(117,765)	(151,116)		
Unencumbered Cash, Beginning	366,231	248,466		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 248,466	$ 97,350		

CITY OF SEDGWICK
SCHEDULE OF CASH 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)

Refuse Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Refuse charges	$ 91,122	$ 91,614	$ 90,512	$ 1,102
Recycle fees	28,397	27,911	28,554	(643)
Miscellaneous	1,880	1,712	1,934	(222)
	121,399	121,237	$ 121,000	$ 237
Expenditures				
Personnel services	740	102	$ 2,060	$ (1,958)
Commodities	2,822	3,936	2,000	1,936
Contractual services	82,795	81,560	86,400	(4,840)
Transfers	78,993	71,236	145,244	(74,008)
	165,350	156,834	$ 235,704	$ (78,870)
Receipts Over (Under) Expenditures	(43,951)	(35,597)		
Unencumbered Cash, Beginning	88,714	44,763		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 44,763	$ 9,166		

CITY OF SEDGWICK
SCHEDULE OF CASH 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)

Wastewater Treatment Fund	Prior Year Actual	Current Year Actual	Current Year Budget	Variance - Over (Under)
Cash Receipts				
Sewer charges	$ 273,656	$ 273,073	$ 273,820	$ (747)
Late charges	5,288	5,822	5,941	(119)
Miscellaneous	3,812	3,878	3,239	639
	282,756	282,773	$ 283,000	$ (227)
Expenditures				
Sewer operations & maintenance	164,841	197,537	$ 237,270	$ (39,733)
Transfers	372,259	148,726	392,180	(243,454)
	537,100	346,263	$ 629,450	$ (283,187)
Receipts Over (Under) Expenditures	(254,344)	(63,490)		
Unencumbered Cash, Beginning	401,309	146,965		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	$ 146,965	$ 83,475		

CITY OF SEDGWICK
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

Water Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	$ 0	$ 0
	0	0
Expenditures		
Transfers	0	31,290
	0	31,290
Receipts Over (Under) Expenditures	0	(31,290)
Unencumbered Cash, Beginning	33,358	33,358
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 33,358	$ 2,068

CITY OF SEDGWICK
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

Wastewater Treatment Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	$ 0	$ 0
	0	0
Expenditures		
Transfers	0	5,712
	0	5,712
Receipts Over (Under) Expenditures	0	(5,712)
Unencumbered Cash, Beginning	7,780	7,780
Prior Year Canceled Encumbrances	0	0
Unencumbered Cash, Ending	$ 7,780	$ 2,068