

**CITY OF ST. PAUL, KANSAS**

Independent Auditor's Report and  
Financial Statement with  
Supplementary Information

For the Year Ended December 31, 2022

**CITY OF ST. PAUL, KANSAS**  
For the Year Ended December 31, 2022

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**JARRED, GILMORE & PHILLIPS, PA**  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT**

Honorable Mayor and City Council  
City of St. Paul, Kansas

***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 St. Paul, Kansas, as of and for the year ended December 31, 2022 and the related notes to the financial statement.

*Adverse Opinion on U.S. Generally Accepted Accounting Principles*

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

*Unmodified Opinion on Regulatory Basis of Accounting*

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of St. Paul, Kansas as of December 31, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

***Basis for Adverse and Unmodified Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 opinion.

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

***Responsibilities of Management for the Financial Statement***

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

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City'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, the schedule of receipts and expenditures – actual and budget regulatory basis, for each individual fund, and the schedule of receipts and disbursements – agency funds – regulatory basis (Schedules 1, 2, and 3 as listed in the table of contents) are presented for 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 also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of St. Paul, Kansas as of and for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated May 09, 2022, which contained an unmodified opinion on the basic financial statement. The 2021 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services>. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2022 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2021 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2021, on the basis of accounting described in Note 1.



JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

April 06, 2023  
Chanute, Kansas

**Statement 1**

**CITY OF ST. PAUL, KANSAS**

Summary Statement of Receipts, Expenditures, and Unencumbered Cash  
Regulatory Basis

For the Year Ended December 31, 2022

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Add Encumbrances and Accounts Payable	Ending Cash Balance December 31, 2022
General	\$ 250,164.59	\$ 429,168.71	\$ 427,826.03	\$ 251,507.27	\$ 5,340.40	\$ 256,847.67
Special Purpose Funds:						
Special Highway	64,620.92	16,284.97	16,316.55	64,589.34	-	64,589.34
Parks and Recreation	34,616.15	938.61	-	35,554.76	-	35,554.76
Local Sales Tax	138,220.67	92,261.73	56,034.76	174,447.64	21,811.84	196,259.48
Waterline Repair	68,418.28	26,256.00	22,901.77	71,772.51	-	71,772.51
Capital Improvement Reserve	160,170.12	15,000.00	-	175,170.12	-	175,170.12
Capital Equipment Reserve	6,555.28	5,000.00	-	11,555.28	-	11,555.28
Water Bond Reserve	25,045.80	-	-	25,045.80	-	25,045.80
Sewer Reserve	23,200.87	-	-	23,200.87	-	23,200.87
American Rescue Plan Act	32,303.97	45,553.83	1,811.20	76,046.60	-	76,046.60
Business Funds:						
Grocery Store	101,597.74	992,262.04	989,674.48	104,185.30	5,739.83	109,925.13
Water	115,711.35	209,395.79	208,653.70	116,453.44	2,447.67	118,901.11
Sewer	76,126.59	64,035.56	62,616.83	77,545.32	3,545.12	81,090.44
Sanitation	3,135.40	47,878.96	44,109.00	6,905.36	-	6,905.36
Total Reporting Entity (Excluding Agency Funds)	\$ 1,099,887.73	\$ 1,944,036.20	\$ 1,829,944.32	\$ 1,213,979.61	\$ 38,884.86	\$ 1,252,864.47
Composition of Cash:						
	Cash on Hand.....					\$ 834.00
	Checking Accounts.....					1,048,901.49
	Investments.....					220,318.24
	Total Cash					1,270,053.73
	Agency Funds Per Schedule 3					(17,189.26)
	Total Reporting Entity (Excluding Agency Funds)					\$ 1,252,864.47

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

## CITY OF ST. PAUL, KANSAS

Notes to the Financial Statement  
For the Year Ended December 31, 2022

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement and schedules of the City of St. Paul, Kansas, have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow. Note 1 describes how the City's accounting policies differ from accounting principles generally accepted in the United States of America.

#### Financial Reporting Entity

The City of St. Paul, Kansas (the City) is a municipal corporation governed by a Mayor and elected five member council. This financial statement presents the City of St. Paul, Kansas.

*Related Municipal Entity.* A related municipal entity is determined by the following criteria. Whether the City exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the City. Related municipal entities are not required to be included in the City's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the City has no such potential related municipal entities.

#### Regulatory Basis Fund Types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the City of St. Paul, Kansas, for the year of 2022:

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Regulatory Basis Fund Types (Continued)

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.)

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

Basis of Presentation – Regulatory Basis of Accounting

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at 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 municipality 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 municipality to use the regulatory basis of accounting.

Pension Plan

Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System, which is a multi-employer state-wide pension plan. The City’s policy is to fund all pension costs accrued. Such costs to be funded are actuarially determined annually by the State of Kansas.

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as cash receipts. In the financial statement and budget schedule comparisons presented in this report, reimbursements and refunds are recorded as cash receipts. The reimbursements are recorded as cash receipts when received by the City Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are a lien on the property.



**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Special Assessments

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

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 City did not hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in 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. During the year ended December 31, 2022 the City did not amend the published budget.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, 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 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.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Budgetary Information (Continued)

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

- American Rescue Plan Act Fund
- Capital Improvement Reserve Fund
- Capital Equipment Reserve Fund
- Water Bond Reserve Fund
- Sewer Reserve Fund

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.

**2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Compliance with Kansas Statutes

Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1 and Schedule 1, the City was in apparent compliance with Kansas cash basis and budget laws.

Management is not aware of any other material statutory violations.

**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 branch 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 bank 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 Government 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, 2022.

*Deposits:* At year-end, the City’s carrying amount of deposits was \$1,269,219.73 and the bank balance was \$1,330,431.87. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$286,756.31 was covered by FDIC insurance and \$1,043,675.56 was collateralized with a repurchase agreement.

#### 4. **DEFINED BENEFIT PENSION PLAN**

##### General Information about the Pension Plan

*Plan description.* The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publically 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](http://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, 2018. Effective January 1, 2018, 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, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.90% for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were \$19,738.66 for KPERS for the year ended December 31, 2022.

##### Net Pension Liability

At December 31, 2022, the City's proportionate share of the collective net pension liability reported by KPERS was \$218,884.00. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and nonemployer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

**5. LONG-TERM DEBT**

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

Issue	Interest Rates	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
<b>General Obligation Bonds:</b>									
<b>Paid with Tax Levies</b>									
Series 2003	1.50-5.00%	January 1, 2003	\$ 645,000.00	September 1, 2024	\$ 95,000.00	-	\$ 30,000.00	\$ 65,000.00	\$ 4,750.00
Series 2008-A	4.375%	September 18, 2008	285,500.00	September 18, 2048	238,825.00	-	4,791.00	234,034.00	10,448.59
Series 2008-B	3.625%	September 18, 2008	264,500.00	September 18, 2048	215,235.00	-	4,825.00	210,410.00	7,802.27
<b>Total Contractual Indebtedness</b>					<b>\$ 549,060.00</b>	<b>-</b>	<b>\$ 39,616.00</b>	<b>\$ 509,444.00</b>	<b>\$ 23,000.86</b>

### 5. LONG-TERM DEBT (Continued)

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

Issue	2023	2024	2025	2026	2027	2028-2032
<b>Principal</b>						
<b>General Obligation Bonds:</b>						
Series 2003	\$ 30,000.00	\$ 35,000.00	\$ -	\$ -	\$ -	\$ -
Series 2008-A	5,000.00	5,191.00	5,446.00	5,684.00	5,933.00	33,742.00
Series 2008-B	5,000.00	5,161.00	5,368.00	5,563.00	5,764.00	32,074.00
Total Principal Payments	40,000.00	45,352.00	10,814.00	11,247.00	11,697.00	65,816.00
<b>Interest</b>						
<b>General Obligation Bonds:</b>						
Series 2003	3,250.00	1,750.00	-	-	-	-
Series 2008-A	10,238.99	10,020.24	9,793.13	9,554.87	9,306.19	42,407.41
Series 2008-B	7,627.36	7,446.11	7,259.03	7,064.44	6,862.78	31,026.76
Total Interest Payments	21,116.35	19,216.35	17,052.16	16,619.31	16,168.97	73,434.17
Total Principal and Interest	\$ 61,116.35	\$ 64,568.35	\$ 27,866.16	\$ 27,866.31	\$ 27,865.97	\$ 139,250.17
<b>Principal</b>						
<b>General Obligation Bonds:</b>						
Series 2003	-	-	-	-	-	65,000.00
Series 2008-A	41,830.00	51,821.00	64,199.00	15,188.00	234,034.00	210,410.00
Series 2008-B	38,350.00	45,825.00	54,759.00	12,546.00	210,410.00	509,444.00
Total Principal Payments	80,180.00	97,646.00	118,958.00	27,734.00	509,444.00	509,444.00
<b>Interest</b>						
<b>General Obligation Bonds:</b>						
Series 2003	-	-	-	-	5,000.00	-
Series 2008-A	34,347.77	24,361.41	11,989.17	664.48	162,683.66	118,186.39
Series 2008-B	24,773.87	17,300.75	8,370.50	454.79	118,186.39	285,870.05
Total Interest Payments	59,121.64	41,662.16	20,359.67	1,119.27	285,870.05	795,314.05
Total Principal and Interest	\$ 139,301.64	\$ 139,308.16	\$ 139,317.67	\$ 28,853.27	\$ 795,314.05	\$ 139,250.17

## **6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS**

### *Death and Disability Other Post-Employment Benefits*

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

### *Compensated Absences:*

All full-time officers and employees of the City are eligible for vacation benefits in varying annual amounts. Full time employees will be granted paid vacation time as follows:

- From date of employment to December 31 of that year, considered first calendar year, one week (5 working days) will be earned for vacation.
- After second calendar year of employment, two weeks (10 working days) will be earned for vacation.
- After ten calendar years of employment, three weeks (15 working days) will be earned for vacation.

Annual leave shall be paid at the employee's regular salary rate during each annual leave period. All requests for annual leave shall be submitted to the Supervisor.

Sick leave accrues to all employees that are scheduled to work 20 hours or more per pay period for each quarter of service and shall be paid at the employee's regular rate during any such leave period, except that the term 'sick leave' as herein used may include necessary absence from duty caused by injury sustained on the job, but does not include absence from work after the employee becomes eligible for worker's compensation disability benefits. Employees scheduled to work 25 hours per pay period shall earn one (1) day (8) hours of sick leave for each quarter of service worked. Employees scheduled to work 20 hours or more per pay period shall earn ½ day (4 hours) of sick leave for each quarter of service worked. The sick leave provisions herein granted shall be accumulated from year to year, but no officer or employee shall be credited with more than two hundred (200) hours of accumulated sick leave. The council may require satisfactory evidence of any illness or absence from duty at the time any payroll is approved.

The City has no policy regarding compensatory time, however it is accumulated.

The City determines a liability for compensated absences when the following conditions are met:

1. The City's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

In accordance with the above criteria, the City has accrued a liability for annual leave and compensatory time, which has been earned, but not taken, by City employees. The estimated liability at December 31, 2022, was \$14,689.16 for all annual leave.

**6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS** (Continued)

*Other Post Employment Benefits:*

As provided by K.S.A. 12-5040, the local government 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 these financial statements.

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

**7. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The City manages these risks of loss through the purchase of various insurance policies.

**8. INTERFUND TRANSFERS**

Operating transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	Capital Improvement Reserve	K.S.A 12-1,118	\$ 15,000.00
General	Capital Equipment Reserve	K.S.A 12-1,117	5,000.00

**9. SUBSEQUENT EVENTS**

The City evaluated events and transactions occurring subsequent year end, and there were no subsequent events requiring recognition or disclosure in the financial statement. Additionally, there were no nonrecognized subsequent events requiring disclosure.

## **SUPPLEMENTARY INFORMATION**



## CITY OF ST. PAUL, KANSAS

Summary of Expenditures - Actual and Budget  
 (Budgeted Funds Only)  
 Regulatory Basis  
 For the Year Ended December 31, 2022

Funds	Certified Budget	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General Fund	\$ 548,813.00	\$ 427,826.03	\$ (120,986.97)
Special Purpose Funds:			
Special Highway	77,523.00	16,316.55	(61,206.45)
Parks and Recreation	35,085.00	-	(35,085.00)
Local Sales Tax	215,419.00	56,034.76	(159,384.24)
Waterline Repair	94,547.00	22,901.77	(71,645.23)
Business Funds:			
Grocery Store	1,045,202.00	989,674.48	(55,527.52)
Water	297,981.00	208,653.70	(89,327.30)
Sewer	140,184.00	62,616.83	(77,567.17)
Sanitation	44,489.00	44,109.00	(380.00)

**CITY OF ST. PAUL, KANSAS**  
**GENERAL FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Receipts				
Ad Valorem Property Tax	\$ 138,879.71	\$ 140,503.68	\$ 145,009.00	\$ (4,505.32)
Delinquent Tax	8,069.78	7,709.62	5,000.00	2,709.62
Motor Vehicle Tax	31,353.39	32,450.72	33,084.00	(633.28)
Recreational Vehicle Tax	333.62	315.65	285.00	30.65
16 & 20M Truck Tax	418.55	307.56	365.00	(57.44)
Commercial Vehicle Tax	7,903.79	7,612.19	7,396.00	216.19
Watercraft Tax	-	-	130.00	(130.00)
General Sales Tax	40,085.06	41,727.84	37,368.00	4,359.84
Alcoholic Beverage Tax	57.57	368.62	-	368.62
Franchise Tax	35,680.96	43,251.81	31,115.00	12,136.81
Federal APRA - Fire Grant	-	91,085.53	-	91,085.53
Licenses and Permits				
Fees, Licenses & Permits	1,263.50	790.00	500.00	290.00
Reinstate Fees	1,000.00	800.00	500.00	300.00
Fines, Forfeitures and Penalties				
Diversions	5,755.00	4,500.00	3,000.00	1,500.00
Fines and Forfeitures	32,289.31	34,991.05	30,000.00	4,991.05
Charges for Services				
Service Fees	252.32	(210.27)	200.00	(410.27)
Fire Protection Services	6,000.00	7,500.00	-	7,500.00
Use of Money and Property				
Interest Income	3,055.69	2,727.25	3,500.00	(772.75)
Other Receipts				
Reimbursed Expenses	10,707.74	12,737.46	9,200.00	3,537.46
Grants and Donations	4,500.00	-	-	-
Operating Transfers from:				
Water Fund	102.66	-	-	-
Local Sales Tax Fund	8,956.06	-	-	-
Residual Transfer from:				
Mission Township	1,056.05	-	-	-
<b>Total Receipts</b>	<b>337,720.76</b>	<b>429,168.71</b>	<b>\$ 306,652.00</b>	<b>\$ 122,516.71</b>
<b>Expenditures</b>				
General Government				
Personal Services	73,606.14	90,336.21	\$ 125,000.00	\$ (34,663.79)
Contractual Services	99,109.29	121,332.20	150,000.00	(28,667.80)
Commodities	45,639.13	9,913.64	76,604.00	(66,690.36)
Capital Outlay	-	-	43,809.00	(43,809.00)

**CITY OF ST. PAUL, KANSAS**  
**GENERAL FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures				
Municipal Court				
Personal Services	\$ 666.87	\$ 760.82	\$ 1,000.00	\$ (239.18)
Contractual Services	22,495.00	21,620.00	15,600.00	6,020.00
Fire				
Personal Services	4,572.20	4,989.28	5,000.00	(10.72)
Contractual Services	29,874.98	15,077.65	15,000.00	77.65
Commodities	361.09	-	5,000.00	(5,000.00)
Capital Outlay	119.37	91,085.53	-	91,085.53
Streets				
Personal Services	31,461.30	51,903.32	35,000.00	16,903.32
Contractual Services	976.49	-	24,200.00	(24,200.00)
Commodities	-	-	15,000.00	(15,000.00)
Parks and Recreation				
Personal Services	807.38	807.38	2,000.00	(1,192.62)
Contractual Services	29.38	-	2,000.00	(2,000.00)
Commodities	-	-	13,600.00	(13,600.00)
Operating Transfers to:				
Capital Improvement Reserve Fund	15,000.00	15,000.00	15,000.00	-
Capital Equipment Reserve Fund	5,000.00	5,000.00	5,000.00	-
<b>Total Expenditures</b>	<b>329,718.62</b>	<b>427,826.03</b>	<b>\$ 548,813.00</b>	<b>\$ (120,986.97)</b>
Receipts Over(Under) Expenditures	8,002.14	1,342.68		
Unencumbered Cash, Beginning	242,162.45	250,164.59		
Unencumbered Cash, Ending	<u>\$ 250,164.59</u>	<u>\$ 251,507.27</u>		

**CITY OF ST. PAUL, KANSAS**  
**SPECIAL HIGHWAY FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Motor Fuel Tax	\$ 8,871.06	\$ 16,284.97	\$ 15,350.00	\$ 934.97
Intergovernmental Grants	8,413.81	-	-	-
Total Receipts	17,284.87	16,284.97	\$ 15,350.00	\$ 934.97
Expenditures				
General Government				
Contractual Services	547.48	-	\$ 38,705.00	\$ (38,705.00)
Commodities	14,289.54	16,316.55	38,818.00	(22,501.45)
Total Expenditures	14,837.02	16,316.55	\$ 77,523.00	\$ (61,206.45)
Receipts Over(Under) Expenditures	2,447.85	(31.58)		
Unencumbered Cash, Beginning	62,173.07	64,620.92		
Unencumbered Cash, Ending	\$ 64,620.92	\$ 64,589.34		

**CITY OF ST. PAUL, KANSAS**  
**PARKS AND RECREATION FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Receipts				
Alcohol Beverage Tax	\$ 57.57	\$ 368.61	\$ -	\$ 368.61
Licenses and Permits				
Fees, Licenses & Permits	220.00	70.00	200.00	(130.00)
Parks and Recreation Fees	500.00	500.00	500.00	-
<b>Total Receipts</b>	<u>777.57</u>	<u>938.61</u>	<u>\$ 700.00</u>	<u>\$ 238.61</u>
<b>Expenditures</b>				
Culture and Recreation				
Contractual Services	-	-	\$ 10,000.00	\$ (10,000.00)
Commodities	545.00	-	10,000.00	(10,000.00)
Capital Outlay	-	-	15,085.00	(15,085.00)
<b>Total Expenditures</b>	<u>545.00</u>	<u>-</u>	<u>\$ 35,085.00</u>	<u>\$ (35,085.00)</u>
Receipts Over(Under) Expenditures	232.57	938.61		
Unencumbered Cash, Beginning	<u>34,383.58</u>	<u>34,616.15</u>		
Unencumbered Cash, Ending	<u>\$ 34,616.15</u>	<u>\$ 35,554.76</u>		

**CITY OF ST. PAUL, KANSAS**  
**LOCAL SALES TAX FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Taxes and Shared Receipts				
General Sales Tax	\$ 90,211.70	\$ 92,261.73	\$ 88,065.00	\$ 4,196.73
<b>Total Receipts</b>	<b>90,211.70</b>	<b>92,261.73</b>	<b>\$ 88,065.00</b>	<b>\$ 4,196.73</b>
<b>Expenditures</b>				
Economic Development				
Contractual Services	-	18,481.84	\$ 30,000.00	\$ (11,518.16)
Commodities	15,728.08	-	55,000.00	(55,000.00)
Capital Outlay	-	-	130,419.00	(130,419.00)
Grocery Store				
Contractual Services	22,776.37	32,352.92	-	32,352.92
Water Utility				
Contractual Services	-	5,200.00	-	5,200.00
Debt Services				
GO Bond Principal	30,000.00	-	-	-
Operating Transfer to General Fund	8,956.06	-	-	-
<b>Total Expenditures</b>	<b>77,460.51</b>	<b>56,034.76</b>	<b>\$ 215,419.00</b>	<b>(159,384.24)</b>
Receipts Over(Under) Expenditures	12,751.19	36,226.97		
Unencumbered Cash, Beginning	125,469.48	138,220.67		
Unencumbered Cash, Ending	<b>\$ 138,220.67</b>	<b>\$ 174,447.64</b>		

**CITY OF ST. PAUL, KANSAS**  
**WATERLINE REPAIR FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Waterline Repair Charge	\$ 24,646.00	\$ 26,256.00	\$ 26,342.00	\$ (86.00)
Total Receipts	24,646.00	26,256.00	\$ 26,342.00	\$ (86.00)
Expenditures				
Waterline Repair				
Contractual Services	-	-	\$ 12,054.00	\$ (12,054.00)
Tower Maintenance	22,288.84	22,901.77	28,000.00	(5,098.23)
Commodities	-	-	12,054.00	(12,054.00)
Capital Outlay	-	-	42,439.00	(42,439.00)
Total Expenditures	22,288.84	22,901.77	\$ 94,547.00	\$ (71,645.23)
Receipts Over(Under) Expenditures	2,357.16	3,354.23		
Unencumbered Cash, Beginning	66,061.12	68,418.28		
Unencumbered Cash, Ending	\$ 68,418.28	\$ 71,772.51		

**CITY OF ST. PAUL, KANSAS**  
**CAPITAL IMPROVEMENT RESERVE FUND**  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

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

	<u>Prior</u> <u>Year</u> <u>Actual</u>	<u>Current</u> <u>Year</u> <u>Actual</u>
Receipts		
Operating Transfer from General Fund	\$ 15,000.00	\$ 15,000.00
Total Receipts	<u>15,000.00</u>	<u>15,000.00</u>
Expenditures		
Capital Outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over(Under) Expenditures	15,000.00	15,000.00
Unencumbered Cash, Beginning	<u>145,170.12</u>	<u>160,170.12</u>
Unencumbered Cash, Ending	<u>\$ 160,170.12</u>	<u>\$ 175,170.12</u>



**CITY OF ST. PAUL, KANSAS**  
**CAPITAL EQUIPMENT RESERVE FUND**  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year Ended December 31, 2022  
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2021)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Operating Transfer from General Fund	\$ 5,000.00	\$ 5,000.00
Total Receipts	<u>5,000.00</u>	<u>5,000.00</u>
Expenditures		
Capital Outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over(Under) Expenditures	5,000.00	5,000.00
Unencumbered Cash, Beginning	<u>1,555.28</u>	<u>6,555.28</u>
Unencumbered Cash, Ending	<u>\$ 6,555.28</u>	<u>\$ 11,555.28</u>

**CITY OF ST. PAUL, KANSAS**  
**WATER BOND RESERVE FUND**

Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from Water Fund	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	25,045.80	25,045.80
Unencumbered Cash, Ending	<u>\$ 25,045.80</u>	<u>\$ 25,045.80</u>

**CITY OF ST. PAUL, KANSAS**  
**SEWER RESERVE FUND**

Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year Actual
Receipts		
Operating Transfer from:		
Sewer Fund	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	23,200.87	23,200.87
Unencumbered Cash, Ending	\$ 23,200.87	\$ 23,200.87

**CITY OF ST. PAUL, KANSAS**  
**AMERICAN RESCUE PLAN ACT FUND**

Schedule of Receipts and Expenditures - Actual  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year Actual
Receipts		
Taxes and Shared Receipts		
Federal Grants	\$ 45,553.83	\$ 45,553.83
Total Receipts	45,553.83	45,553.83
Expenditures		
Personal Services	13,249.86	1,811.20
Total Expenditures	13,249.86	1,811.20
Receipts Over(Under) Expenditures	32,303.97	43,742.63
Unencumbered Cash, Beginning	-	32,303.97
Unencumbered Cash, Ending	\$ 32,303.97	\$ 76,046.60

**CITY OF ST. PAUL, KANSAS**  
**GROCERY STORE FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Receipts				
Kansas Sales Tax	\$ 4,568.65	\$ -	\$ -	\$ -
Charges for Services				
Grocery Store Receipts	973,667.01	992,262.04	940,000.00	52,262.04
Other Receipts				
Reimbursed Expense	265.31	-	-	-
<b>Total Receipts</b>	<b>978,500.97</b>	<b>992,262.04</b>	<b>\$ 940,000.00</b>	<b>\$ 52,262.04</b>
Expenditures				
Grocery Store				
Personal Services	181,980.25	179,861.40	\$ 190,058.00	\$ (10,196.60)
Contractual Services	68,342.95	70,396.50	67,000.00	3,396.50
Commodities	731,782.60	739,416.58	729,804.00	9,612.58
Capital Outlay	-	-	58,340.00	(58,340.00)
<b>Total Expenditures</b>	<b>982,105.80</b>	<b>989,674.48</b>	<b>\$ 1,045,202.00</b>	<b>\$ (55,527.52)</b>
Receipts Over(Under) Expenditures	(3,604.83)	2,587.56		
Unencumbered Cash, Beginning	105,202.57	101,597.74		
Unencumbered Cash, Ending	<b>\$ 101,597.74</b>	<b>\$ 104,185.30</b>		

**CITY OF ST. PAUL, KANSAS**  
**WATER FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
<b>Receipts</b>				
Charges for Services				
Water Sales	\$ 185,640.27	\$ 208,113.79	\$ 181,058.00	\$ 27,055.79
Utility Meter Connection	445.00	110.00	250.00	(140.00)
Utility Service Charges	810.00	1,172.00	500.00	672.00
Other Receipts				
Reimbursed Expense	87.69	-	-	-
<b>Total Receipts</b>	<b>186,982.96</b>	<b>209,395.79</b>	<b>\$ 181,808.00</b>	<b>\$ 27,587.79</b>
<b>Expenditures</b>				
Water				
Personal Services	44,663.30	34,534.49	\$ 55,000.00	\$ (20,465.51)
Contractual Services	54,088.66	66,516.04	60,201.00	6,315.04
Commodities	42,147.73	44,986.31	55,670.00	(10,683.69)
Capital Outlay	-	-	57,694.00	(57,694.00)
Debt Service				
Series 2008B Principal	4,656.00	4,825.00	4,825.00	-
Series 2008A Principal	4,590.00	4,791.00	4,791.00	-
Series 2003 Principal	-	30,000.00	30,000.00	-
Series 2008B Interest	7,971.05	7,802.27	7,802.00	0.27
Series 2008A Interest	10,649.41	10,448.59	10,448.00	0.59
Series 2003 Interest	6,250.00	4,750.00	4,750.00	-
Operating Transfer to:				
General Fund	102.66	-	-	-
Water Reserve Fund	-	-	6,800.00	(6,800.00)
<b>Total Expenditures</b>	<b>175,118.81</b>	<b>208,653.70</b>	<b>\$ 297,981.00</b>	<b>\$ (89,327.30)</b>
Receipts Over(Under) Expenditures	11,864.15	742.09		
Unencumbered Cash, Beginning	103,847.20	115,711.35		
Unencumbered Cash, Ending	<b>\$ 115,711.35</b>	<b>\$ 116,453.44</b>		

**CITY OF ST. PAUL, KANSAS**  
**SEWER FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Sewer Sales	\$ 64,170.84	\$ 64,035.56	\$ 64,464.00	\$ (428.44)
Total Receipts	64,170.84	64,035.56	\$ 64,464.00	\$ (428.44)
Expenditures				
Sewer				
Personal Services	47,056.26	49,273.06	\$ 58,410.00	\$ (9,136.94)
Contractual Services	12,664.59	11,440.20	26,371.00	(14,930.80)
Commodities	4,176.43	1,903.57	7,002.00	(5,098.43)
Capital Outlay	-	-	41,601.00	(41,601.00)
Operating Transfer to Sewer Reserve Fund	-	-	6,800.00	(6,800.00)
Total Expenditures	63,897.28	62,616.83	\$ 140,184.00	\$ (77,567.17)
Receipts Over(Under) Expenditures	273.56	1,418.73		
Unencumbered Cash, Beginning	75,853.03	76,126.59		
Unencumbered Cash, Ending	\$ 76,126.59	\$ 77,545.32		

**CITY OF ST. PAUL, KANSAS**  
**SANITATION FUND**

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2022

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Receipts				
Charges for Services				
Sanitation Sales	\$ 43,178.28	\$ 47,878.96	\$ 41,000.00	\$ 6,878.96
Total Receipts	43,178.28	47,878.96	\$ 41,000.00	\$ 6,878.96
Expenditures				
Trash				
Contractual Services	43,530.70	44,109.00	\$ 44,489.00	\$ (380.00)
Total Expenditures	43,530.70	44,109.00	\$ 44,489.00	\$ (380.00)
Receipts Over(Under) Expenditures	(352.42)	3,769.96		
Unencumbered Cash, Beginning	3,487.82	3,135.40		
Unencumbered Cash, Ending	\$ 3,135.40	\$ 6,905.36		



**CITY OF ST. PAUL, KANSAS**  
**Agency Funds**  
Schedule of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended December 31, 2022

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Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Payroll Clearing	\$ 3,942.53	\$ 350,926.05	\$ 354,863.00	\$ 5.58
Sales Tax Clearing	7,718.56	80,231.04	76,814.18	11,135.42
Deposit Clearing	-	12,357.58	9,809.83	2,547.75
Penalty Clearing	-	4,380.75	4,025.04	355.71
Mission Township	-	20,000.00	16,855.20	3,144.80
	\$ 11,661.09	\$ 467,895.42	\$ 462,367.25	\$ 17,189.26



The Honorable Mayor and City Council  
City of St. Paul, Kansas

In planning and performing our audit of the financial statement of the City of St. Paul, Kansas as of and for the year ended December 31, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered City of St. Paul, Kansas' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of City of St. Paul, Kansas' internal control. Accordingly, we do not express an opinion on the effectiveness of City of St. Paul, Kansas' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiency in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in internal control to be material weaknesses:

Segregation of Duties

An internal control structure is, quite simply, the procedures and policies in effect which ensure that the City's financial activity is properly recorded, processed, summarized, and reported in the financial statement. A weakness in the control structure occurs when one person is responsible for all of the accounting activities such as performing billings, receipting cash, making deposits, reconciling the bank accounts, and having access to all books and records of the City. Due to small staff size, it is not possible for reviews of daily work to take place, potentially resulting in errors in financial records and reports.

This communication is intended solely for the information and use of management, the Mayor, City Council, and others within the City of St. Paul, Kansas, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Jarred, Gilmore & Phillips, PA*

JARRED, GILMORE & PHILLIPS, PA  
Certified Public Accountants

Chanute, Kansas  
April 07, 2023

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Jarred, Gilmore & Phillips, PA  
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