

**CITY OF DODGE CITY, KANSAS**

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**FINANCIAL STATEMENT  
with  
INDEPENDENT AUDITOR'S REPORT  
and  
UNIFORM GUIDANCE REPORTS  
YEAR ENDED DECEMBER 31, 2022**

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## INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Commissioners  
Dodge City, Kansas

### ***Adverse and Unmodified Opinions***

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of the City of Dodge City, 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 Dodge City, 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 balances of the City of Dodge City, 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 A.

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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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 of Dodge City, Kansas and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

As discussed in Note A of the financial statement, the financial statement is prepared by the City of Dodge City, 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 A 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 A; 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, which raise substantial doubt about the City of Dodge City, Kansas' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statement***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures, and summary of regulatory basis receipts and disbursements – agency funds (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*. The schedule of expenditures of federal awards is presented for additional analysis as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is also not a required part of the basic financial statement. 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 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 A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Dodge City, Kansas as of and for the year ended December 31, 2021 (not presented herein), and have issued our report thereon dated August 19, 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 website of the Kansas Department of Administration at the following link: <https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits>. The 2021 actual column (2021 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended December 31, 2022 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the 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 A.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2023 on our consideration of the City of Dodge City, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Dodge City, Kansas' internal control over financial reporting and compliance.

*Kennedy McKee & Company LLP*

August 29, 2023

**CITY OF DODGE CITY, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES  
AND UNENCUMBERED CASH  
REGULATORY BASIS**

For the Year Ended December 31, 2022

Fund	Beginning unencumbered cash balance (deficit)	Prior year cancelled encumbrances	Receipts
General fund:			
General	\$ 5,057,230	\$ 92,754	\$ 17,593,826
Special purpose funds:			
Special liability	-	-	469,992
Library	36,311	-	1,100,183
Library employee benefits	1,586	-	232,945
Sales tax	626,248	-	8,525,500
Convention and visitors	790,998	-	1,162,269
Special streets and highways	538,589	-	1,098,961
Special parks and recreation	42,872	-	133,563
Special alcohol and drug	10,079	-	133,563
Alcohol and drug safety action	8,567	-	300
Development and growth	244,757	-	741,711
Non-budgeted special purpose funds:			
Sales tax organizations	287,778	-	710,000
Sales tax depreciation and replacement	1,317,518	-	12,600
Sales tax event	14,128	-	206,972
Rural housing incentive district	304,672	-	759,601
Transient guest tax	262,496	-	362,748
Special law enforcement trust	42,239	-	6,773
Economic development revolving	237,865	-	129,447
Hoover trust	128,941	-	2,671
Roof insurance repairs	365,788	-	-
Medical insurance reserve	3,975,728	-	2,347,776
Capital equipment reserve	167,805	-	478,954
Hilmar	-	-	465,329
GREAT	6,394	-	4,186
Fire CPR training	18,015	-	15,176
Municipal band	7,966	-	18,500
SMPC trust	181,506	-	23,000
Depot	652,750	-	283,354
Civil asset forfeiture	18,077	-	-
Public art	50,124	-	10,000
Total special purpose funds	10,339,797	-	19,436,074

## STATEMENT 1

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<u>Expenditures</u>	<u>Ending unencumbered cash balance (deficit)</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance (deficit)</u>
<u>\$ 17,450,019</u>	<u>\$ 5,293,791</u>	<u>\$ 1,200,535</u>	<u>\$ 6,494,326</u>
469,992	-	-	-
1,060,000	76,494	-	76,494
226,000	8,531	-	8,531
7,033,869	2,117,879	32,975	2,150,854
833,378	1,119,889	2,662	1,122,551
1,531,292	106,258	307,854	414,112
100,000	76,435	-	76,435
121,489	22,153	-	22,153
-	8,867	-	8,867
522,364	464,104	211	464,315
663,285	334,493	14,901	349,394
473,278	856,840	44,394	901,234
218,750	2,350	-	2,350
493,265	571,008	324	571,332
210,000	415,244	-	415,244
3,050	45,962	241	46,203
5,713	361,599	1,493	363,092
-	131,612	-	131,612
-	365,788	-	365,788
2,532,915	3,790,589	51,321	3,841,910
877,643	(230,884)	270,816	39,932
-	465,329	-	465,329
5,871	4,709	-	4,709
2,765	30,426	-	30,426
16,243	10,223	-	10,223
-	204,506	-	204,506
225,847	710,257	19,072	729,329
7,250	10,827	-	10,827
6,519	53,605	-	53,605
<u>17,640,778</u>	<u>12,135,093</u>	<u>746,264</u>	<u>12,881,357</u>

**CITY OF DODGE CITY, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES  
AND UNENCUMBERED CASH  
REGULATORY BASIS**

For the Year Ended December 31, 2022

Fund	Beginning unencumbered cash balance (deficit)	Prior year cancelled encumbrances	Receipts
Special purpose grant funds:			
Runway 14-32 design	\$ (27,375)	\$ -	\$ 59,334
Police body worn cameras	-	-	2,968
Minibus grant 2020-21	64,156	-	-
Minibus grant 2021-22	(119,114)	-	389,525
Minibus grant 2022-23	-	-	213,129
Amercian Rescue Plan Act	1,815,657	-	2,068,159
KHRC moderate income housing	-	-	208,130
Opioid	-	-	6,558
USDA rural business development	(295,728)	-	200,619
Total grant funds	1,437,596	-	3,148,422
Bond and interest funds:			
GO bond and interest	13,718	-	4,563,593
Non-budgeted debt service funds:			
Cost of issuance	-	-	152,948
Special events center revenue bonds	4,335,517	-	2,428,043
Water park revenue bonds	1,138,572	-	519,691
Total debt service funds	5,487,807	-	7,664,275
Capital projects funds:			
Capital improvement	816,190	-	568,518
Non-budgeted capital project funds:			
Municipal services building	-	-	4,447,553
Temporary notes star bonds	312,072	-	-
GO bonds 2018	111,482	-	-
GO bonds 2013	781,422	-	-
Temporary notes Milstock	(598,229)	-	1,458,953
GO bonds 2016	135,595	-	-
GO bonds 2017	459,250	-	-
GO bonds 2019	65,820	-	-
GO bonds 2020	546,753	-	-
GO bonds 2022	-	-	7,810,000
Star bond power center	992,638	-	54,463
Temporary notes Wagon Wheel	79,572	-	-
Lease purchase trash truck	-	-	-
Candletree 6 infrastructure	883,122	-	-

Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
\$ 12,158	\$ 19,801	\$ -	\$ 19,801
702	2,266	-	2,266
9,385	54,771	-	54,771
270,411	-	-	-
306,780	(93,651)	18,955	(74,696)
1,597,048	2,286,768	-	2,286,768
139,327	68,803	-	68,803
-	6,558	-	6,558
-	(95,109)	-	(95,109)
<u>2,335,811</u>	<u>2,250,207</u>	<u>18,955</u>	<u>2,269,162</u>
4,569,780	7,531	-	7,531
144,670	8,278	-	8,278
2,684,113	4,079,447	-	4,079,447
682,372	975,891	-	975,891
<u>8,080,935</u>	<u>5,071,147</u>	<u>-</u>	<u>5,071,147</u>
646,458	738,250	-	738,250
3,271,505	1,176,048	144,825	1,320,873
-	312,072	-	312,072
60	111,422	-	111,422
60	781,362	-	781,362
678,899	181,825	-	181,825
-	135,595	-	135,595
-	459,250	-	459,250
121,562	(55,742)	-	(55,742)
36,651	510,102	10,171	520,273
-	7,810,000	-	7,810,000
1,338,193	(291,092)	141,475	(149,617)
279	79,293	-	79,293
548,500	(548,500)	-	(548,500)
883,122	-	1,000	1,000

**CITY OF DODGE CITY, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES  
AND UNENCUMBERED CASH  
REGULATORY BASIS**

For the Year Ended December 31, 2022

Fund	Beginning unencumbered cash balance (deficit)	Prior year cancelled encumbrances	Receipts
Capital projects funds (continued):			
Temporary notes Candletree	\$ 4,090,294	\$ -	\$ -
YMCA building	(117,618)	-	110,820
KLETC project	98,339	-	-
Boot Hill museum	423,132	-	-
Airport terminal renovation	(296,078)	-	-
Wagon Wheel III	(346,524)	-	79,452
Iron Flats	(91,888)	-	-
McCaustland Rd #2	246,098	-	-
Casa Del Rio	154,238	-	-
	<u>8,745,680</u>	<u>-</u>	<u>14,529,759</u>
Total capital projects funds			
Business funds:			
Water utility	3,440,054	-	6,738,572
Wastewater utility	1,627,317	-	7,544,358
Biogas operations	(387,979)	-	3,737,792
Solid waste utility	597,161	-	2,611,109
Drainage utility	104,339	10,249	272,993
Vehicle maintenance	-	-	397,009
Non-budgeted business funds:			
2009 temporary notes	17,409	-	-
Wastewater treatment plant construction	(273,000)	-	-
Water and wastewater revenue bonds	130,725	-	-
	<u>5,256,026</u>	<u>10,249</u>	<u>21,301,833</u>
Total business funds			
Total reporting entity	<u>\$ 36,324,136</u>	<u>\$ 103,003</u>	<u>\$ 83,674,189</u>

Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
\$ 1,769,899	\$ 2,320,395	\$ 27,358	\$ 2,347,753
-	(6,798)	-	(6,798)
69,437	28,902	-	28,902
498,026	(74,894)	-	(74,894)
215,094	(511,172)	27,716	(483,456)
5,275	(272,347)	-	(272,347)
2,519,192	(2,611,080)	286,312	(2,324,768)
163,948	82,150	-	82,150
4,097	150,141	-	150,141
12,770,257	10,505,182	638,857	11,144,039
6,139,727	4,038,899	537,390	4,576,289
6,140,069	3,031,606	61,293	3,092,899
4,510,073	(1,160,260)	1,112,887	(47,373)
2,390,833	817,437	36,321	853,758
210,200	177,381	77,332	254,713
397,009	-	11,953	11,953
-	17,409	-	17,409
1,462,165	(1,735,165)	133,053	(1,602,112)
-	130,725	-	130,725
21,250,076	5,318,032	1,970,229	7,288,261
\$ 79,527,876	\$ 40,573,452	\$ 4,574,840	\$ 45,148,292

**CITY OF DODGE CITY, KANSAS****SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES  
AND UNENCUMBERED CASH  
REGULATORY BASIS**

For the Year Ended December 31, 2022

## Composition of cash balance:

Demand deposits	\$ 1,762,442
Money market accounts	363,181
Certificates of deposit	10,133,726
Investments	35,501,266
Petty cash	<u>3,350</u>
Total cash	47,763,965
Agency funds	<u>(2,615,673)</u>
Total - excluding agency funds	<u><u>\$ 45,148,292</u></u>

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

# CITY OF DODGE CITY, KANSAS

## NOTES TO THE FINANCIAL STATEMENT

December 31, 2022

### A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the City's financial statement. The financial statement, schedules, and notes are representations of the City's management, which is responsible for their integrity and objectivity.

#### 1. Municipal Financial Reporting Entity

The City of Dodge City is a municipal corporation governed by a City Manager-Commission form of government. This regulatory financial statement presents the City of Dodge City (the Municipality) and does not include the related municipal entities shown below. A related municipal entity is an entity established to benefit the City and/or its constituents.

**Dodge City Public Library.** The members of the governing board of the Public Library are appointed by the City Commissioners. The Public Library is fiscally dependent on the City because the budget is approved by the City Commissioners. In addition, the Public Library is prohibited from issuing bonded debt without the approval of the City Commission.

**Dodge City – Ford County Development Corporation.** Two members of the Corporation's Board of Directors are appointed by the City Commissioners. The Corporation is fiscally dependent on the City because nearly all employees of the Corporation are paid by the City and are accountable to the City Manager and Commissioners.

**Dodge City Housing Authority.** The members of the governing board of the Housing Authority are appointed by the City Commission. Although the City does not have the authority to approve or modify the Housing Authority's operational and capital budgets, the Housing Authority has the authority to issue bonded debt, the City is fiscally responsible for the Housing Authority since it was created as an agent of the City.

**VenuWorks of Dodge City, L.L.C.** Was organized under the laws of the State of Iowa on November 1, 2010 to operate United Wireless Arena. The City engaged VenuWorks to manage all activities and operations of the facility.

#### 2. Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Basis of Presentation – Fund Accounting (Continued)

The following types of funds comprise the financial activities of the City for the year ended December 31, 2022:

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.).

Agency fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity.

3. 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.

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.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. 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:

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

If the City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City did 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 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. The following budget was amended during the year:

<u>Fund</u>	<u>Original budget</u>	<u>Amended budget</u>
Water Utility Fund	\$4,791,080	\$5,491,080

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 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

A legal operating budget is not required for special purpose grant funds, certain bond and interest funds, capital project funds and the following special purpose and business funds:

Sales Tax Organizations	Hilmar
Sales Tax Depreciation & Replacement	GREAT
Sales Tax Event	Fire CPR Training
Rural Housing Incentive District	Municipal Band
Transient Guest Tax	SMPC Trust
Special Law Enforcement Trust	Depot
Economic Development Revolving	Civil Asset Forfeiture
Hoover Trust	Public Art
Roof Insurance Repairs	2009 Temporary Notes
Medical Insurance Reserve	Wastewater Treatment Plant
Capital Equipment Reserve	Water and Wastewater Revenue Bonds

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

5. Special Assessments

Projects financed in part by special assessments are financed through issuance of general obligation bonds of the City and are retired from the Bond and Interest Fund. Special assessments paid prior to the issuance of bonds are recorded as receipts in the appropriate project. Special assessments received after the issuance of bonds are recorded as receipts in the Bond and Interest Fund.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, the Kansas Department of Administration, and legal representatives of the City.

The budget law provided by K.S.A. 79-2935 prohibits the expenditure of funds in excess of that allowed by budget. Expenditures exceeded the adopted budget of the Sales Tax, Special Streets and Highways, Special Drug and Alcohol, GO Bond and Interest, Water Utility Fund, and Biogas Operating funds by \$64,188; \$159,974; \$44,954, \$80,417, \$648,647 and \$645,793, respectively.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in excess of available monies in a fund. Funds in the category are as follows:

Capital Equipment Reserve	\$	230,884
GO Bonds 2019		55,742
Star Bond Power Center		291,092
Lease Purchase Trash Truck		548,500
YMCA Building		6,798
Boot Hill museum		74,894
Airport terminal renovation		511,172
Wagon Wheel III		272,347
CREW building		2,611,080

B. COMPLIANCE WITH KANSAS STATUTES (CONTINUED)

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in excess of available monies in a fund. Funds in the category are as follows (continued):

Biogas Operations	\$	1,160,260
Wastewater Treatment Plant Construction		1,735,165

Although the following special purpose federal grant funds overspent their cash balances, according to K.S.A. 12-1664, the City is not prohibited from financing the federal share of a local program from current funds if available.

Minibus Grant 2022-23	\$	93,651
USDA Rural Business Development		95,109

C. DEPOSITS AND INVESTMENTS

As of December 31, 2022, the City had the following investments and maturities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturity</u>	<u>Rating</u>
Kansas Municipal Investment Pool	\$28,140,072	< 1 Year	N/A
Escrow Accounts – Dreyfus	5,051,093	< 1 Year	AAAm
Federated Government Obligation Fund	<u>2,310,101</u>	< 1 Year	AAAm
	<u>\$35,501,266</u>		

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 to 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 municipality may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City’s allocation of investments as of December 31, 2022 is as follows:

<u>Investment</u>	<u>Percentage of Investments</u>
Kansas Municipal Investment Pool	79%
Escrow Accounts – Dreyfus	14%
Federated Government Obligation Fund	7%

C. DEPOSITS AND INVESTMENTS (CONTINUED)

*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.

At December 31, 2022, the City's carrying amount of deposits, including certificates of deposit, was \$12,259,349 and the bank balance was \$13,457,311. Of the bank balance, \$2,000,000 was covered by federal depository insurance and \$11,457,311 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.

At December 31, 2022, the City had invested \$28,140,072 in the State's Municipal Investment Pool. The Municipal Investment Pool is under the oversight of the Pooled Money Investment Board. The Board is comprised of the State Treasurer and four additional members appointed by the State Governor. The Board reports annually to the Kansas Legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

D. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	<u>Project authorization</u>	<u>Cash disbursements and accounts payable to date</u>
Downtown Streetscape	\$ 13,920,661	\$ 1,466,625
Iron Road Improvements	1,828,879	1,611,766
Iron Flats Infrastructure	6,298,327	605,191
South Wastewater Treatment Plant Expansion	<u>37,370,500</u>	<u>150,000</u>
Total	<u>\$ 59,418,367</u>	<u>\$ 3,833,582</u>

## E. LONG-TERM DEBT

Changes in long-term liabilities for the municipal financial reporting entity for the year ended December 31, 2022, were as follows:

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ payments</u>	<u>Balance end of year</u>	<u>Interest paid</u>
General obligation bonds:					
Series 2012-B issued August 1, 2012 in the amount of \$21,285,000 at interest rates of 2.00% to 4.00% maturing September 1, 2032	\$6,435,000	\$ -	\$2,020,000	\$4,415,000	\$ 219,038
Series 2014-A issued December 1, 2014 in the amount of \$675,000 at interest rates of 2.00% to 3.25% maturing September 1, 2029	390,000	-	45,000	345,000	12,087
Series 2016-A issued February 3, 2016 in the amount of \$5,705,000 at interest rates of 2.00% to 3.125% maturing September 1, 2035	4,265,000	-	250,000	4,015,000	128,406
Series 2016-B issued December 15, 2016 in the amount of \$2,000,000 at interest rates of 2.00% to 4.00% maturing September 1, 2031	1,405,000	-	120,000	1,285,000	49,925
Series 2017-A issued June 1, 2017 in the amount of \$2,860,000 at interest rates of 2.50% to 3.00% maturing September 1, 2026	1,580,000	-	300,000	1,280,000	45,775
Series 2017-B issued December 28, 2017 in the amount of \$5,815,000 at interest rates of 2.00% to 4.00% maturing September 1, 2029	4,965,000	-	595,000	4,370,000	192,650
Series 2018-A issued December 20, 2018 in the amount of \$3,950,000 at interest rates of 3.00% to 5.00% maturing September 1, 2033	3,400,000	-	220,000	3,180,000	128,675
Series 2019-A issued December 5, 2019 in the amount of \$16,875,000 at interest rates of 2.125% to 4.00% maturing September 1, 2039	14,590,000	-	1,160,000	13,430,000	515,788
Series 2019-B issued December 5, 2019 in the amount of \$7,000,000 at interest rates of 2.183% to 2.896% maturing September 1, 2039	4,440,000	-	1,335,000	3,105,000	107,483
Series 2020-A issued August 13, 2020 in the amount of \$4,200,000 at interest rates of 1.00% to 2.00% maturing September 1, 2040	4,015,000	-	190,000	3,825,000	54,922

## E. LONG-TERM DEBT (CONTINUED)

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ payments</u>	<u>Balance end of year</u>	<u>Interest paid</u>
Series 2021-A issued September 1, 2021 in the amount of \$7,725,000 at interest rates of 1.00% to 2.00% maturing September 1, 2040	\$7,725,000	\$ -	\$ 300,000	\$7,425,000	\$ 144,417
Series 2022-A Issued August 25, 2022 in the amount of \$8,990,000 at interest rates of 3.00% to 5.00% maturing September 1, 2042	-	8,990,000	-	8,990,000	-
Total general obligation bonds	<u>53,210,000</u>	<u>8,990,000</u>	<u>6,535,000</u>	<u>55,665,000</u>	<u>1,599,166</u>
Revenue bonds:					
Series 2015 issued March 7, 2016 in the amount of \$9,840,000 at interest rates of 2.00% to 4.00% maturing June 1, 2034	7,585,000	-	420,000	7,165,000	262,272
Series 2016 issued March 22, 2016 in the amount of \$32,435,000 at interest rates of 1.75% to 5.00% maturing June 1, 2034	<u>29,455,000</u>	<u>-</u>	<u>1,480,000</u>	<u>27,975,000</u>	<u>1,204,012</u>
Total revenue bonds	<u>37,040,000</u>	<u>-</u>	<u>1,900,000</u>	<u>35,140,000</u>	<u>1,466,284</u>
Loans:					
KDHE - Wastewater loan issued September 22, 2009 in the amount of \$35,715,446 at the interest rate of 2.83% maturing March 1, 2031	<u>7,819,414</u>	<u>-</u>	<u>686,816</u>	<u>7,132,598</u>	<u>216,464</u>
Finance leases:					
CREW Building issued February 12, 2021 in the amount of \$715,866 at the interest rate of 2.276% maturing February 12, 2031	715,866	-	64,560	651,306	16,286
Radio Equipment issued June 1, 2016 in the amount of \$695,740 at the interest rate of 1.765% maturing June 1, 2023	206,029	-	102,107	103,922	3,660
Airport Hangar issued April 5, 2013 in the amount of \$349,878 at the interest rate of 3.00% maturing April 5, 2023	78,483	-	38,661	39,822	2,355
2018 Fire Truck issued October 18, 2018 in the amount of \$935,000 at the interest rate of 2.99% maturing October 18, 2027	<u>575,634</u>	<u>-</u>	<u>89,355</u>	<u>486,279</u>	<u>17,211</u>
Total finance leases	<u>1,576,012</u>	<u>-</u>	<u>294,683</u>	<u>1,281,329</u>	<u>39,512</u>

## E. LONG-TERM DEBT (CONTINUED)

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ payments</u>	<u>Balance end of year</u>	<u>Interest paid</u>
Temporary notes:					
GO Temporary Notes issued September 1, 2021 in the amount of \$2,235,000 at the interest rate of 0.45% maturing September 1, 2023	\$2,235,000	\$ -	\$ -	\$2,235,000	\$ 10,558
GO Temporary Notes issued August 25, 2022 in the amount of \$1,495,000 at the interest rate of 2.60% maturing June 1, 2024	-	1,495,000	-	1,495,000	-
GO Temporary Notes issued August 13, 2020 in the amount of \$1,285,000 at the interest rate of 0.75% maturing September 1, 2022	1,285,000	-	1,285,000	-	9,638
GO Temporary Notes issued September 1, 2020 in the amount of \$1,230,000 at interest rates of 0.06% to 1.00% maturing September 1, 2024	<u>925,000</u>	<u>-</u>	<u>305,000</u>	<u>620,000</u>	<u>7,080</u>
Total temporary notes	<u>4,445,000</u>	<u>1,495,000</u>	<u>1,590,000</u>	<u>4,350,000</u>	<u>27,276</u>
Total long-term debt	<u>\$104,090,426</u>	<u>\$10,485,000</u>	<u>\$11,006,499</u>	<u>\$103,568,927</u>	<u>\$3,348,702</u>

Current maturities of general obligation bonds and interest for the next five years and in five-year increments through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2023	\$ 5,680,000	\$ 1,756,007	\$ 7,436,007
2024	5,760,000	1,566,340	7,326,340
2025	4,590,000	1,378,841	5,968,841
2026	4,370,000	1,217,634	5,587,634
2027	4,180,000	1,059,670	5,239,670
2028-2032	17,940,000	3,279,638	21,219,638
2033-2037	7,490,000	1,410,769	8,900,769
2038-2042	<u>5,655,000</u>	<u>484,244</u>	<u>6,139,244</u>
Total	<u>\$ 55,665,000</u>	<u>\$ 12,153,143</u>	<u>\$ 67,818,143</u>

E. LONG-TERM DEBT (CONTINUED)

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

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2023	\$ 2,020,000	\$ 1,428,313	\$ 3,448,313
2024	2,160,000	1,331,713	3,491,713
2025	2,260,000	1,275,150	3,535,150
2026	2,415,000	1,166,900	3,581,900
2027	2,575,000	1,051,100	3,626,100
2028-2032	15,595,000	3,274,193	18,869,193
2033-2034	<u>8,115,000</u>	<u>467,838</u>	<u>8,582,838</u>
Total	<u>\$ 35,140,000</u>	<u>\$ 9,995,207</u>	<u>\$ 45,135,207</u>

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

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2023	\$ 706,391	\$ 179,497	\$ 885,888
2024	726,523	161,143	887,666
2025	747,229	142,266	889,495
2026	768,525	122,851	891,376
2027	790,429	102,883	893,312
2028-2031	<u>3,393,501</u>	<u>200,222</u>	<u>3,593,723</u>
Total	<u>\$ 7,132,598</u>	<u>\$ 908,862</u>	<u>\$ 8,041,460</u>

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

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2023	\$ 301,796	\$ 32,405	\$ 334,201
2024	162,307	25,110	187,417
2025	166,678	20,739	187,417
2026	171,169	16,248	187,417
2027	173,577	11,635	185,212
2028-2031	<u>305,802</u>	<u>17,597</u>	<u>323,399</u>
Total	<u>\$ 1,281,329</u>	<u>\$ 123,734</u>	<u>\$ 1,405,063</u>

Current maturities of temporary notes and interest through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2023	\$ 2,545,000	\$ 53,605	\$ 2,598,605
2024	<u>1,805,000</u>	<u>41,040</u>	<u>1,846,040</u>
Total	<u>\$ 4,350,000</u>	<u>\$ 94,645</u>	<u>\$ 4,444,645</u>

F. INTERFUND TRANSACTIONS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
General	Capital equipment	\$ 478,954	K.S.A. 68-141g
General	Municipal band	18,500	K.S.A. 12-101a
General	Sales tax	2,500	K.S.A. 12-101a
General	Capital improvement	102,158	K.S.A. 12-1,118
Sales tax	Special event center revenue bond	2,596,475	Resolution No. 2009-09
Sales tax	Water park revenue bond	551,968	Resolution No. 2015-03
Sales tax	Sales tax organizations	710,000	Resolution No. 2009-09
Sales tax	Sales tax event	150,000	Resolution No. 2009-09
Sales tax	General	150,000	Resolution No. 2009-09
Special park and recreation	General	100,000	Contractual
Sales tax organizations	Depot	250,000	Interfund
Special streets and highway	GO bond and interest	550,000	K.S.A. 68-590
Development and growth	GO bond and interest	290,875	K.S.A. 12-825d
Development and growth	General	51,250	K.S.A. 12-825d
American rescue plan act	Municipal service building	1,108,166	
Convention & visitors	General	150,000	K.S.A. 12-825d
Water utility	General	466,500	K.S.A. 12-825d
Water utility	Municipal service building	700,000	K.S.A. 12-825d
Wastewater utility	General	447,132	K.S.A. 12-825d
Biogas operations	Wastewater utility	416,662	K.S.A. 12-1,118
Biogas operations	GO bond and interest	810,000	K.S.A. 12-1,118
Biogas operations	Capital improvement	205,000	K.S.A. 12-1,118
Biogas operations	General	37,500	K.S.A. 12-825d
Sanitation	General	187,027	K.S.A. 12-825d
Drainage	General	95,516	K.S.A. 12-825d
Drainage	GO bond and interest	<u>112,045</u>	K.S.A. 12-1,118
		<u>\$10,738,228</u>	

Transfers to the related municipal entity were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>
Library	Dodge City Public Library	\$1,060,000
Library employee benefits	Dodge City Public Library	<u>226,000</u>
		<u>\$1,286,000</u>

## G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

*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 the financial statement.

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

*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 was set at 1% and contributions were \$0 for the year ended December 31, 2022.

*Termination Benefits.* The City provides an early retirement program for certain eligible employees. Full-time employees may voluntarily elect to retire early. Qualifying employees must have at least 10 years of continuous service with the City, must meet the KPERS or KP&F Early Retirement Qualifications (years of experience plus age), and must not be more than 64 years of age. The rate of retirement compensation is an annual sum of \$7,200. Benefits will cease when the retiree reaches age 65.

The future commitment for the voluntary early retirement plan is as follows:

	<u>Amount</u>
2023	\$ 104,400
2024	84,738
2025	72,000
2026	65,354
2027	64,800
2028-2032	166,428
2033-2034	<u>9,692</u>
Total	<u>\$ 567,412</u>

*Section 125 Plan.* The City offers a Section 125 flexible benefit plan to employees electing to participate. It is used for health insurance premiums, other medical costs, and child-care costs. The plan is administered by the health insurance provider.

*Health Savings Account.* The City offers eligible employees a health savings account administered by Fidelity State Bank. It is optional for employees to participate in the City's high deductible health plan. The City's match for the HSA is \$750 for family and \$250 for single.

## G. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

*Compensated Absences.* The City's policies regarding vacation permit an employee to accumulate a maximum of 20 to 30 days of vacation, depending on years of experience. These amounts are paid to the employee upon retirement or if the employee left in good standing. A maximum accumulation of 120 days of sick leave is allowed. Upon retirement or termination, 25% of the accumulated sick leave is paid to employees in good standing and with twelve continuous months of service. The City has a sick leave bank whereby employees can transfer excess sick leave and have exhausted their own sick leave accumulation. The sick leave bank is administered by a committee of City employees. All employees are given credit for holidays worked, which is then accumulated for additional time off. This holiday time must be taken within the same year in which earned, or the time is lost.

## H. 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 publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Annual Comprehensive 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, 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. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by the City and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 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 KPERS and 22.99% for KP&F for the fiscal year ended December 31, 2022. Contributions to the pension plan from the City were \$584,721 for KPERS, \$1,176,077 for KP&F, and \$9,256 for KPERS working after retirement for the year ended December 31, 2022.

## H. DEFINED BENEFIT PENSION PLAN (CONTINUED)

### Net Pension Liability

At December 31, 2022, the City's proportionate share of the collective net pension liability reported by KPERS was \$6,300,789 and \$9,788,644 for KP&F. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial 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.

## I. 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; natural disasters; and medical needs of employees. The City participates in a public entity risk pool to cover worker's compensation claims. The City purchases commercial insurance to cover property, liability, and medical needs of employees. There have been no significant reductions in coverage from the prior year. Settled claims have not exceeded coverage in any of the past three years.

## J. CONTINGENCIES

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the City at December 31, 2022.

## K. JOINT VENTURES

On January 1, 1993, the City of Dodge City, Kansas entered into a joint venture with Ford County, Kansas, for the operation of a communications center. By joint resolution, the Dodge City/Ford County Emergency Communications Board was created to operate the Dodge City/Ford County Communications Department. The Board consists of equal membership of City and County personnel. The department provides emergency communications for City and County agencies and is physically located in a separate location. The budgeted operating expenditures are shared equally by the two governments.

## K. JOINT VENTURES (CONTINUED)

On July 21, 1997, the City of Dodge City, Kansas entered into a joint venture with Ford County, Kansas for the construction and operation of certain public projects. On June 10, 1997, the voters of Dodge City and Ford County approved a one-half percent city-wide and a one-half percent county-wide retailer's sales tax to finance these projects. The projects included but were not limited to the following: air conditioning at the Civic Center building; an outdoor motor sports complex; field sport facilities, including a baseball/softball complex and additional soccer facilities and renovation of existing facilities; and a special events center.

All City sales tax revenues for these projects are deposited into the Sales Tax Fund. County sales tax revenues which are designated for Ford County and the City of Dodge City are transferred to the City and deposited into the same fund. All expenditures from the Sales Tax Fund are subject to approval of the City Commission. All real estate acquired for the projects is titled to the City.

The interlocal agreement was amended on August 10, 2005. The agreement created a Community Facilities Advisory Board (CFAB) to serve as the project review and advisory committee. There are seven members on the Board: one City Commissioner, one County Commissioner, four at-large members and the Chairperson of the Board of Directors of the Dodge City/Ford County Development Corporation, or their designee.

On November 18, 2010, the City of Dodge City, Kansas entered into a joint venture with Venuworks of Dodge City, LLC. The agreement calls for Venuworks to operate and manage the Special Events Center. The City retains title and ownership of the Center. Venuworks receives a flat monthly management fee plus variable management fees for food and beverage sales, contractually obligated incomes, and fulfillment fees. Variable commissions are capped on an annual basis.

On November 5, 2012, the City of Dodge City, Kansas entered into a joint venture with Young Men's Christian Association of Southwest Kansas (YMCA). The agreement calls for the YMCA to operate and manage the Parks and Recreation Department. The City retains title to all Parks and Recreation property. The City reimburses the YMCA for a percentage of payroll and also for large property purchases and repairs.

## L. RELATED PARTY TRANSACTIONS

The City transacted business with the Sound Shop in the amount of \$92,014 and Taylor's Roadhouse in the amount of \$277,210. The owners of these businesses also serve on the City Commission.

## M. SUBSEQUENT EVENTS

Management has evaluated events subsequent to year end through August 29, 2023 and believes the only subsequent events occurring after year end are the expansion of the south wastewater treatment plant, and the passage of the one-half percent increase in sales tax.

**REGULATORY-REQUIRED  
SUPPLEMENTARY INFORMATION**

## CITY OF DODGE CITY, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022

<u>Funds</u>	<u>Certified budget</u>	<u>Adjustment for qualifying budget credits</u>	<u>Total for budget comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General fund:					
General	\$ 19,670,160	\$ -	\$ 19,670,160	\$ 17,450,019	\$ 2,220,141
Special purpose funds:					
Special liability	1,165,907	-	1,165,907	469,992	695,915
Library	1,060,000	-	1,060,000	1,060,000	-
Library employee benefits	226,000	-	226,000	226,000	-
Sales tax	6,969,681	-	6,969,681	7,033,869	(64,188)
Convention and visitors	1,028,764	-	1,028,764	833,378	195,386
Special streets and highways	1,018,237	353,081	1,371,318	1,531,292	(159,974)
Special parks and recreation	100,000	-	100,000	100,000	-
Special alcohol and drug	76,535	-	76,535	121,489	(44,954)
Alcohol and drug safety action	-	-	-	-	-
Development and growth	625,000	-	625,000	522,364	102,636
Bond and interest funds:					
GO bond and interest	4,489,363	-	4,489,363	4,569,780	(80,417)
Capital project fund:					
Capital improvement fund	830,000	-	830,000	646,458	183,542
Business funds:					
Water utility	5,491,080	-	5,491,080	6,139,727	(648,647)
Wastewater utility	6,716,476	-	6,716,476	6,140,069	576,407
Biogas operations	3,864,280	-	3,864,280	4,510,073	(645,793)
Solid waste utility	2,507,773	-	2,507,773	2,390,833	116,940
Drainage utility	310,500	-	310,500	210,200	100,300
Vehicle maintenance	448,022	-	448,022	397,009	51,013
<b>Total</b>	<b><u>\$ 56,597,778</u></b>	<b><u>\$ 353,081</u></b>	<b><u>\$ 56,950,859</u></b>	<b><u>\$ 54,352,552</u></b>	<b><u>\$ 2,598,307</u></b>

See Independent Auditor's Report.

**CITY OF DODGE CITY, KANSAS**

**GENERAL FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 3,923,481	\$ 3,786,418	\$ 3,860,737	\$ (74,319)
Motor vehicle tax	663,195	642,146	375,719	266,427
Recreational vehicle tax	3,438	3,794	2,071	1,723
16/20M truck tax	-	-	1,820	(1,820)
Delinquent tax	206,249	189,164	80,000	109,164
Commercial vehicle tax	29,931	33,883	21,259	12,624
Local alcoholic liquor tax	107,942	133,603	76,535	57,068
Local sales tax	5,461,088	6,077,999	4,931,682	1,146,317
Payment in lieu of taxes	34,486	40,258	32,710	7,548
Licenses, permits and fees	229,283	420,990	254,600	166,390
Franchise fees	1,964,261	1,963,109	1,750,000	213,109
Police	242,834	269,699	160,000	109,699
Engineering fees	8,670	10,934	5,000	5,934
Airport	155,934	150,286	132,200	18,086
Cemetery	110,568	102,988	78,000	24,988
Recreation	-	600	-	600
Golf course	546,005	642,397	400,000	242,397
Licenses, permits and fees - other	41,418	46,666	-	46,666
Fines and forfeitures	708,014	759,343	663,250	96,093
Animal control	36,683	48,748	50,000	(1,252)
Rent and leases	120,111	151,540	106,000	45,540
Misc. charges for service	6,331	4,751	6,000	(1,249)
Interest	5,727	147,302	10,000	137,302
State aid	33,807	33,830	15,100	18,730
Operating grants	29,183	14,245	150,000	(135,755)
Contributions & donations	23,450	141,001	15,000	126,001
Zoo contributions	(529)	711	-	711
Sale of equipment	760	83,825	-	83,825
Sale of labor and materials	11,422	5,582	15,000	(9,418)
Other	26,945	3,089	-	3,089
Operating transfers in	1,847,528	1,684,925	2,382,493	(697,568)
<b>Total receipts</b>	<b>16,578,215</b>	<b>17,593,826</b>	<b>\$ 15,575,176</b>	<b>\$ 2,018,650</b>

**CITY OF DODGE CITY, KANSAS**

**GENERAL FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Expenditures:				
Commission:				
Personal services	\$ 60,276	\$ 61,738	\$ 67,439	\$ 5,701
Contractual services	2,494	15,099	13,550	(1,549)
Commodities	-	145	1,100	955
Subtotal	<u>62,770</u>	<u>76,982</u>	<u>82,089</u>	<u>5,107</u>
Depot train station:				
Personal services	17,297	19,458	26,586	7,128
Contractual services	1,689	1,358	1,500	142
Commodities	128	456	1,200	744
Subtotal	<u>19,114</u>	<u>21,272</u>	<u>29,286</u>	<u>8,014</u>
Economic development:				
Personal services	412,184	428,831	418,800	(10,031)
Reimbursed wages	(69,991)	(52,853)	(41,000)	11,853
Subtotal	<u>342,193</u>	<u>375,978</u>	<u>377,800</u>	<u>1,822</u>
Police department:				
Personal services	4,693,515	4,758,383	5,136,707	378,324
Contractual services	431,620	408,673	480,225	71,552
Commodities	235,894	236,353	198,070	(38,283)
Capital outlay	130,306	38,432	41,835	3,403
Subtotal	<u>5,491,335</u>	<u>5,441,841</u>	<u>5,856,837</u>	<u>414,996</u>
Animal control:				
Personal services	275,054	305,261	312,154	6,893
Contractual services	75,158	78,486	69,050	(9,436)
Commodities	42,807	49,677	41,675	(8,002)
Capital outlay	75,019	-	1,300	1,300
Subtotal	<u>468,038</u>	<u>433,424</u>	<u>424,179</u>	<u>(9,245)</u>

**CITY OF DODGE CITY, KANSAS**

**GENERAL FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Fire department:				
Personal services	\$ 2,234,923	\$ 2,234,545	\$ 2,427,473	\$ 192,928
Contractual services	88,128	119,952	77,000	(42,952)
Commodities	61,406	66,546	51,250	(15,296)
Capital outlay	33,640	103	1,000	897
Subtotal	2,418,097	2,421,146	2,556,723	135,577
Municipal court:				
Personal services	264,561	242,188	257,276	15,088
Contractual services	216,938	262,598	238,450	(24,148)
Commodities	7,204	8,861	7,700	(1,161)
Capital outlay	-	6,380	3,800	(2,580)
Subtotal	488,703	520,027	507,226	(12,801)
Public works:				
Personal services	243,677	297,070	298,724	1,654
Contractual services	453,906	456,848	450,200	(6,648)
Commodities	23,517	45,544	42,400	(3,144)
Subtotal	721,100	799,462	791,324	(8,138)
Engineering:				
Personal services	314,285	354,977	371,356	16,379
Contractual services	15,685	16,777	17,100	323
Commodities	6,928	10,712	8,950	(1,762)
Capital outlay	-	1,976	2,000	24
Subtotal	336,898	384,442	399,406	14,964
Airport:				
Personal services	127,899	103,663	137,284	33,621
Contractual services	104,972	122,921	99,300	(23,621)
Commodities	38,699	37,097	41,600	4,503
Capital outlay	25,272	(4,182)	-	4,182
Hangar lease	41,016	41,016	41,017	1
Subtotal	337,858	300,515	319,201	18,686

**CITY OF DODGE CITY, KANSAS**

**GENERAL FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Cemetery:				
Personal services	\$ 136,512	\$ 126,555	\$ 142,126	\$ 15,571
Contractual services	31,838	33,652	39,445	5,793
Commodities	17,030	21,950	21,625	(325)
Subtotal	185,380	182,157	203,196	21,039
Public transportation:				
Contractual services	5,198	157,395	230,000	72,605
Recreation - administrative:				
Contractual services	7,575	(10,734)	16,500	27,234
Capital outlay	-	-	25,000	25,000
Subtotal	7,575	(10,734)	41,500	52,234
Park:				
Personal services	838,764	877,543	987,099	109,556
Contractual services	122,945	122,001	127,320	5,319
Commodities	165,876	196,640	123,100	(73,540)
Capital outlay	6,375	3,159	4,500	1,341
Subtotal	1,133,960	1,199,343	1,242,019	42,676
Zoo:				
Personal services	136,256	104,811	151,828	47,017
Contractual services	23,193	11,323	22,200	10,877
Commodities	46,824	35,441	68,700	33,259
Capital outlay	-	-	11,000	11,000
Subtotal	206,273	151,575	253,728	102,153

**CITY OF DODGE CITY, KANSAS**

**GENERAL FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Golf course:				
Personal services	\$ 416,230	\$ 433,255	\$ 410,201	\$ (23,054)
Contractual services	84,612	121,042	81,200	(39,842)
Commodities	205,203	305,568	193,200	(112,368)
Subtotal	706,045	859,865	684,601	(175,264)
Hennessey hall:				
Personal services	17,955	19,195	37,234	18,039
Contractual services	172,057	114,227	96,200	(18,027)
Commodities	15,440	11,280	15,700	4,420
Subtotal	205,452	144,702	149,134	4,432
Development services:				
Personal services	436,311	523,218	552,116	28,898
Contractual services	92,330	167,169	221,025	53,856
Commodities	21,023	39,125	19,850	(19,275)
Capital outlay	938	10,783	1,000	(9,783)
Subtotal	550,602	740,295	793,991	53,696
Administration:				
Personal services	916,861	929,171	949,974	20,803
Contractual services	288,997	354,500	311,800	(42,700)
Commodities	17,688	21,092	24,100	3,008
Capital outlay	-	9,952	14,500	4,548
Subtotal	1,223,546	1,314,715	1,300,374	(14,341)
Attorney:				
Contractual services	-	218	-	(218)

CITY OF DODGE CITY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Information systems:				
Personal services	\$ -	\$ 275,375	\$ 305,596	\$ 30,221
Contractual services	-	1,955	9,800	7,845
Commodities	-	2,164	4,000	1,836
Capital outlay	-	2,291	-	(2,291)
Subtotal	-	281,785	319,396	37,611
Non-departmental:				
Contractual services	886,521	869,574	108,950	(760,624)
Capital outlay	761,853	181,928	1,770,000	1,588,072
Other	-	-	745,500	745,500
Subtotal	1,648,374	1,051,502	2,624,450	1,572,948
Transfers out:				
Municipal band	18,500	21,000	-	(21,000)
Capital equipment	477,372	581,112	483,700	(97,412)
Subtotal	495,872	602,112	483,700	(118,412)
Total expenditures	17,054,383	17,450,019	\$ 19,670,160	\$ 2,220,141
Receipts over (under) expenditures	(476,168)	143,807		
Unencumbered cash, beginning of year	5,533,398	5,057,230	\$ 4,094,984	\$ 962,246
Prior year cancelled encumbrances	-	92,754		
Unencumbered cash, end of year	\$ 5,057,230	\$ 5,293,791		

See Independent Auditor's Report.

**CITY OF DODGE CITY, KANSAS**

**SPECIAL LIABILITY FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 385,299	\$ 384,213	\$ 391,756	\$ (7,543)
Motor vehicle tax	66,309	63,361	36,822	26,539
Recreational vehicle tax	344	374	203	171
16/20M truck tax	-	-	178	(178)
Delinquent tax	19,785	18,718	10,000	8,718
Commercial vehicle tax	3,009	3,326	2,084	1,242
Charge for services:				
Sales tax	-	-	116,034	(116,034)
Water	-	-	120,208	(120,208)
Wastewater	-	-	88,427	(88,427)
Sanitation	-	-	50,532	(50,532)
Biogas	-	-	74,000	(74,000)
Other	63	-	-	-
Contributions & donations	-	-	260,000	(260,000)
Total receipts	474,809	469,992	<u>\$ 1,150,244</u>	<u>\$ (680,252)</u>
Expenditures:				
Contractual services	474,809	469,992	<u>\$ 1,165,907</u>	<u>\$ 695,915</u>
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-	<u>\$ 15,663</u>	<u>\$ (15,663)</u>
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>		

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022

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

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 877,822	\$ 900,520	\$ 918,399	\$ (17,879)
Motor vehicle tax	151,181	143,374	84,082	59,292
Recreational vehicle tax	783	847	463	384
16/20M truck tax	-	-	407	(407)
Delinquent tax	44,865	42,100	40,000	2,100
Commercial vehicle tax	6,713	7,579	4,758	2,821
Payment in lieu of taxes	4,902	5,763	4,389	1,374
Total receipts	1,086,266	1,100,183	<u>\$ 1,052,498</u>	<u>\$ 47,685</u>
Expenditures:				
Appropriation to Library board	1,050,696	1,060,000	<u>\$ 1,060,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	35,570	40,183		
Unencumbered cash, beginning of year	741	36,311	<u>\$ 7,502</u>	<u>\$ 28,809</u>
Unencumbered cash, end of year	<u>\$ 36,311</u>	<u>\$ 76,494</u>		

See Independent Auditor's Report.

**CITY OF DODGE CITY, KANSAS**

**LIBRARY EMPLOYEE BENEFITS FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	<u>2021</u>	<u>2022</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes:				
Ad valorem tax	\$ 185,534	\$ 191,676	\$ 195,518	\$ (3,842)
Motor vehicle tax	23,848	30,276	17,775	12,501
Recreational vehicle tax	108	179	98	81
16/20M truck tax	-	-	86	(86)
Delinquent tax	10,012	9,213	8,000	1,213
Commercial vehicle tax	1,264	1,601	1,005	596
Total receipts	220,766	232,945	<u>\$ 222,482</u>	<u>\$ 10,463</u>
Expenditures:				
Appropriation to Library board	220,000	226,000	<u>\$ 226,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	766	6,945		
Unencumbered cash, beginning of year	820	1,586	<u>\$ 3,518</u>	<u>\$ (1,932)</u>
Unencumbered cash, end of year	<u>\$ 1,586</u>	<u>\$ 8,531</u>		

See Independent Auditor's Report.

CITY OF DODGE CITY, KANSAS

SALES TAX FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
<b>Receipts:</b>				
Local sales tax	\$ 7,086,250	\$ 7,959,084	\$ 6,397,056	\$ 1,562,028
Aquatics park revenue	330,028	394,342	480,000	(85,658)
Sports commission	17,683	43,087	-	43,087
Concessions	6,807	6,785	12,000	(5,215)
Interest	417	34,445	1,000	33,445
Contributions & donations	3,600	-	3,000	(3,000)
Sale of scrap	2,775	-	3,000	(3,000)
Athletic field:				
Other	49,571	75,585	103,000	(27,415)
Field rental	8,425	9,172	10,000	(828)
Racetrack sales	-	500	-	500
Operating transfers in	-	2,500	-	2,500
<b>Total receipts</b>	<b>7,505,556</b>	<b>8,525,500</b>	<b>\$ 7,009,056</b>	<b>\$ 1,516,444</b>
<b>Expenditures:</b>				
Field sports - maintenance:				
Personal services	219,822	240,151	\$ 273,915	\$ 33,764
Contractual services	118,783	131,075	112,250	(18,825)
Commodities	70,991	122,692	85,700	(36,992)
<b>Subtotal</b>	<b>409,596</b>	<b>493,918</b>	<b>471,865</b>	<b>(22,053)</b>
Field sports - tournaments:				
Personal services	53,938	58,839	69,569	10,730
Contractual services	101,773	136,835	107,500	(29,335)
Commodities	224	9,485	10,000	515
Sports commission	2,558	2,558	-	(2,558)
<b>Subtotal</b>	<b>158,493</b>	<b>207,717</b>	<b>187,069</b>	<b>(20,648)</b>
Administration:				
Contractual services	-	-	865,300	865,300
Other	-	-	2,800	2,800
<b>Subtotal</b>	<b>-</b>	<b>-</b>	<b>868,100</b>	<b>868,100</b>

**CITY OF DODGE CITY, KANSAS**

**SALES TAX FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Motor sports:				
Personal services	\$ 3,711	\$ 3,734	\$ 10,800	\$ 7,066
Contractual services	407,865	339,578	318,900	(20,678)
Commodities	32,142	25,971	12,000	(13,971)
Capital outlay	16,631	30,761	41,000	10,239
Subtotal	460,349	400,044	382,700	(17,344)
Special events centers:				
Contractual services	869,318	905,757	895,500	(10,257)
Commodities	2,561	146	44,160	44,014
Capital outlay	125,267	7,932	20,000	12,068
Subtotal	997,146	913,835	959,660	45,825
Facilities maintenance:				
Personal services	4,143	-	14,040	14,040
Contractual services	2,509	-	-	-
Commodities	1,717	-	7,300	7,300
Subtotal	8,369	-	21,340	21,340
Outdoor regional aquatics facility:				
Personal services	-	432,694	-	(432,694)
Contractual services	513,699	271,389	598,400	327,011
Commodities	37,607	104,298	12,500	(91,798)
Capital outlay	6,848	51,531	-	(51,531)
Subtotal	558,154	859,912	610,900	(249,012)

**CITY OF DODGE CITY, KANSAS**

SALES TAX FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	<u>2021</u>	<u>2022</u>		Variance favorable (unfavorable)
		<u>Actual</u>	<u>Budget</u>	
Operating transfers out	<u>\$ 4,598,005</u>	<u>\$ 4,158,443</u>	<u>\$ 3,468,047</u>	<u>\$ (690,396)</u>
Total expenditures	<u>7,190,112</u>	<u>7,033,869</u>	<u>\$ 6,969,681</u>	<u>\$ (64,188)</u>
Receipts over (under) expenditures	315,444	1,491,631		
Unencumbered cash, beginning of year	<u>310,804</u>	<u>626,248</u>	<u>\$ 141,066</u>	<u>\$ 485,182</u>
Unencumbered cash, end of year	<u>\$ 626,248</u>	<u>\$ 2,117,879</u>	<u>\$ 180,441</u>	<u>\$ 1,937,438</u>

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## CONVENTION &amp; VISITORS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Transient guest tax	\$ 919,276	\$ 1,088,243	\$ 890,000	\$ 198,243
Trolley charges	31,730	35,977	37,000	(1,023)
Contributions & donations	2	-	-	-
Other	10,363	38,049	3,250	34,799
Total receipts	<u>961,371</u>	<u>1,162,269</u>	<u>\$ 930,250</u>	<u>\$ 232,019</u>
Expenditures:				
Personal services	241,384	273,239	\$ 326,014	\$ 52,775
Contractual services	238,615	344,278	481,000	136,722
Commodities	40,453	30,379	35,750	5,371
Capital outlay	3,062	35,482	36,000	518
Operating transfers out	150,000	150,000	150,000	-
Total expenditures	<u>673,514</u>	<u>833,378</u>	<u>\$ 1,028,764</u>	<u>\$ 195,386</u>
Receipts over (under) expenditures	287,857	328,891		
Unencumbered cash, beginning of year	<u>503,141</u>	<u>790,998</u>	<u>\$ 415,809</u>	<u>\$ 375,189</u>
Unencumbered cash, end of year	<u>\$ 790,998</u>	<u>\$ 1,119,889</u>	<u>\$ 317,295</u>	<u>\$ 802,594</u>

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## SPECIAL STREETS AND HIGHWAYS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
State of Kansas gas tax	\$ 780,762	\$ 735,564	\$ 696,980	\$ 38,584
State aid	335,048	353,081	-	353,081
Other	1,188	10,316	-	10,316
Sale of scrap	130	-	-	-
Total receipts	<u>1,117,128</u>	<u>1,098,961</u>	<u>\$ 696,980</u>	<u>\$ 401,981</u>
Expenditures:				
Personal services	253,574	270,187	\$ 294,587	\$ 24,400
Contractual services	41,319	28,784	48,150	19,366
Commodities	170,529	183,394	213,500	30,106
Capital outlay	315,995	498,927	462,000	(36,927)
Operating transfers out	230,000	550,000	-	(550,000)
Adjustment for qualifying budget credits	-	-	353,081	353,081
Total expenditures	<u>1,011,417</u>	<u>1,531,292</u>	<u>\$ 1,371,318</u>	<u>\$ (159,974)</u>
Receipts over (under) expenditures	105,711	(432,331)		
Unencumbered cash, beginning of year	<u>432,878</u>	<u>538,589</u>	<u>\$ 378,376</u>	<u>\$ 160,213</u>
Unencumbered cash, end of year	<u>\$ 538,589</u>	<u>\$ 106,258</u>	<u>\$ 57,119</u>	<u>\$ 49,139</u>

See Independent Auditor's Report.

**CITY OF DODGE CITY, KANSAS**

**SPECIAL PARKS AND RECREATION FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	<u>2021</u>	<u>2022</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State of Kansas liquor tax	\$ 107,910	\$ 133,563	<u>\$ 76,535</u>	<u>\$ 57,028</u>
Expenditures:				
Operating transfers out	<u>133,500</u>	<u>100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	(25,590)	33,563		
Unencumbered cash, beginning of year	<u>68,462</u>	<u>42,872</u>	<u>\$ 38,862</u>	<u>\$ 4,010</u>
Unencumbered cash, end of year	<u>\$ 42,872</u>	<u>\$ 76,435</u>	<u>\$ 15,397</u>	<u>\$ 61,038</u>

See Independent Auditor's Report.

**CITY OF DODGE CITY, KANSAS**

**SPECIAL ALCOHOL AND DRUG FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS**

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	Actual	2022 Budget	Variance favorable (unfavorable)
Receipts:				
State of Kansas liquor tax	\$ 107,910	\$ 133,563	<u>\$ 76,535</u>	<u>\$ 57,028</u>
Expenditures:				
Contractual services	<u>98,386</u>	<u>121,489</u>	<u>\$ 76,535</u>	<u>\$ (44,954)</u>
Receipts over (under) expenditures	9,524	12,074		
Unencumbered cash, beginning of year	<u>555</u>	<u>10,079</u>	<u>\$ 555</u>	<u>\$ 9,524</u>
Unencumbered cash, end of year	<u>\$ 10,079</u>	<u>\$ 22,153</u>	<u>\$ 555</u>	<u>\$ 21,598</u>

See Independent Auditor's Report.

**CITY OF DODGE CITY, KANSAS**

ALCOHOL AND DRUG SAFETY ACTION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	<u>2021</u>	<u>2022</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Attorney fees	\$ -	\$ 300	\$ -	\$ 300
Expenditures	-	-	-	-
Receipts over (under) expenditures	-	300		
Unencumbered cash, beginning of year	<u>8,567</u>	<u>8,567</u>	<u>\$ -</u>	<u>\$ 8,567</u>
Unencumbered cash, end of year	<u>\$ 8,567</u>	<u>\$ 8,867</u>		

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## DEVELOPMENT AND GROWTH FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Lottery revenues	\$ 720,857	\$ 741,711	\$ 625,000	\$ 116,711
Expenditures:				
Principal	20,000	20,000	\$ -	\$ (20,000)
Interest	6,345	5,870	-	(5,870)
Contractual services	154,072	154,159	-	(154,159)
Commodities	388	210	-	(210)
Capital outlay	248,996	-	375,000	375,000
Operating transfers out	276,375	342,125	250,000	(92,125)
Total expenditures	706,176	522,364	\$ 625,000	\$ 102,636
Receipts over (under) expenditures	14,681	219,347		
Unencumbered cash, beginning of year	230,076	244,757	\$ 283,701	\$ (38,944)
Unencumbered cash, end of year	\$ 244,757	\$ 464,104	\$ 283,701	\$ 180,403

See Independent Auditor's Report.

**CITY OF DODGE CITY, KANSAS**

ALL NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the Year Ended December 31, 2022

	<u>Sales tax organizations</u>	<u>Sales tax depreciation and replacement</u>	<u>Sales tax event</u>
Receipts:			
Taxes:			
Ad valorem	\$ -	\$ -	\$ -
Local sales tax	-	-	-
Transient guest tax	-	-	-
Fines and forfeitures	-	-	-
Rent	-	-	-
Charges for service	-	-	-
Interest	-	-	-
State aid	-	-	-
Contributions & donations	-	12,500	56,972
Sale of labor, materials and land	-	-	-
Insurance recoveries	-	100	-
Operating transfers in	<u>710,000</u>	<u>-</u>	<u>150,000</u>
 Total receipts	 <u>710,000</u>	 <u>12,600</u>	 <u>206,972</u>
Expenditures:			
Personal services	-	-	-
Contractual services	413,150	-	218,750
Commodities	135	-	-
Capital outlay	-	473,278	-
Reimburse development costs	-	-	-
Lease payments	-	-	-
Operating transfers out	<u>250,000</u>	<u>-</u>	<u>-</u>
 Total expenditures	 <u>663,285</u>	 <u>473,278</u>	 <u>218,750</u>
Receipts over (under) expenditures	46,715	(460,678)	(11,778)
Unencumbered cash, beginning of year	<u>287,778</u>	<u>1,317,518</u>	<u>14,128</u>
Unencumbered cash (deficit), end of year	<u>\$ 334,493</u>	<u>\$ 856,840</u>	<u>\$ 2,350</u>

<u>Rural housing incentive district</u>	<u>Transient guest tax</u>	<u>Special law enforcement trust</u>	<u>Economic development revolving</u>	<u>Hoover trust</u>	<u>Roof insurance repairs</u>	<u>Medical insurance reserve</u>
\$ 759,601	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	362,748	-	-	-	-	-
-	-	6,773	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	2,113,051
-	-	-	129,447	2,671	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	234,725
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>759,601</u>	<u>362,748</u>	<u>6,773</u>	<u>129,447</u>	<u>2,671</u>	<u>-</u>	<u>2,347,776</u>
-	-	-	-	-	-	760,648
-	210,000	3,050	5,713	-	-	1,772,267
-	-	-	-	-	-	-
-	-	-	-	-	-	-
493,265	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>493,265</u>	<u>210,000</u>	<u>3,050</u>	<u>5,713</u>	<u>-</u>	<u>-</u>	<u>2,532,915</u>
266,336	152,748	3,723	123,734	2,671	-	(185,139)
304,672	262,496	42,239	237,865	128,941	365,788	3,975,728
<u>\$ 571,008</u>	<u>\$ 415,244</u>	<u>\$ 45,962</u>	<u>\$ 361,599</u>	<u>\$ 131,612</u>	<u>\$ 365,788</u>	<u>\$ 3,790,589</u>

**CITY OF DODGE CITY, KANSAS**

**ALL NON-BUDGETED SPECIAL PURPOSE FUNDS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS (CONTINUED)**

For the Year Ended December 31, 2022

	<u>Capital equipment reserve</u>	<u>Hilmar</u>	<u>GREAT</u>
Receipts:			
Taxes:			
Ad valorem	\$ -	\$ -	\$ -
Local sales tax	-	-	-
Transient guest tax	-	-	-
Fines and forfeitures	-	-	-
Rent	-	-	-
Charges for service	-	-	-
Interest	-	-	-
State aid	-	-	-
Contributions & donations	-	-	4,186
Sale of labor, materials and land	-	465,329	-
Insurance recoveries	-	-	-
Operating transfers in	478,954	-	-
	<u>478,954</u>	<u>465,329</u>	<u>4,186</u>
Total receipts			
	<u>478,954</u>	<u>465,329</u>	<u>4,186</u>
Expenditures:			
Personal services	-	-	-
Contractual services	-	-	2,284
Commodities	-	-	3,587
Capital outlay	771,077	-	-
Reimburse development costs	-	-	-
Lease payments	106,566	-	-
Operating transfers out	-	-	-
	<u>877,643</u>	<u>-</u>	<u>5,871</u>
Total expenditures			
	<u>877,643</u>	<u>-</u>	<u>5,871</u>
Receipts over (under) expenditures	(398,689)	465,329	(1,685)
Unencumbered cash, beginning of year	167,805	-	6,394
	<u>167,805</u>	<u>-</u>	<u>6,394</u>
Unencumbered cash (deficit), end of year	<u>\$ (230,884)</u>	<u>\$ 465,329</u>	<u>\$ 4,709</u>

See Independent Auditor's Report.

<u>Fire CPR Training</u>	<u>Municipal band</u>	<u>SMPC trust</u>	<u>Depot</u>	<u>Civil asset forfeiture</u>	<u>Public art</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 759,601
-	-	-	-	-	-	-
-	-	-	-	-	-	362,748
-	-	-	-	-	-	6,773
-	-	-	3,352	-	-	3,352
15,176	-	-	-	-	-	2,128,227
-	-	-	-	-	-	132,118
-	-	-	-	-	10,000	10,000
-	-	23,000	-	-	-	331,383
-	-	-	30,002	-	-	495,331
-	-	-	-	-	-	100
-	18,500	-	250,000	-	-	1,607,454
<u>15,176</u>	<u>18,500</u>	<u>23,000</u>	<u>283,354</u>	<u>-</u>	<u>10,000</u>	<u>5,837,087</u>
-	-	-	59,338	-	-	819,986
2,765	16,243	-	85,946	-	6,519	2,736,687
-	-	-	60,414	7,250	-	71,386
-	-	-	20,149	-	-	1,264,504
-	-	-	-	-	-	493,265
-	-	-	-	-	-	106,566
-	-	-	-	-	-	250,000
<u>2,765</u>	<u>16,243</u>	<u>-</u>	<u>225,847</u>	<u>7,250</u>	<u>6,519</u>	<u>5,742,394</u>
12,411	2,257	23,000	57,507	(7,250)	3,481	94,693
18,015	7,966	181,506	652,750	18,077	50,124	8,039,790
<u>\$ 30,426</u>	<u>\$ 10,223</u>	<u>\$ 204,506</u>	<u>\$ 710,257</u>	<u>\$ 10,827</u>	<u>\$ 53,605</u>	<u>\$ 8,134,483</u>

**CITY OF DODGE CITY, KANSAS**

**SPECIAL PURPOSE GRANT FUNDS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS**

For the Year Ended December 31, 2022

	<u>Runway 14-32 Design</u>	<u>Police body worn cameras</u>	<u>Minibus grant 2020-21</u>
Receipts:			
Federal grants and aid	\$ 58,726	\$ -	\$ -
State grants and aid	-	-	-
Contributions & donations	-	2,968	-
Other	608	-	-
	<hr/>	<hr/>	<hr/>
Total receipts	59,334	2,968	-
	<hr/>	<hr/>	<hr/>
Expenditures:			
Personal services	-	-	9,305
Contractual services	-	-	80
Commodities	-	702	-
Capital outlay	12,158	-	-
Operating transfers out	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	12,158	702	9,385
	<hr/>	<hr/>	<hr/>
Receipts over (under) expenditures	47,176	2,266	(9,385)
Unencumbered cash (deficit), beginning of year	(27,375)	-	64,156
	<hr/>	<hr/>	<hr/>
Unencumbered cash (deficit), end of year	<u>\$ 19,801</u>	<u>\$ 2,266</u>	<u>\$ 54,771</u>

<u>Minibus grant 2021-22</u>	<u>Minibus grant 2022-23</u>	<u>American rescue plan act</u>	<u>KHRC moderate income housing</u>	<u>Opioid</u>	<u>USDA rural business development</u>	<u>Total</u>
\$ -	\$ -	\$ 2,068,159	\$ -	\$ -	\$ 103,400	\$ 2,230,285
320,018	160,061	-	208,130	6,558	-	694,767
69,507	53,068	-	-	-	97,219	222,762
-	-	-	-	-	-	608
<u>389,525</u>	<u>213,129</u>	<u>2,068,159</u>	<u>208,130</u>	<u>6,558</u>	<u>200,619</u>	<u>3,148,422</u>
179,966	217,935	-	-	-	-	407,206
37,115	32,501	100,000	139,327	-	-	309,023
53,330	56,344	-	-	-	-	110,376
-	-	388,882	-	-	-	401,040
-	-	1,108,166	-	-	-	1,108,166
<u>270,411</u>	<u>306,780</u>	<u>1,597,048</u>	<u>139,327</u>	<u>-</u>	<u>-</u>	<u>2,335,811</u>
119,114	(93,651)	471,111	68,803	6,558	200,619	812,611
(119,114)	-	1,815,657	-	-	(295,728)	1,437,596
<u>\$ -</u>	<u>\$ (93,651)</u>	<u>\$ 2,286,768</u>	<u>\$ 68,803</u>	<u>\$ 6,558</u>	<u>\$ (95,109)</u>	<u>\$ 2,250,207</u>

## CITY OF DODGE CITY, KANSAS

## GO BOND AND INTEREST FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem tax	\$ 1,699,600	\$ 1,776,423	\$ 1,811,929	\$ (35,506)
Motor vehicle tax	280,959	275,791	161,244	114,547
Recreational vehicle tax	1,458	1,629	889	740
16/20M truck tax	-	-	781	(781)
Delinquent tax	75,328	81,689	50,000	31,689
Commercial vehicle tax	24,739	14,544	9,124	5,420
Special assessments	628,288	650,567	656,706	(6,139)
Interest	-	30	-	30
Operating transfers in	1,428,419	1,762,920	1,747,920	15,000
Total receipts	<u>4,138,791</u>	<u>4,563,593</u>	<u>\$ 4,438,593</u>	<u>\$ 125,000</u>
Expenditures:				
Bond principal	3,221,350	3,647,200	\$ 3,347,200	\$ (300,000)
Other financing payments	-	-	364,000	364,000
Interest	907,722	922,580	778,163	(144,417)
Total expenditures	<u>4,129,072</u>	<u>4,569,780</u>	<u>\$ 4,489,363</u>	<u>\$ (80,417)</u>
Receipts over (under) expenditures	9,719	(6,187)		
Unencumbered cash, beginning of year	<u>3,999</u>	<u>13,718</u>	<u>\$ 50,770</u>	<u>\$ (37,052)</u>
Unencumbered cash, end of year	<u>\$ 13,718</u>	<u>\$ 7,531</u>		

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## NON-BUDGETED DEBT SERVICE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the Year Ended December 31, 2022

	<u>Cost of issuance</u>	<u>Special events center revenue bonds</u>	<u>Water park revenue bonds</u>	<u>Total</u>
Receipts:				
Bond proceeds	\$ 152,948	\$ -	\$ -	\$ 152,948
Investment income (loss)	-	(168,432)	(32,277)	(200,709)
Operating transfers in	-	2,596,475	551,968	3,148,443
	<u>152,948</u>	<u>2,428,043</u>	<u>519,691</u>	<u>3,100,682</u>
Total receipts				
Expenditures:				
Principal	-	1,480,000	420,000	1,900,000
Interest	-	1,204,113	262,372	1,466,485
Debt issuance costs	144,670	-	-	144,670
	<u>144,670</u>	<u>2,684,113</u>	<u>682,372</u>	<u>3,511,155</u>
Total expenditures				
Receipts over (under) expenditures	8,278	(256,070)	(162,681)	(410,473)
Unencumbered cash, beginning of year	-	4,335,517	1,138,572	5,474,089
	<u>8,278</u>	<u>4,079,447</u>	<u>975,891</u>	<u>5,063,616</u>
Unencumbered cash, end of year				

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## CAPITAL IMPROVEMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022

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

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes:				
Ad valorem	\$ 147,117	\$ 152,975	\$ 155,936	\$ (2,961)
Motor vehicle	23,232	24,158	14,088	10,070
Recreational vehicle	94	143	78	65
16/20M truck	-	-	68	(68)
Delinquent	7,150	6,812	8,000	(1,188)
Commercial vehicle tax	1,103	1,272	797	475
Contributions & donations	-	76,000	-	76,000
Operating transfers in	540,000	307,158	540,000	(232,842)
Total receipts	<u>718,696</u>	<u>568,518</u>	<u>\$ 718,967</u>	<u>\$ (150,449)</u>
Expenditures:				
Administration:				
Capital outlay	-	-	\$ 830,000	\$ 830,000
Police:				
Capital outlay	-	11,253	-	(11,253)
Lease payments	105,768	105,768	-	(105,768)
Public works:				
Capital outlay	4,081	607	-	(607)
Cemetery:				
Capital outlay	9,585	139,830	-	(139,830)
Recreation:				
Capital outlay	-	389,000	-	(389,000)
Total expenditures	<u>119,434</u>	<u>646,458</u>	<u>\$ 830,000</u>	<u>\$ 183,542</u>
Receipts over (under) expenditures	599,262	(77,940)		
Unencumbered cash, beginning of year	<u>216,928</u>	<u>816,190</u>	<u>\$ 111,033</u>	<u>\$ 705,157</u>
Unencumbered cash, end of year	<u>\$ 816,190</u>	<u>\$ 738,250</u>		

See Independent Auditor's Report.

**CITY OF DODGE CITY, KANSAS**

**CAPITAL PROJECT FUNDS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS**

For the Year Ended December 31, 2022

	<u>Municipal services building</u>	<u>Temporary notes star bonds</u>	<u>GO bonds 2018</u>	<u>GO bonds 2013</u>
Receipts:				
Debt proceeds	\$ -	\$ -	\$ -	\$ -
State grants and aid	471,760	-	-	-
Contributions & donations	2,167,627	-	-	-
Operating transfers in	<u>1,808,166</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>4,447,553</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Debt issuance costs	-	-	-	-
Interest	-	-	-	-
Public works:				
Contractual services	-	-	-	-
Capital outlay	-	-	60	60
Capital project:				
Contractual services	860,866	-	-	-
Commodities	108,572	-	-	-
Capital outlay	<u>2,302,067</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>3,271,505</u>	<u>-</u>	<u>60</u>	<u>60</u>
Receipts over (under) expenditures	1,176,048	-	(60)	(60)
Unencumbered cash (deficit), beginning of year	<u>-</u>	<u>312,072</u>	<u>111,482</u>	<u>781,422</u>
Unencumbered cash (deficit), end of year	<u>\$ 1,176,048</u>	<u>\$ 312,072</u>	<u>\$ 111,422</u>	<u>\$ 781,362</u>

Temporary notes Milstock	GO bonds 2016	GO bonds 2017	GO bonds 2019	GO bonds 2020	GO bonds 2022	Star bond power center
\$ 1,458,953	\$ -	\$ -	\$ -	\$ -	\$ 7,810,000	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	54,463
-	-	-	-	-	-	-
<u>1,458,953</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,810,000</u>	<u>54,463</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,671	-	-	-	-	-	-
674,228	-	-	121,562	36,651	-	-
-	-	-	-	-	-	3,177
-	-	-	-	-	-	-
-	-	-	-	-	-	1,335,016
<u>678,899</u>	<u>-</u>	<u>-</u>	<u>121,562</u>	<u>36,651</u>	<u>-</u>	<u>1,338,193</u>
780,054	-	-	(121,562)	(36,651)	7,810,000	(1,283,730)
<u>(598,229)</u>	<u>135,595</u>	<u>459,250</u>	<u>65,820</u>	<u>546,753</u>	<u>-</u>	<u>992,638</u>
<u>\$ 181,825</u>	<u>\$ 135,595</u>	<u>\$ 459,250</u>	<u>\$ (55,742)</u>	<u>\$ 510,102</u>	<u>\$ 7,810,000</u>	<u>\$ (291,092)</u>

**CITY OF DODGE CITY, KANSAS**

**CAPITAL PROJECTS FUNDS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS**

For the Year Ended December 31, 2022

	<u>Temporary notes Wagon Wheel</u>	<u>Lease purchasae trash truck</u>	<u>Candletree 6 infrastructure</u>	<u>Temporary notes Candletree</u>
Receipts:				
Debt proceeds	\$ -	\$ -	\$ -	\$ -
State grants and aid	-	-	-	-
Contributions & donations	-	-	-	-
Operating transfers in	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total receipts	-	-	-	-
Expenditures:				
Debt issuance costs	-	-	-	-
Interest	-	-	6,491	-
Public works:				
Contractual services	279	-	-	8,431
Capital outlay	-	-	876,631	1,761,468
Capital project:				
Contractual services	-	-	-	-
Commodities	-	-	-	-
Capital outlay	-	548,500	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	279	548,500	883,122	1,769,899
Receipts over (under) expenditures	(279)	(548,500)	(883,122)	(1,769,899)
Unencumbered cash (deficit), beginning of year	<hr/> 79,572	<hr/> -	<hr/> 883,122	<hr/> 4,090,294
Unencumbered cash (deficit), end of year	<hr/> <u>\$ 79,293</u>	<hr/> <u>\$ (548,500)</u>	<hr/> <u>\$ -</u>	<hr/> <u>\$ 2,320,395</u>

<u>YMCA building</u>	<u>KLETC project</u>	<u>Boot Hill museum</u>	<u>Airport terminal renovation</u>	<u>Wagon wheel III</u>	<u>Iron Flats</u>
\$ -	\$ -	\$ -	\$ -	\$ 79,452	\$ -
-	-	-	-	-	-
110,820	-	-	-	-	-
-	-	-	-	-	-
<u>110,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,452</u>	<u>-</u>
-	67,863	237,138	-	-	-
-	1,574	5,504	-	4,819	-
-	-	-	215,094	456	-
-	-	-	-	-	2,519,192
-	-	255,384	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>69,437</u>	<u>498,026</u>	<u>215,094</u>	<u>5,275</u>	<u>2,519,192</u>
110,820	(69,437)	(498,026)	(215,094)	74,177	(2,519,192)
<u>(117,618)</u>	<u>98,339</u>	<u>423,132</u>	<u>(296,078)</u>	<u>(346,524)</u>	<u>(91,888)</u>
<u>\$ (6,798)</u>	<u>\$ 28,902</u>	<u>\$ (74,894)</u>	<u>\$ (511,172)</u>	<u>\$ (272,347)</u>	<u>\$ (2,611,080)</u>

**CITY OF DODGE CITY, KANSAS**

**CAPITAL PROJECTS FUNDS**

**SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS**

For the Year Ended December 31, 2022

	McCaustland Rd #2	Casa Del Rio	Total
Receipts:			
Debt proceeds	\$ -	\$ -	\$ 9,348,405
State grants and aid	-	-	471,760
Contributions & donations	-	-	2,332,910
Operating transfers in	-	-	1,808,166
	<hr/>	<hr/>	<hr/>
Total receipts	-	-	13,961,241
Expenditures:			
Debt issuance costs	-	-	305,001
Interest	-	4,097	22,485
Public works:			
Contractual services	-	-	228,931
Capital outlay	163,948	-	6,153,800
Capital project:			
Contractual services	-	-	1,119,427
Commodities	-	-	108,572
Capital outlay	-	-	4,185,583
	<hr/>	<hr/>	<hr/>
Total expenditures	163,948	4,097	12,123,799
Receipts over (under) expenditures	(163,948)	(4,097)	1,837,442
Unencumbered cash (deficit), beginning of year	<hr/>	<hr/>	<hr/>
	246,098	154,238	7,929,490
Unencumbered cash (deficit), end of year	<hr/>	<hr/>	<hr/>
	\$ 82,150	\$ 150,141	\$ 9,766,932

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## WATER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Sale of water	\$ 4,905,402	\$ 6,199,186	\$ 5,885,352	\$ 313,834
Rent & leases	12,008	24,159	24,159	-
Other	4,376	4,117	4,117	-
National Beef bond payment	248,171	247,654	247,654	-
Interest	1,383	92,658	51,835	40,823
Sale of labor and materials	123,182	170,798	120,319	50,479
Insurance recoveries	713,500	-	-	-
Total receipts	6,008,022	6,738,572	6,333,436	\$ 405,136
Expenditures:				
Bond principal	1,723,650	1,767,800	1,767,800	\$ -
Interest	255,888	209,654	209,654	-
Personal services	699,263	581,717	658,451	76,734
Contractual services	1,022,973	1,578,691	908,700	(669,991)
Commodities	368,293	321,082	304,900	(16,182)
Capital outlay	81,713	526,047	325,000	(201,047)
Other	(18,591)	(11,764)	5,000	16,764
Utility administration	-	-	145,075	145,075
Operating transfers out	585,096	1,166,500	1,166,500	-
Total expenditures	4,718,285	6,139,727	\$ 5,491,080	\$ (648,647)
Receipts over (under) expenditures	1,289,737	598,845		
Unencumbered cash, beginning of year	2,150,317	3,440,054	\$ 1,915,046	\$ 1,525,008
Unencumbered cash, end of year	\$ 3,440,054	\$ 4,038,899	\$ 2,757,402	\$ 1,281,497

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## WASTEWATER UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Sewage service charges	\$ 6,084,883	\$ 6,503,229	\$ 5,400,000	\$ 1,103,229
Rent & leases	2,210	4,718	5,000	(282)
Other	-	-	1,000	(1,000)
National Beef bond payment	579,060	577,859	577,859	-
Interest	569	41,890	1,000	40,890
Operating transfers in	499,992	416,662	500,000	(83,338)
Total receipts	<u>7,277,153</u>	<u>7,544,358</u>	<u>\$ 6,486,859</u>	<u>\$ 1,057,499</u>
Expenditures:				
Bond principal	1,055,000	1,100,000	\$ 1,100,000	\$ -
Interest	503,262	461,063	461,063	-
Utilities:				
Collection - personal services	375,169	296,171	236,688	(59,483)
Collection - contractual services	70,176	76,484	24,600	(51,884)
Collection - commodities	13,090	15,884	21,550	5,666
Collection - capital outlay	2,269	13,344	667,500	654,156
Collection - other	-	19,272	19,000	(272)
Treatment - contractual services	3,477,983	3,631,549	3,540,000	(91,549)
Treatment - commodities	2,328	-	3,500	3,500
Treatment - capital outlay	53,448	79,170	-	(79,170)
Treatment - other	15,549	-	-	-
Operating transfers out	501,000	447,132	642,575	195,443
Total expenditures	<u>6,069,274</u>	<u>6,140,069</u>	<u>\$ 6,716,476</u>	<u>\$ 576,407</u>
Receipts over (under) expenditures	1,207,879	1,404,289		
Unencumbered cash, beginning of year	<u>419,438</u>	<u>1,627,317</u>	<u>\$ 782,513</u>	<u>\$ 844,804</u>
Unencumbered cash, end of year	<u>\$ 1,627,317</u>	<u>\$ 3,031,606</u>	<u>\$ 552,896</u>	<u>\$ 2,478,710</u>

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## BIOGAS OPERATIONS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Sale of methane gas - energy credits	\$ 4,096,112	\$ 3,737,792	\$ 4,959,849	\$(1,222,057)
Insurance recoveries	303,344	-	-	-
Total receipts	<u>4,399,456</u>	<u>3,737,792</u>	<u>\$ 4,959,849</u>	<u>\$(1,222,057)</u>
Expenditures:				
Bond principal	667,784	686,816	\$ -	\$ (686,816)
Interest	214,693	197,342	-	(197,342)
Debt service fees	20,804	19,122	903,280	884,158
Contractual services	1,061,041	771,677	1,336,000	564,323
Capital outlay	970,220	1,365,954	100,000	(1,265,954)
Operating transfers out	1,849,992	1,469,162	1,525,000	55,838
Total expenditures	<u>4,784,534</u>	<u>4,510,073</u>	<u>\$ 3,864,280</u>	<u>\$ (645,793)</u>
Receipts over (under) expenditures	(385,078)	(772,281)		
Unencumbered cash (deficit), beginning of year	<u>(2,901)</u>	<u>(387,979)</u>	<u>\$ 110,815</u>	<u>\$ (498,794)</u>
Unencumbered cash (deficit), end of year	<u>\$ (387,979)</u>	<u>\$(1,160,260)</u>	<u>\$ 1,206,384</u>	<u>\$(2,366,644)</u>

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## SOLID WASTE UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
<b>Receipts:</b>				
Service fees - sanitation	\$ 2,184,586	\$ 2,319,894	\$ 2,100,000	\$ 219,894
Yard waste	124,794	130,515	112,000	18,515
Container	6	-	1,000	(1,000)
Interest	299	15,719	1,000	14,719
Federal grants - operating	5,709	16,366	-	16,366
Sale of recyclables	41,589	76,473	20,000	56,473
Sale of scrap	423	293	-	293
Other	43,901	51,849	40,000	11,849
Operating transfers in	326	-	-	-
<b>Total receipts</b>	<b>2,401,633</b>	<b>2,611,109</b>	<b>\$ 2,274,000</b>	<b>\$ 337,109</b>
<b>Expenditures:</b>				
<b>Utilities:</b>				
Collection - personal services	885,272	887,235	\$ 884,719	\$ (2,516)
Collection - contractual services	601,147	618,746	571,900	(46,846)
Collection - commodities	191,573	274,018	207,150	(66,868)
Collection - capital outlay	35,072	86,899	179,000	92,101
Collection - other	12,391	14,193	13,000	(1,193)
Recycling - personal services	165,225	176,650	199,220	22,570
Recycling - contractual services	64,950	54,689	44,800	(9,889)
Recycling - commodities	10,097	12,580	11,600	(980)
Recycling - capital outlay	55,789	(2,056)	38,000	40,056
Recycling - other	-	80,852	80,846	(6)
Utility administration	-	-	72,538	72,538
Operating transfers out	206,592	187,027	205,000	17,973
<b>Total expenditures</b>	<b>2,228,108</b>	<b>2,390,833</b>	<b>\$ 2,507,773</b>	<b>\$ 116,940</b>
Receipts over (under) expenditures	173,525	220,276		
Unencumbered cash, beginning of year	423,636	597,161	\$ 487,571	\$ 109,590
Unencumbered cash, end of year	\$ 597,161	\$ 817,437	\$ 253,798	\$ 563,639

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## DRAINAGE UTILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Service fees	\$ 253,876	\$ 267,764	\$ 240,000	\$ 27,764
Interest	109	5,229	1,000	4,229
Contributions & donations	37,029	-	-	-
Total receipts	291,014	272,993	\$ 241,000	\$ 31,993
Expenditures:				
Contractual services	251	60	\$ 7,100	\$ 7,040
Commodities	-	-	100	100
Capital outlay	22,037	1,582	65,000	63,418
Other	849	997	750	(247)
Operating transfers out	222,000	207,561	237,550	29,989
Total expenditures	245,137	210,200	\$ 310,500	\$ 100,300
Receipts over (under) expenditures	45,877	62,793		
Unencumbered cash, beginning of year	58,462	104,339	\$ 71,512	\$ 32,827
Prior year cancelled encumbrances	-	10,249		
Unencumbered cash, end of year	\$ 104,339	\$ 177,381	\$ 2,012	\$ 175,369

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## VEHICLE MAINTENANCE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS

For the Year Ended December 31, 2022  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2021)

	2021	2022		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Internal charges	\$ 396,116	\$ 397,009	\$ 440,000	\$ (42,991)
Expenditures:				
Personal services	139,807	104,663	\$ 141,772	\$ 37,109
Contractual services	62,509	82,782	106,000	23,218
Commodities	202,704	209,564	200,250	(9,314)
Total expenditures	405,020	397,009	\$ 448,022	\$ 51,013
Receipts over (under) expenditures	(8,904)	-		
Unencumbered cash, beginning of year	8,904	-	\$ 17,490	\$ (17,490)
Unencumbered cash, end of year	\$ -	\$ -	\$ 9,468	\$ (9,468)

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## ALL NON-BUDGETED BUSINESS FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES  
REGULATORY BASIS

For the Year Ended December 31, 2022

	<u>2009 temp. notes</u>	<u>Wastewater treatment plant</u>	<u>Water &amp; wastewater revenue bonds</u>	<u>Total</u>
Receipts	\$ -	\$ -	\$ -	\$ -
Contractual services	<u>-</u>	<u>1,462,165</u>	<u>-</u>	<u>1,462,165</u>
Receipts over (under) expenditures	-	(1,462,165)	-	(1,462,165)
Unencumbered cash (deficit), beginning of year	<u>17,409</u>	<u>(273,000)</u>	<u>130,725</u>	<u>(124,866)</u>
Unencumbered cash (deficit), end of year	<u>\$ 17,409</u>	<u>\$ (1,735,165)</u>	<u>\$ 130,725</u>	<u>\$ (1,587,031)</u>

See Independent Auditor's Report.

## CITY OF DODGE CITY, KANSAS

## AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
REGULATORY BASIS

For the Year Ended December 31, 2022

<u>Fund</u>	<u>Beginning cash balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance</u>
Community improvement district fund	\$ 158,106	\$ 293,810	\$ 146,344	\$ 305,572
Special obligation debt service 2011	4,586	80,916	82,130	3,372
Special obligation debt service 2013	4,347	95,770	98,700	1,417
Special obligation debt service 2014	1,159	78,715	78,174	1,700
Star bond debt service 2015	1,052,953	3,238,094	3,237,444	1,053,603
Special obligation debt service 2017	-	110,727	110,650	77
Special obligation debt service 2018	<u>1,236,000</u>	<u>2,378,095</u>	<u>2,364,163</u>	<u>1,249,932</u>
	<u>\$ 2,457,151</u>	<u>\$ 6,276,127</u>	<u>\$ 6,117,605</u>	<u>\$ 2,615,673</u>

See Independent Auditor's Report.

## **APPENDICES**

*Kennedy*  
*McKee & Company LLP* Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

The Honorable Mayor  
and City Commissioners  
Dodge City, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statement of the City of Dodge City, Kansas, as of and for the year ended December 31, 2022, and the related notes to the financial statement and have issued our report thereon dated August 29, 2023. Our report on the financial statement disclosed that, as described in Note A to the financial statement, the City has prepared this financial statement 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.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered City of Dodge City, 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Dodge City, Kansas' internal control. Accordingly, we do not express an opinion on the effectiveness of City of Dodge City, Kansas' internal control.

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 entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Dodge City, Kansas' financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Kennedy McKee & Company LLP*

August 29, 2023

*Kennedy*  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

The Honorable Mayor  
and City Commissioners  
Dodge City, Kansas

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Dodge City, Kansas' compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City of Dodge City, Kansas' major federal programs for the year ended December 31, 2022. The City of Dodge City, Kansas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Dodge City, Kansas complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Dodge City, Kansas and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City of Dodge City, Kansas' compliance with the compliance requirements referred to above.

## ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City of Dodge City, Kansas' federal programs.

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Dodge City, Kansas' compliance based on our audit. 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Dodge City, Kansas' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 City of Dodge City, Kansas' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City of Dodge City, Kansas' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City of Dodge City, Kansas' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Kennedy McKee & Company LLP*

August 29, 2023

**CITY OF DODGE CITY, KANSAS**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For the Year Ended December 31, 2022

Federal grantor/ pass-through grantor/ program title	Federal CFDA number	Pass-through/ grantor's number	Expenditures
<b>U.S. Department of Transportation</b>			
<b>Federal Aviation Administration</b>			
Direct programs:			
Runway Reconstruction 14-32	20.106	3-20-0017-029	\$ 12,158
COVID-19 CARES Act funding	21.019		<u>59,000</u>
<b>Total Federal Aviation Administration</b>			<u><u>71,158</u></u>
<b>U.S. Department of Transportation</b>			
Passed through Kansas			
Department of Transportation:			
Formula Grants for other than Urbanized Areas			
Formula Grants for Rural Areas 2021-2022	20.509		166,839
Formula Grants for Rural Areas 2022-2023	20.509		184,188
Alcohol Traffic Safety & Drunk Driving Prevention Incentive Grants (DUI)	20.601		<u>14,245</u>
<b>Total U.S. Department of Transportation</b>			<u><u>365,272</u></u>
<b>U.S. Department of Justice</b>			
Passed through Kansas Attorney General:			
Crime Victims Compensation Board	16.576		<u>300</u>
<b>U.S. Department of Treasury</b>			
Passed through Kansas Governor's Office:			
American Rescue Plan Act	21.027		<u>1,597,048</u>
<b>Total federal awards</b>			<u><u>\$ 2,033,778</u></u>

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

## CITY OF DODGE CITY, KANSAS

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

December 31, 2022

#### A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal award activity of the City of Dodge City, Kansas under programs of the federal government for the year ended December 31, 2022. The information in this Schedule is presented in accordance with the requirement of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operation of the City of Dodge City, Kansas, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Dodge City, Kansas. The Schedule is presented using a regulatory basis of accounting prescribed by the *Kansas Municipal Audit and Accounting Guide* (as described in Note A to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

#### B. BASIS OF ACCOUNTING

Expenditures reported on the Schedule are reported using the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Expenditures include disbursement, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances.

#### C. INDIRECT COST RATE

The City of Dodge City, Kansas has not elected to use the 10% de minimis cost rate as allowed under the Uniform Guidance.

#### D. AWARDS TO SUBRECIPIENTS

There were no awards passed through to subrecipients.

# CITY OF DODGE CITY, KANSAS

## SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended December 31, 2022

### A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an adverse opinion on whether the financial statement of the City of Dodge City, Kansas was prepared in accordance with GAAP.
2. No significant deficiencies relating to the audit of the financial statement are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the City of Dodge City, Kansas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance.
5. The auditor's report on compliance for the major federal award programs for the City of Dodge City, Kansas expresses an unmodified opinion on all major programs.
6. Audit findings required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.
7. The program tested as a major program included:  
American Rescue Plan Act      CFDA 21.027
8. The threshold for distinguishing Type A and Type B programs was \$750,000.
9. The City of Dodge City did not qualify as a low-risk auditee.

### B. FINDINGS - FINANCIAL STATEMENT AUDIT

None noted.

### C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None noted.