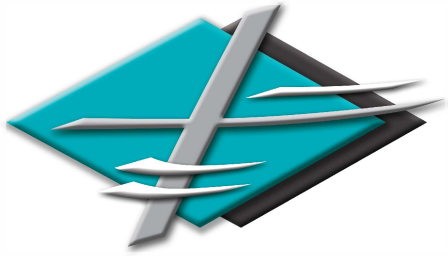
CITY OF STERLING, KANSAS

FINANCIAL STATEMENT

FOR THE YEAR ENDED
DECEMBER 31, 2023



LOYD GROUP, LLC

Certified Public Accountants

CITY OF STERLING, KANSAS
CITY OF THE SECOND CLASS
For the Year Ended December 31, 2023

CITY COMMISSION

Stephen Wilson	Robert Boltz, Jr. Mayor	Richard Jones, Jr.
Todd Rowland		Brian Inwood

CITY OFFICERS

Jessi Dobson Treasurer	Craig Crossette Manager	Scott Bush Attorney
James Smith Police Chief	Sandra Fankhauser Clerk	Richard Burgess, Jr. Municipal Judge

CITY OF STERLING, KANSAS

For the Year Ended December 31, 2023

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CITY OF STERLING, KANSAS

For the Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Commissioners
City of Sterling, Kansas 67579

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Sterling, Kansas (City), a Municipal Financial Reporting Entity, as of and for the year ended December 31, 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 the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

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

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

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

Responsibilities of Management for the Financial Statement

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

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

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

We previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Sterling, Kansas as of and for the year ended December 31, 2022 (not presented herein), and have issued their report thereon dated April 12, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and their accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipalservices. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2023 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2022 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 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 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 2022 basic financial statement or to the 2022 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 2022 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, 2022, on the basis of accounting described in Note 1.

Loyd Group, LLC
Galva, KS
April 12, 2024

CITY OF STERLING, KANSAS

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

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUND:						
General Fund	$ 461,229	$ 1,157,322	$ 1,255,173	$ 363,378	$ -	$ 363,378
SPECIAL PURPOSE FUNDS:						
Library Fund	62	71,974	69,590	2,446	-	2,446
Cemetery Fund	91	71,976	69,592	2,475	-	2,475
Special Highway Fund	966,326	641,161	724,153	883,334	-	883,334
Special Parks & Recreation Fund	8,515	1,732	-	10,247	-	10,247
Ambulance and Fire Equipment Fund	167,088	28,795	22,040	173,843	-	173,843
Sterling Community Cemetery Fund	223,769	98,058	166,712	155,115	-	155,115
Health Insurance Savings Fund	28,761	47,349	28,820	47,290	-	47,290
Rescue Projects Fund	135,358	-	100,974	34,384	-	34,384
Total Special Purpose Funds	1,365,851	913,696	1,052,087	1,227,460	-	1,309,134
CAPITAL PROJECTS FUNDS:						
Storm Sewer Project Fund	5,698	-	-	5,698	-	5,698
Bond Projects Fund	7,696	-	7,696	-	-	-
Total Capital Projects Funds	13,394	-	7,696	5,698	-	5,698
BUSINESS FUNDS:						
Water Utility Fund	68,447	428,708	415,228	81,927	-	81,927
Electric Utility Fund	1,271,966	3,089,261	3,110,971	1,250,256	54,474	1,304,730
Electric Equipment Reserve Fund	148,460	-	-	148,460	-	148,460
Sewer Utility Fund	218,366	430,642	476,538	172,470	-	172,470
Medical Services Fund	14,393	88,773	29,534	73,632	-	73,632
Total Business Funds	1,721,632	4,037,384	4,032,271	1,726,745	54,474	1,781,219
Total Reporting Entity (Excluding Agency Funds)	$ 3,562,106	$ 6,108,402	$ 6,347,227	$ 3,323,281	$ 54,474	$ 3,459,429

COMPOSITION OF CASH:	
Checking Accounts	$ 817,835
Savings Accounts	1,670,679
Certificates of Deposit	727,836
Sterling Community Cemetery	349,187
Cash on Hand	500
Total Cash	3,566,037
Less Agency Funds per Schedule 3	(106,608)
Total Reporting Entity (Excluding Agency Funds)	$ 3,459,429

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

CITY OF STERLING, KANSAS

NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

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

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

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

(b) Regulatory Basis Fund Types

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

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

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

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

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

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

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

(c) Basis of Accounting

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(c) Basis of Accounting (Cont.)

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

(d) Budgetary Information

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

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments for the year 2023.

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

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

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

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

(e) Reimbursements

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABLILITY

Compliance with Kansas Statutes

No statute violations were noted during 2023.

3. DEPOSITS AND INVESTMENTS

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

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

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2023.

At December 31, 2023, the City's carrying amount of deposits was $3,565,534 and the bank balance was $3,619,301. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $897,192 (for City and Cemetery) was covered by federal depository insurance and the remaining $2,722,109 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

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

4. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
Electric Utility	General	K.S.A. 12-825d	$ 187,900
Electric Utility	Medical Services	K.S.A. 12-825d	56,877
Sewer Utility	General	K.S.A. 12-825d	18,275
Total			$ 263,052

5. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2023, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series 2012B Refunding	1.65%	11-20-12	$ 220,000	08-01-23	$ 10,000	$ -	$ 10,000	$ -	$ 124
Series 2020	2.5-4%	2-20-20	1,450,000	10-01-40	1,355,000	-	65,000	1,290,000	38,513
					1,365,000	-	75,000	1,290,000	38,637
Other:									
Kansas Water Pollution Control Revolving Loan	2.79%	08-20-08	1,220,348	09-01-29	497,584	-	65,313	432,271	12,227
Capital Lease:									
Equipment Lease	2.65%	4-16-21	60,400	4-16-26	48,897	-	11,785	37,112	1,198
Catalytic Convertors	2.47%	10-07-13	530,000	10-07-23	59,136	-	59,136	-	1,110
Total Contractual Indebtedness					$ 1,970,617	$ -	$ 211,234	$ 1,759,383	$ 53,172

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

	Year								
	2024	2025	2026	2027	2028	2029 to 2033	2034 to 2038	2039 to 2041	Total
PRINCIPAL:									
General Obligation Bonds:									
Series 2020	$ 70,000	$ 75,000	$ 80,000	$ 90,000	$ 95,000	$ 380,000	$ 350,000	$ 150,000	$ 1,290,000
Other:									
Kansas Water Pollution Control Revolving Loan	67,148	69,035	70,975	72,968	75,018	77,127	-	-	432,271
Capital Leases:									
Equipment Lease	12,071	12,369	12,672	-	-	-	-	-	37,112
TOTAL PRINCIPAL	149,219	156,404	163,647	162,968	170,018	457,127	350,000	150,000	1,759,383
INTEREST:									
General Obligation Bonds:									
Series 2020	35,913	33,112	30,113	26,913	23,313	80,337	43,162	5,625	278,488
Other:									
Kansas Water Pollution Control Revolving Loan	11,595	9,709	7,769	5,775	3,725	1,618	-	-	40,191
Capital Leases:									
Equipment Lease	912	614	310	-	-	-	-	-	1,836
TOTAL INTEREST	48,420	43,435	38,192	32,688	27,038	81,955	43,162	5,625	320,515
TOTAL PRINCIPAL AND INTEREST	$ 197,639	$ 199,839	$ 201,839	$ 195,656	$ 197,056	$ 539,082	$ 393,162	$ 155,625	$ 2,079,898

6. RISK MANAGEMENT

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

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

7. DEFINED BENEFIT PENSION PLAN

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

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

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.43% for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were $112,331 for the year ended December 31, 2023.

Net Pension Liability. At December 31, 2023, the City's proportionate share of the collective net pension liability reported by KPERS was $1,314,799. 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.

7. DEFINED BENEFIT PENSION PLAN (CONT.)

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

8. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

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

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

(b) Death and Disability Other Post Employment Benefits

K.S.A. 74-4927, disabled members in KPERS receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2023.

(c) Defined Contribution Pension Plan

The City participates in a defined contribution plan administered by the International City Manager's Association Retirement Corporation (ICMA Retirement). Employees become eligible for participation in the plan upon hire. The City contributes 1% of the participants' base wage and the participants may contribute any amount they determine up to IRS limits. For the year ended December 31, 2023, actual contributions by the City and plan participants were $19,042 and $15,138 respectively. ICMA Retirement includes 20 participants. Participants vest at service inception and are entitled to 100 percent of vested contributions. The plan is a money purchase plan qualified under Section 457 of the Internal Revenue Code.

(d) Other Employee Benefits

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

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

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

Regular part-time employees earn vacation leave as follows:

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

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

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

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

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

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

9. CLAIMS AND JUDGMENTS

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

The City is exposed to various risks of loss related to property loss; torts; theft of, damage to, and destruction of assets; errors and omissions; employee injuries and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2022 to 2023 and there were no settlements that exceeded insurance coverage in the past three years.

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

10. CAPITAL PROJECTS

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

	Project Authorization	Expenditures To Date
W. Cleveland/Broadway Intersection Street project	$ 750,000	$ 750,000
EMS Station	167,264	98,422
Cleveland/Ast Street project	776,536	605,064
	$ 1,693,800	$ 1,453,486

11. RELATED PARTIES

A Commission member is an officer of one of the financial institutions where the City has funds deposited. At December 31, 2023, funds deposited at this institution totaled $1,405,276.

12. SUBSEQUENT EVENTS

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

CITY OF STERLING, KANSAS

REGULATORY – REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2023

CITY OF STERLING, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2023

	Certified Budget	Adjustment for for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
GENERAL FUND:					
General Fund	$ 1,340,435	$ -	$ 1,340,435	$ 1,255,173	$ (85,262)
SPECIAL PURPOSE FUNDS:					
Library Fund	71,590	-	71,590	69,590	(2,000)
Cemetery Fund	71,450	-	71,450	69,592	(1,858)
Special Highway Fund	2,537,207	-	2,537,207	724,153	(1,813,054)
Special Parks and Recreation Fund	9,308	-	9,308	-	(9,308)
Ambulance and Fire Equipment Fund	28,675	-	28,675	22,040	(6,635)
BUSINESS FUNDS:					
Water Utility Fund	423,282	-	423,282	415,228	(8,054)
Electric Utility Fund	4,026,822	-	4,026,822	3,110,971	(915,851)
Sewer Utility Fund	630,601	-	630,601	476,538	(154,063)
Medical Services Fund	35,525	-	35,525	29,534	(5,991)

CITY OF STERLING, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2023

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

	2022 Actual	2023 Actual	2023 Budget	2023 Variance - Over (Under)
Receipts				
Taxes -				
Ad valorem property tax	$ 228,195	$ 258,654	$ 271,775	$ (13,121)
Delinquent tax	8,542	9,077	7,500	1,577
Motor vehicle tax	38,241	39,363	37,849	1,514
Recreational vehicle tax	758	646	770	(124)
16/20M vehicle tax	126	147	119	28
Commercial vehicle tax	5,234	5,441	5,635	(194)
In-Lieu of tax	10,736	-	8,000	(8,000)
Guest tax	10,123	8,836	7,000	1,836
Local alcoholic liquor tax	1,990	1,732	1,688	44
Local sales tax	258,540	275,241	240,000	35,241
Total Taxes	562,485	599,137	580,336	18,801
Licenses and Permits -				
Licenses and permits	10,375	11,271	7,000	4,271
Utility franchise fees	78,886	89,024	67,500	21,524
Dog tags, impounds, adoption fees	2,185	1,812	2,150	(338)
Total Licenses and Permits	91,446	102,107	76,650	25,457
Charges for Services -				
Burn site	54,519	50,860	50,400	460
Camping	24,615	16,726	20,000	(3,274)
Impoundment	552	175	-	175
Refuse collection	88,841	89,686	88,000	1,686
Swimming and concessions	8,140	9,195	6,000	3,195
Total Charges for Services	176,667	166,642	164,400	2,242
Fines, Forfeitures and Penalties -				
Police Fines	22,792	16,222	18,000	(1,778)
Use of Money and Property -				
Interest received	7,825	18,689	1,650	17,039
Other -				
Miscellaneous	34,128	42,531	20,126	22,405
Neighborhood revitalization rebate	(26,373)	(20,882)	(26,637)	5,755
Grants	4,273	2,701	-	2,701
Police contract	24,000	24,000	24,000	-
Total Other	36,028	48,350	17,489	30,861
Transfers In -				
Transfer from Electric Utility Fund	95,000	187,900	95,000	92,900
Transfer from Sewer Utility Fund	18,275	18,275	18,275	-
Transfer from Water Utility Fund	18,275	-	18,275	(18,275)
Total Transfers In	131,550	206,175	131,550	74,625
Total Receipts	1,028,793	1,157,322	$ 990,075	$ 167,247

CITY OF STERLING, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2023

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

		2023		
	2022 Actual	Actual	Budget	Variance - Over (Under)
Expenditures				
Administrative -				
Personal services	$ 116,289	$ 121,325	$ 111,270	$ 10,055
Contractual services	207,203	234,629	158,850	75,779
Commodities	4,023	4,858	4,000	858
Capital outlay	22,500	188,682	70,000	118,682
Total Administrative	350,015	549,494	344,120	205,374
Police -				
Personal services	427,488	455,928	435,669	20,259
Contractual services	63,038	65,756	66,180	(424)
Commodities	35,245	25,093	22,925	2,168
Capital outlay	(2,360)	5,914	-	5,914
Total Police	523,411	552,691	524,774	27,917
Park -				
Contractual services	3,429	1,038	1,000	38
Commodities	29,704	25,425	17,350	8,075
Capital outlay	-	-	5,000	(5,000)
Total Park	33,133	26,463	23,350	3,113
Fire -				
Personal services	7,742	7,790	7,600	190
Contractual services	15,482	19,560	9,500	10,060
Commodities	1,063	679	3,425	(2,746)
Capital outlay	-	4,442	5,000	(558)
Total Fire	24,287	32,471	25,525	6,946
Swimming Pool -				
Personal services	38,822	39,509	34,000	5,509
Contractual services	13,355	19,194	4,900	14,294
Commodities	20,076	28,571	15,000	13,571
Capital outlay	-	-	1,000	(1,000)
Total Swimming Pool	72,253	87,274	54,900	32,374
Health & Sanitation -				
Contractual services	-	-	6,000	(6,000)
Commodities	-	6,780	2,500	4,280
Total Health & Sanitation	-	6,780	8,500	(1,720)
Other -				
Cash basis carryover	-	-	359,266	(359,266)
Total Expenditures	1,003,099	1,255,173	$ 1,340,435	$ (85,262)
Receipts Over (Under) Expenditures	25,694	(97,851)		
Unencumbered Cash, Beginning	435,535	461,229		
Unencumbered Cash, Ending	$ 461,229	$ 363,378		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Ad valorem property tax	$ 54,360	$ 64,147	$ 67,406	$ (3,259)
Delinquent tax	1,973	2,144	1,400	744
Motor vehicle tax	9,084	9,377	9,017	360
Recreational vehicle tax	180	154	183	(29)
16/20M vehicle tax	29	35	28	7
Commercial vehicle tax	1,243	1,296	1,343	(47)
Neighborhood revitalization rebate	(6,282)	(5,179)	(8,549)	3,370
Total Receipts	60,587	71,974	$ 70,828	$ 1,146
Expenditures				
Appropriation to Library Board	60,525	69,590	$ 71,590	$ (2,000)
Receipts Over (Under) Expenditures	62	2,384		
Unencumbered Cash, Beginning	-	62		
Unencumbered Cash, Ending	$ 62	$ 2,446		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

CEMETERY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Ad valorem property tax	$ 54,371	$ 64,147	$ 67,397	$ (3,250)
Delinquent tax	1,974	2,145	1,325	820
Motor vehicle tax	9,084	9,378	9,016	362
Recreational vehicle tax	180	154	183	(29)
16/20M vehicle tax	29	35	28	7
Commercial vehicle tax	1,243	1,296	1,342	(46)
Neighborhood revitalization rebate	(6,283)	(5,179)	(8,549)	3,370
Total Receipts	60,598	71,976	$ 70,742	$ 1,234
Expenditures				
Appropriation to Sterling Community Cemetery	60,535	69,592	$ 71,450	$ (1,858)
Receipts Over (Under) Expenditures	63	2,384		
Unencumbered Cash, Beginning	28	91		
Unencumbered Cash, Ending	$ 91	$ 2,475		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

SPECIAL HIGHWAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Ad valorem property tax	$ 185,013	$ 175,951	$ 184,883	$ (8,932)
Delinquent tax	6,666	7,117	7,000	117
Motor vehicle tax	30,998	31,913	30,684	1,229
Recreational vehicle tax	613	524	623	(99)
16/20M vehicle tax	96	119	96	23
Commercial vehicle tax	4,239	4,411	4,569	(158)
Local sales tax	390,443	351,767	276,860	74,907
State of Kansas gas tax	60,807	62,107	58,000	4,107
State connecting links	14,570	14,570	7,250	7,320
FEMA reimbursement	(30,000)	-	907,837	(907,837)
Neighborhood revitalization rebate	(21,381)	(14,205)	(23,452)	9,247
Miscellaneous	16,707	6,887	-	6,887
Total Receipts	658,771	641,161	$ 1,454,350	$ (813,189)
Expenditures				
Personal services	164,251	144,230	$ 118,310	$ 25,920
Contractual services	87,404	387,703	1,294,697	(906,994)
Commodities	99,298	118,367	83,500	34,867
Capital outlay	128,174	29,114	160,000	(130,886)
Principal and interest	48,033	44,739	47,050	(2,311)
Cash basis carryover	-	-	833,650	(833,650)
Total Expenditures	527,160	724,153	$ 2,537,207	$ (1,813,054)
Receipts Over (Under) Expenditures	131,611	(82,992)		
Unencumbered Cash, Beginning	834,715	966,326		
Unencumbered Cash, Ending	$ 966,326	$ 883,334		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

SPECIAL PARKS AND RECREATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Local alcoholic liquor tax	$ 1,990	$ 1,732	$ 1,688	$ 44
Expenditures				
Capital outlay	-	-	$ 9,308	$ (9,308)
Receipts Over (Under) Expenditures	1,990	1,732		
Unencumbered Cash, Beginning	6,525	8,515		
Unencumbered Cash, Ending	$ 8,515	$ 10,247		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

AMBULANCE AND FIRE EQUIPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance - Over (Under)
Receipts				
Ad valorem property tax	$ 21,748	$ 25,659	$ 26,960	$ (1,301)
Delinquent tax	797	862	600	262
Motor vehicle tax	3,635	3,751	3,607	144
Recreational vehicle tax	72	62	73	(11)
16/20M vehicle tax	12	14	11	3
Commercial vehicle tax	497	519	537	(18)
Other	39,616	-	-	-
Neighborhood revitalization rebate	(2,513)	(2,072)	(3,420)	1,348
Total Receipts	63,864	28,795	$ 31,788	$ (921)
Expenditures				
Capital outlay	103,552	22,040	$ 28,675	$ (6,635)
Receipts Over (Under) Expenditures	(39,688)	6,755		
Unencumbered Cash, Beginning	206,776	167,088		
Unencumbered Cash, Ending	$ 167,088	$ 173,843		

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

STERLING COMMUNITY CEMETERY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2023		
	General Fund Actual	Stevenson Fund Actual	Perpetual Care Actual
Receipts			
Interest income	$ 1,535	$ -	$ -
Charges for service	8,901	-	-
Sale of lots	2,170	-	7,840
Township distribution	77,592	-	-
Total Receipts	90,198	-	7,840
Expenditures			
Personal services	93,787	-	-
Contractual services	6,629	-	-
Commodities	9,256	-	-
Capital outlay	-	-	57,040
Total Expenditures	109,672	-	57,040
Receipts Over (Under) Expenditures	(19,474)	-	(49,200)
Unencumbered Cash, Beginning	40,763	59,700	118,262
Unencumbered Cash, Ending	$ 21,289	$ 59,700	$ 69,062

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

STERLING COMMUNITY CEMETERY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2023				
	Mausoleum Trust Funds				
	Mincer Actual	Manz Actual	Mead Actual	Total Cemetery Actual	2022 Actual
Receipts					
Interest income	$ 10	$ 7	$ 3	$ 1,555	$ 1,549
Charges for service	-	-	-	8,901	12,715
Reimbursed expenses	-	-	-	-	2,760
Sale of lots	-	-	-	10,010	6,540
Township distribution	-	-	-	77,592	62,328
Total Receipts	10	7	3	98,058	85,892
Expenditures					
Personal services	-	-	-	93,787	83,446
Contractual services	-	-	-	6,629	11,188
Commodities	-	-	-	9,256	7,880
Capital outlay	-	-	-	57,040	-
Total Expenditures	-	-	-	166,712	102,514
Receipts Over (Under) Expenditures	10	7	3	(68,654)	(16,622)
Unencumbered Cash, Beginning	2,491	1,730	823	223,769	240,391
Unencumbered Cash, Ending	$ 2,501	$ 1,737	$ 826	$ 155,115	$ 223,769

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

HEALTH INSURANCE SAVINGS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts		
Grants	$ 57,683	$ 47,349
Expenditures		
Capital Outlay	28,922	28,820
Receipts Over (Under) Expenditures	28,761	18,529
Unencumbered Cash, Beginning	-	28,761
Unencumbered Cash, Ending	$ 28,761	$ 47,290

CITY OF STERLING, KANSAS

SPECIAL PURPOSE FUND

RESCUE PROJECTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts		
Grants	$ 168,557	$ -
Expenditures		
Personal services	200,759	100,974
Receipts Over (Under) Expenditures	(32,202)	(100,974)
Unencumbered Cash, Beginning	167,560	135,358
Unencumbered Cash, Ending	$ 135,358	$ 34,384

CITY OF STERLING, KANSAS

CAPITAL PROJECT FUND

STORM SEWER PROJECT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts	$ -	$ -
Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	5,698	5,698
Unencumbered Cash, Ending	$ 5,698	$ 5,698

CITY OF STERLING, KANSAS

CAPITAL PROJECT FUND

BOND PROJECTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022	2023
Receipts		
Bond proceeds	$ -	$ -
Expenditures		
Substation project	112,906	7,696
Receipts Over (Under) Expenditures	(112,906)	(7,696)
Unencumbered Cash, Beginning	120,602	7,696
Unencumbered Cash, Ending	$ 7,696	$ -

CITY OF STERLING, KANSAS

BUSINESS FUND

WATER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022	Actual	Budget	Variance - Over (Under)
Receipts				
Sale to customers	$ 370,013	$ 396,087	$ 360,000	$ 36,087
Connection fees	5,280	4,250	2,680	1,570
Hookups	453	1,388	750	638
Miscellaneous	5,331	12,764	5,000	7,764
Tower rent	16,373	14,219	17,232	(3,013)
Total Receipts	397,450	428,708	$ 385,662	$ 43,046
Expenditures				
Production -				
Contractual services	4,329	3,908	$ 1,800	$ 2,108
Commodities	3,828	5,815	8,500	(2,685)
Total Production	8,157	9,723	10,300	(577)
Distribution -				
Personal services	97,708	118,848	116,430	2,418
Contractual services	7,817	10,821	27,200	(16,379)
Commodities	60,958	91,897	46,100	45,797
Total Distribution	166,483	221,566	189,730	31,836
General and Administrative -				
Personal services	106,591	104,521	103,161	1,360
Contractual services	25,129	38,966	12,900	26,066
Commodities	3,224	3,476	3,000	476
Revolving loan principal	25,000	25,000	45,267	(20,267)
Revolving loan interest	11,039	10,268	-	10,268
Miscellaneous	1,687	1,708	2,000	(292)
Transfer to General Fund	18,275	-	18,275	(18,275)
Cash basis carryover	-	-	38,649	(38,649)
Total General and Administrative	190,945	183,939	223,252	(39,313)
Total Expenditures	365,585	415,228	$ 423,282	$ (8,054)
Receipts Over (Under) Expenditures	31,865	13,480		
Unencumbered Cash, Beginning	36,582	68,447		
Unencumbered Cash, Ending	$ 68,447	$ 81,927		

CITY OF STERLING, KANSAS

BUSINESS FUND

ELECTRIC UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Sales to customers	$ 2,756,118	$ 2,898,246	$ 2,650,000	$ 248,246
Connection fees	3,665	3,670	3,100	570
Street lighting	1,179	-	11,288	(11,288)
Installation charges	694	3,770	-	3,770
Capacity purchase reserve	104,307	77,571	93,449	(15,878)
Miscellaneous	76,682	106,004	108,000	(1,996)
Total Receipts	2,942,645	3,089,261	$ 2,865,837	$ 223,424
Expenditures				
Production -				
Personal services	226,225	283,610	$ 249,125	$ 34,485
Contractual services	1,670,359	1,444,789	1,493,000	(48,211)
Commodities	109,991	59,846	89,550	(29,704)
Capital outlay	-	21,897	-	21,897
Total Production	2,006,575	1,810,142	1,831,675	(21,533)
Distribution -				
Personal services	287,074	303,112	284,234	18,878
Contractual services	58,010	50,929	48,700	2,229
Commodities	98,270	199,455	170,250	29,205
Total Distribution	443,354	553,496	503,184	50,312
General and Administrative -				
Personal services	106,374	104,815	106,953	(2,138)
Contractual services	182,178	275,389	143,860	131,529
Commodities	7,008	7,801	5,600	2,201
Capital outlay	13,571	18,815	-	18,815
Catalytic convertors lease payment	95,502	95,247	95,103	144
Miscellaneous	467	489	83,000	(82,511)
Transfer to Medical Services Fund	-	56,877	-	56,877
Transfer to General Fund	95,000	187,900	95,000	92,900
Cash basis carryover	-	-	1,162,447	(1,162,447)
Total General and Administrative	500,100	747,333	1,691,963	(944,630)
Total Expenditures	2,950,029	3,110,971	$ 4,026,822	$ (915,851)
Receipts Over (Under) Expenditures	(7,384)	(21,710)		
Unencumbered Cash, Beginning	1,279,350	1,271,966		
Unencumbered Cash, Ending	$ 1,271,966	$ 1,250,256		

CITY OF STERLING, KANSAS

BUSINESS FUND

ELECTRIC EQUIPMENT RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Receipts	$ -	$ -
Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	148,460	148,460
Unencumbered Cash, Ending	$ 148,460	$ 148,460

CITY OF STERLING, KANSAS

BUSINESS FUND

SEWER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Sale to customers	$ 415,666	$ 424,062	$ 405,000	$ 19,062
Miscellaneous	7,630	6,580	30,000	(23,420)
Total Receipts	423,296	430,642	$ 435,000	$ (4,358)
Expenditures				
Collection -				
Contractual services	34,306	32,749	$ 21,500	$ 11,249
Commodities	4,308	16,984	3,750	13,234
Total Collection	38,614	49,733	25,250	24,483
Treatment -				
Personal services	148,396	141,322	112,358	28,964
Contractual services	21,473	18,475	20,000	(1,525)
Commodities	11,047	8,869	22,500	(13,631)
Total Treatment	180,916	168,666	154,858	13,808
General and Administration -				
Personal services	106,928	95,239	103,151	(7,912)
Contractual services	26,877	57,454	36,500	20,954
Commodities	3,319	3,170	3,000	170
Capital outlay	-	(5,296)	6,200	(11,496)
Revolving loan payment	88,406	89,297	87,005	2,292
Transfer to General Fund	18,275	18,275	18,275	-
Cash basis carryover	-	-	196,362	(196,362)
Total General and Administrative	243,805	258,139	450,493	(192,354)
Total Expenditures	463,335	476,538	$ 630,601	$ (154,063)
Receipts Over (Under) Expenditures	(40,039)	(45,896)		
Unencumbered Cash, Beginning	258,405	218,366		
Unencumbered Cash, Ending	$ 218,366	$ 172,470		

CITY OF STERLING, KANSAS

BUSINESS FUND

MEDICAL SERVICES FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Rent	$ 31,596	$ 31,896	$ 31,696	$ 200
Miscellaneous	6,509	-	-	-
Transfer from Electric Utility Fund	-	56,877	-	56,877
Total Receipts	38,105	88,773	$ 31,696	$ 57,077
Expenditures				
Contractual services	34,705	29,534	35,525	(5,991)
Total Expenditures	34,705	29,534	$ 35,525	$ (5,991)
Receipts Over (Under) Expenditures	3,400	59,239		
Unencumbered Cash, Beginning	10,993	14,393		
Unencumbered Cash, Ending	$ 14,393	$ 73,632		

CITY OF STERLING, KANSAS

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended December 31, 2023

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
State cost analysis	$ 3,714	$ -	$ -	$ 3,714
Water utility deposits	6,352	1,800	3,100	5,052
Electric utility depostis	19,869	8,400	15,590	12,679
Police forfeiture	298	1	-	299
Peace Estates	-	63,632	-	63,632
Corwin Corner	-	32,204	10,972	21,232
Total	$ 30,233	$ 106,037	$ 29,662	$ 106,608