CITY OF SEDGWICK, KANSAS

FINANCIAL STATEMENT

WITH

INDEPENDENT AUDITOR'S REPORT

December 31, 2023

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

CITY OF SEDGWICK, KANSAS
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VARNEY
& ASSOCIATES, CPAs, LLC

April 16, 2024

Mayor and Council Members
City of Sedgwick, Kansas

Independent Auditor's Report

Adverse and Unmodified Opinions
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Sedgwick, Kansas (the City), as of and for the year ended December 31, 2023 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2023, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2023, and the aggregate receipts and expenditures for they year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* (KMAAG) described in Note 1.

Basis for Adverse and Unmodified Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and 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 audits. 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 the Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the KMAAG, 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 the financial statement in accordance with KMAAG as described in Note 1; this includes determining 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 financial statement that is free from material misstatement, whether due to fraud or error.

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

1501 Poyntz Avenue
Manhattan, KS 66502
785-537-2202 • fax 785-537-1877
http://www.varney.com
1020 Commercial St., Suite A
Emporia, KS 66801

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not required part of the basic financial statement; however, 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 basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

CITY OF SEDGWICK, KANSAS
SUMMARY STATEMENT OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2023

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Funds							
General Fund	$ 187,761	$ -	$ 1,265,368	$ 1,271,083	$ 182,046	$ -	$ 182,046
Special Purpose Funds							
Employee Benefits	71,546	-	267,540	241,430	97,656	-	97,656
Library	1,111	-	56,512	54,034	3,589	-	3,589
Special Street and Highway	27,582	-	214,652	242,219	15	-	15
Special Parks and Recreation	18,801	-	7,604	24,626	1,779	-	1,779
East Park Pond Project	5,315	-	46	122	5,239	-	5,239
Capital Improvement	833,730	-	366,328	234,898	965,160	-	965,160
Capital Equipment	547,216	-	142,353	250,273	439,296	-	439,296
ARPA	126,137	-	-	60,380	65,757	-	65,757
OPIOID/Drug Settlement	2,683	-	4,625	2,000	5,308	-	5,308
Operating Reserve	-	-	4,820	-	4,820	-	4,820
Chamber of Commerce	-	-	5,946	5,926	20	-	20
Bond and Interest	7,892	-	394,980	385,856	17,016	-	17,016
Business							
Water Operating	97,350	-	415,471	412,198	100,623	9,459	110,082
Refuse	9,166	-	124,173	122,719	10,620	-	10,620
Wastewater Treatment	83,475	-	285,359	302,040	66,794	-	66,794
Water Reserve	2,068	-	-	2,068	-	-	-
Wastewater Treatment Reserve	2,068	-	-	2,068	-	-	-
Total Reporting Entity	$ 2,023,901	$ -	$ 3,555,777	$ 3,613,940	$ 1,965,738	$ 9,459	$ 1,975,197

Composition of Cash	
Checking	$ 99,259
Money Market	5,370
Savings	1,768,872
Certificates of deposit	101,346
Petty cash	350
Total Reporting Entity	$ 1,975,197

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

CITY OF SEDGWICK, KANSAS
NOTES TO FINANCIAL STATEMENT
December 31, 2023

Note 1: Summary of Significant Accounting Policies

The City of Sedgwick, Kansas (the City) is a municipal corporation governed by an elected six-member council and mayor. The financial statement presents the City and its related municipal entity. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents.

Regulatory Basis Fund Types

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. In the financial statement in this report, the various funds are grouped into generic fund types and broad fund categories as follows:

General Fund - The general fund is the chief operating fund of the City. It is used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds - Special purpose funds are used to account for the proceeds of specific tax levies and other specific revenue sources intended for specified purposes.

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

Business Funds - Business funds are used to account for funds financed in whole or in part by fees charged to users of the goods or services.

Basis of Accounting

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 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 revenues 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.

Budgetary Information

The City Charter establishes the fiscal year as the twelve-month period beginning January 1. The Mayor and City Council prepare a budget of estimated expenditures and receipts for the ensuing fiscal year in accordance with State of Kansas Statutes. These statutes require that an annual operating budget be adopted for the general fund, special purpose funds (unless specifically exempted by statue), bond and interest funds, and business funds. Although directory rather than mandatory, the statues provide for the following sequence and timetable in the adoption of the legal annual operating budget.

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

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Information

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 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 revenue 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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

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

East Park Pond Project
Capital Equipment
OPIOID/Drug Settlement
Wastewater Treatment Reserve
Chamber of Commerce
Capital Improvement
ARPA
Water Reserve
Operating 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.

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 and interest fund. Further, state statutes permit the levying of additional general ad valorem property taxes in the City's bond and 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: Deposits and Investments

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

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

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

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when coverage is 50%. The City does not utilize "peak periods". All deposits were legally secured at December 31, 2023.

As of December 31, 2023, the City's carrying amount of the deposits was $1,974,847 and the bank balance was $2,019,888. 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 balance was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Note 3: 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 Avenue, Suite 100, Topeka, KS 66503) 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 limited on annual increases in the employer contribution rates. The actuarially determined employee contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.43% for fiscal year ended December 31, 2023. Contributions to the pension plan from the City were $41,254 for the year ended December 31, 2023.

Note 3: Defined Benefit Pension Plan (Continued)

Net Pension Liability

At December 31, 2023, the City's proportionate share of the collective net pension liability reported by KPERS was $423,861. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. 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 assumption and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publically available on the website at www.kpers.org or can be obtained as described above.

Note 4: 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.

Note 5: Compensated Absences

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

Years of 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 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: Interfund Transfers

Transfers for the year were as follows:

From	To	Regulatory Authority	Amount
General	Capital Improvement	K.S.A. 12-1, 117	$ 130,000
General	Capital Equipment	K.S.A. 12-1, 117	100,000
Special Street and Highway	Capital Improvement	K.S.A. 12-1, 118	108,687
Water Operating	General	K.S.A. 12-825d	20,428
Water Operating	Employee Benefits	K.S.A. 12-825d	29,135
Water Operating	Capital Improvement	K.S.A. 12-825d	41,422
Refuse	General	K.S.A. 12-825d	6,160
Refuse	Capital Improvement	K.S.A. 12-825d	26,621
Refuse	Employee Benefits	K.S.A. 12-825d	301
Wastewater Treatment	General	K.S.A. 12-825d	13,994
Wastewater Treatment	Employee Benefits	K.S.A. 12-825d	27,128
Wastewater Treatment	Capital Improvement	K.S.A. 12-825d	56,660
Special Parks and Recreation	Capital Equipment	K.S.A. 12-1, 117	19,922
			$ 580,458

Note 8: Subsequent Events

Management has evaluated the effects on the financial statement of subsequent events occurring through April 16, 2024, which is the date at which the financial statement was available to be issued.

Note 9: Changes in Long-Term Debt

The following is a summary changes in long-term debt for the year:

ISSUE	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General Obligation Bonds										
Series 2010	2.00 - 4.38%	7/15/2010	$ 2,620,000	09/01/25	$ 400,000	$ -	$ 130,000	$ (130,000)	$ 270,000	$ 16,175
Series 2011	3.75%	11/28/2011	195,000	11/28/41	146,746	-	5,434	(5,434)	141,312	5,503
Series 2012-A	2.00 - 2.87%	10/1/2012	1,380,000	09/01/24	95,000	-	45,000	(45,000)	50,000	2,731
Series 2015-A	.45 - 2.80%	4/28/2015	255,000	09/01/25	85,000	-	30,000	(30,000)	55,000	2,185
Series 2016	1.00 - 3.20%	5/10/2016	215,000	09/01/26	88,000	-	22,000	(22,000)	66,000	2,354
Series 2017	3.00%	7/27/2017	1,325,000	09/01/30	1,155,000	-	85,000	(85,000)	1,070,000	34,650
Series 2021	3.50%	1/21/2021	53,981	09/01/36	52,000	-	3,000	(3,000)	49,000	1,820
Total General Obligation Bonds					$ 2,021,746	$ -	$ 320,434	$ (320,434)	$ 1,701,312	$ 65,418
Finance Leases										
Police vehicles	3.50%	10/06/21	$ 87,234	03/01/27	$ 73,694	$ -	$ 13,925	$ (13,925)	$ 59,769	$ 2,095
TOTAL LONG-TERM DEBT					$ 2,095,440	$ -	$ 334,359	$ (334,359)	$ 1,761,081	$ 67,513

Note 9: Changes in Long-Term Debt (Continued)

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

	2024	2025	2026	2027	2028	2029 - 2033	2034 - 2038	2039 - 2042	Total
Principal									
General Obligation Bonds									
Series 2010	$ 130,000	$ 140,000	$ -	$ -	$ -	$ -	$ -	$ -	$ 270,000
Series 2011	5,638	5,849	6,069	6,296	6,532	36,525	43,907	30,496	141,312
Series 2012-A	50,000	-	-	-	-	-	-	-	50,000
Series 2015-A	30,000	25,000	-	-	-	-	-	-	55,000
Series 2016	22,000	22,000	22,000	-	-	-	-	-	66,000
Series 2017	90,000	100,000	160,000	170,000	180,000	370,000	-	-	1,070,000
Series 2021	3,000	3,000	3,000	3,000	4,000	20,000	13,000	-	49,000
Finance Leases									
Police vehicles	14,320	14,728	15,146	15,575	-	-	-	-	59,769
Total Principal	$ 344,958	$ 310,577	$ 206,215	$ 194,871	$ 190,532	$ 426,525	$ 56,907	$ 30,496	$ 1,761,081
Interest									
General Obligation Bonds									
Series 2010	$ 10,975	$ 5,775	$ -	$ -	$ -	$ -	$ -	$ -	$ 16,750
Series 2011	5,299	5,088	6,868	4,641	4,405	18,161	10,780	2,315	57,557
Series 2012-A	719	-	-	-	-	-	-	-	719
Series 2015-A	1,480	700	-	-	-	-	-	-	2,180
Series 2016	1,870	1,320	704	-	-	-	-	-	3,894
Series 2017	32,100	29,400	26,400	21,600	16,500	16,650	-	-	142,650
Series 2021	1,715	1,610	1,505	1,400	1,295	4,375	945	-	12,845
Finance Leases									
Police vehicles	1,700	1,292	874	444	-	-	-	-	4,310
Total Interest	$ 55,858	$ 45,185	$ 36,351	$ 28,085	$ 22,200	$ 39,186	$ 11,725	$ 2,315	$ 240,905
Total Principal and Interest	$ 400,816	$ 355,762	$ 242,566	$ 222,956	$ 212,732	$ 465,711	$ 68,632	$ 32,811	$ 2,001,986

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

CITY OF SEDGWICK, KANSAS
SUMMARY STATEMENT OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2023

Fund	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (under)
Governmental Funds					
General	$ 1,446,422	$ -	$ 1,446,422	$ 1,271,083	$ (175,339)
Special Purpose Funds					
Employee Benefits	315,398	-	315,398	241,430	(73,968)
Library	56,970	-	56,970	54,034	(2,936)
Special Street and Highway	356,039	-	356,039	242,219	(113,820)
Special Parks and Recreation	24,626	-	24,626	24,626	-
Bond and Interest	400,626	-	400,626	385,856	(14,770)
Business					
Water Operating	490,339	-	490,339	412,198	(78,141)
Refuse	123,804	-	123,804	122,719	(1,085)
Wastewater Treatment	360,148	-	360,148	302,040	(58,108)
Totals	$ 3,574,372	$ -	$ 3,574,372	$ 3,056,205	$ (518,167)

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

CITY OF SEDGWICK, KANSAS
GENERAL
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Ad valorem tax	$ 400,997	$ 410,577	$ (9,580)
Delinquent taxes	2,955	8,700	(5,745)
Motor vehicle taxes	56,901	58,122	(1,221)
Recreational vehicle tax	1,113	1,158	(45)
16/20 tax	12	229	(217)
Local alcoholic liquor tax	6,568	4,573	1,995
Sales tax	447,943	364,943	83,000
Licenses and permits	11,889	12,262	(373)
Franchise tax	120,730	107,276	13,454
Ambulance services	728	-	728
Police fines and fees	57,243	35,339	21,904
Pool admissions and concessions	29,682	28,729	953
Reimbursements	20,050	21,905	(1,855)
Township fire protection fees	30,232	19,521	10,711
Interest	30,346	4,264	26,082
Miscellaneous	7,397	9,239	(1,842)
Transfers in	40,582	39,951	631
Total Cash Receipts	$ 1,265,368	$ 1,126,788	$ 138,580
EXPENDITURES			
Administration	$ 297,742	$ 291,905	$ 5,837
Ambulance	189,000	196,350	(7,350)
Police	192,860	227,149	(34,289)
Fire	50,393	61,922	(11,529)
Legal	43,117	51,659	(8,542)
Swimming Pool	67,770	61,405	6,365
Community Relations	27,257	29,500	(2,243)
Parks	17,315	18,850	(1,535)
Cemetery	14,733	15,742	(1,009)
Streets	95,450	101,559	(6,109)
Maintenance	45,446	57,831	(12,385)
Transfers out	230,000	157,550	72,450
Cash Forward	-	175,000	(175,000)
Total Expenditures	$ 1,271,083	$ 1,446,422	$ (175,339)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (5,715)		
UNENCUMBERED CASH - JANUARY 1	187,761		
UNENCUMBERED CASH - DECEMBER 31	$ 182,046		

CITY OF SEDGWICK, KANSAS
EMPLOYEE BENEFITS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Ad valorem tax	$ 181,245	$ 195,783	$ (14,538)
Delinquent taxes	1,228	-	1,228
Motor vehicle taxes	22,303	17,713	4,590
Recreational vehicle tax	437	762	(325)
16/20 tax	5	151	(146)
Interest	2	-	2
Reimbursements	5,756	-	5,756
Transfers in	56,564	49,776	6,788
Total Cash Receipts	$ 267,540	$ 264,185	$ 3,355
EXPENDITURES			
Personnel Services	$ 241,430	$ 274,259	$ (32,829)
Cash Basis Reserve	-	41,139	(41,139)
Total Expenditures	$ 241,430	$ 315,398	$ (73,968)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 26,110		
UNENCUMBERED CASH - JANUARY 1	71,546		
UNENCUMBERED CASH - DECEMBER 31	$ 97,656		

CITY OF SEDGWICK, KANSAS
LIBRARY
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Ad valorem tax	$ 45,907	$ 50,046	$ (4,139)
Delinquent taxes	336	854	(518)
Motor vehicle taxes	6,551	6,705	(154)
Recreational vehicle tax	128	134	(6)
16/20 tax	1	26	(25)
Miscellaneous	3,589	-	3,589
Total Cash Receipts	$ 56,512	$ 57,765	$ (1,253)
EXPENDITURES			
Appropriations	$ 54,034	$ 56,970	$ (2,936)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 2,478		
UNENCUMBERED CASH - JANUARY 1	1,111		
UNENCUMBERED CASH - DECEMBER 31	$ 3,589		

CITY OF SEDGWICK, KANSAS
SPECIAL STREET AND HIGHWAY
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Intergovernmental	$ 43,216	$ 46,100	$ (2,884)
Sales tax	171,421	173,900	(2,479)
Miscellaneous	15	-	15
Total Cash Receipts	$ 214,652	$ 220,000	$ (5,348)
EXPENDITURES			
Street Repair and Maintenance	$ 133,532	$ 356,039	$ (222,507)
Transfers out	108,687	-	108,687
Total Expenditures	$ 242,219	$ 356,039	$ (113,820)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (27,567)		
UNENCUMBERED CASH - JANUARY 1	27,582		
UNENCUMBERED CASH - DECEMBER 31	$ 15		

CITY OF SEDGWICK, KANSAS
SPECIAL PARKS AND RECREATION
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Local Alcohol Liquor Tax	$ 6,568	$ 6,226	$ 342
Intergovernmental	1,036	-	1,036
Total Cash Receipts	$ 7,604	$ 6,226	$ 1,378
EXPENDITURES			
Commodities	$ 4,704	$ 24,626	$ (19,922)
Transfers out	19,922	-	19,922
Total Expenditures	$ 24,626	$ 24,626	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	$ (17,022)		
UNENCUMBERED CASH - JANUARY 1	18,801		
UNENCUMBERED CASH - DECEMBER 31	$ 1,779		

CITY OF SEDGWICK, KANSAS
EAST PARK POND PROJECT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023

CASH RECEIPTS		
Interest	$	21
Miscellaneous		25
Total Cash Receipts	$	46
EXPENDITURES		
Miscellaneous	$	122
RECEIPTS OVER (UNDER) EXPENDITURES	$	(76)
UNENCUMBERED CASH - JANUARY 1		5,315
UNENCUMBERED CASH - DECEMBER 31	$	5,239

CITY OF SEDGWICK, KANSAS
CAPITAL IMPROVEMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023

CASH RECEIPTS	
Miscellaneous	$ 2,938
Transfers in	363,390
Total Cash Receipts	$ 366,328
EXPENDITURES	
Capital outlay	$ 234,898
RECEIPTS OVER (UNDER) EXPENDITURES	$ 131,430
UNENCUMBERED CASH - JANUARY 1	833,730
UNENCUMBERED CASH - DECEMBER 31	$ 965,160

CITY OF SEDGWICK, KANSAS
CAPITAL EQUIPMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023

CASH RECEIPTS	
Intergovernmental	$ 11,871
Miscellaneous	10,560
Transfers in	119,922
Total Cash Receipts	$ 142,353
EXPENDITURES	
Capital outlay	$ 250,273
RECEIPTS OVER (UNDER) EXPENDITURES	$ (107,920)
UNENCUMBERED CASH - JANUARY 1	547,216
UNENCUMBERED CASH - DECEMBER 31	$ 439,296

CITY OF SEDGWICK, KANSAS
ARPA
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023

CASH RECEIPTS	
Miscellaneous	$ -
EXPENDITURES	
Capital outlay	$ 60,380
RECEIPTS OVER (UNDER) EXPENDITURES	$ (60,380)
UNENCUMBERED CASH - JANUARY 1	126,137
UNENCUMBERED CASH - DECEMBER 31	$ 65,757

CITY OF SEDGWICK, KANSAS
OPIOID/DRUG SETTLEMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023

CASH RECEIPTS		
Miscellaneous	$	4,625
EXPENDITURES		
Miscellaneous	$	2,000
RECEIPTS OVER (UNDER) EXPENDITURES	$	2,625
UNENCUMBERED CASH - JANUARY 1		2,683
UNENCUMBERED CASH - DECEMBER 31	$	5,308

CITY OF SEDGWICK, KANSAS
OPERATING RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023

CASH RECEIPTS		
Reimbursements	$	4,820
EXPENDITURES		
Miscellaneous	$	-
RECEIPTS OVER (UNDER) EXPENDITURES	$	4,820
UNENCUMBERED CASH - JANUARY 1		-
UNENCUMBERED CASH - DECEMBER 31	$	4,820

CITY OF SEDGWICK, KANSAS
CHAMBER OF COMMERCE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023

CASH RECEIPTS		
Miscellaneous	$	5,946
EXPENDITURES		
Miscellaneous	$	5,926
RECEIPTS OVER (UNDER) EXPENDITURES	$	20
UNENCUMBERED CASH - JANUARY 1		-
UNENCUMBERED CASH - DECEMBER 31	$	20

CITY OF SEDGWICK, KANSAS
BOND AND INTEREST
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Taxes and Shared Revenue			
Ad Valorem Tax	$ 237,350	$ 251,833	$ (14,483)
Delinquent Tax	2,711	5,000	(2,289)
Motor Vehicle Tax	37,677	38,215	(538)
Recreational Vehicle Tax	739	762	(23)
16/20 Vehicle	10	151	(141)
Special Assessments	116,493	104,233	12,260
Total Cash Receipts	$ 394,980	$ 400,194	$ (5,214)
EXPENDITURES			
Principal	$ 320,434	$ 320,434	$ -
Interest	65,418	65,421	(3)
Services and Fees	4	5,000	(4,996)
Cash Basis Reserve	-	9,771	(9,771)
Total Expenditures	$ 385,856	$ 400,626	$ (14,770)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 9,124		
UNENCUMBERED CASH - JANUARY 1	7,892		
UNENCUMBERED CASH - DECEMBER 31	$ 17,016		

CITY OF SEDGWICK, KANSAS
WATER OPERATING
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Sales	$ 403,122	$ 380,079	$ 23,043
Late charges	5,911	6,506	(595)
Water tax	4,651	4,800	(149)
Miscellaneous	1,787	7,615	(5,828)
Total Cash Receipts	$ 415,471	$ 399,000	$ 16,471
EXPENDITURES			
Personnel services	$ 66,013	$ 78,950	$ (12,937)
Contractual services	222,142	236,687	(14,545)
Commodities	33,058	33,940	(882)
Transfers out	90,985	140,762	(49,777)
Total Expenditures	$ 412,198	$ 490,339	$ (78,141)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 3,273		
UNENCUMBERED CASH - JANUARY 1	97,350		
UNENCUMBERED CASH - DECEMBER 31	$ 100,623		

CITY OF SEDGWICK, KANSAS
REFUSE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Refuse charges	$ 95,652	$ 90,097	$ 5,555
Recycle fees	28,409	27,862	547
Miscellaneous	112	1,805	(1,693)
Total Cash Receipts	$ 124,173	$ 119,764	$ 4,409
EXPENDITURES			
Personnel services	$ 954	$ 2,163	$ (1,209)
Contractual services	87,045	88,388	(1,343)
Commodities	1,638	2,048	(410)
Transfers out	33,082	31,205	1,877
Total Expenditures	$ 122,719	$ 123,804	$ (1,085)
RECEIPTS OVER (UNDER) EXPENDITURES	$ 1,454		
UNENCUMBERED CASH - JANUARY 1	9,166		
UNENCUMBERED CASH - DECEMBER 31	$ 10,620		

CITY OF SEDGWICK, KANSAS
WASTEWATER TREATMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Sewer charges	$ 279,791	$ 271,304	$ 8,487
Late charges	5,512	6,014	(502)
Miscellaneous	56	2,946	(2,890)
Total Cash Receipts	$ 285,359	$ 280,264	$ 5,095
EXPENDITURES			
Personnel services	$ 58,935	$ 70,297	$ (11,362)
Contractual services	122,069	159,818	(37,749)
Commodities	23,254	21,177	2,077
Transfers out	97,782	108,856	(11,074)
Total Expenditures	$ 302,040	$ 360,148	$ (58,108)
RECEIPTS OVER (UNDER) EXPENDITURES	$ (16,681)		
UNENCUMBERED CASH - JANUARY 1	83,475		
UNENCUMBERED CASH - DECEMBER 31	$ 66,794		

CITY OF SEDGWICK, KANSAS
WATER RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023

CASH RECEIPTS	
Transfers in	$ -
EXPENDITURES	
Contractual services	$ 2,068
RECEIPTS OVER (UNDER) EXPENDITURES	$ (2,068)
UNENCUMBERED CASH - JANUARY 1	2,068
UNENCUMBERED CASH - DECEMBER 31	$ -

CITY OF SEDGWICK, KANSAS
WASTEWATER TREATMENT RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023

CASH RECEIPTS	
Transfers in	$ -
EXPENDITURES	
Contractual services	$ 2,068
RECEIPTS OVER (UNDER) EXPENDITURES	$ (2,068)
UNENCUMBERED CASH - JANUARY 1	2,068
UNENCUMBERED CASH - DECEMBER 31	$ -