City of Argonia, Kansas

Financial Statement

December 31, 2021

Governing Body

Rick Dolley, Mayor
Terina McCurley
Scott Jones
Bob Randall
Felisha Noland
Don Phillips

City Clerk

Tara Pierce

City Treasurer

Karyn Taton

Independent Auditors

Cooper & Co. CPAs, P.A.
Certified Public Accountants
Wellington, Kansas

City of Argonia, Kansas

Year Ended December 31, 2021

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COOPER&CO.
CPAs, P.A.

Independent Auditors' Report

To the Honorable Mayor and City Council
City of Argonia
Argonia, Kansas

Report on the Audit of the Financial Statements

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the City of Argonia, Kansas, as of and for the year ended December 31, 2021 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 accordance with accounting principles generally accepted in the United States of America, the financial position of the City of Argonia, Kansas as of December 31, 2021, 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 financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Argonia, Kansas as of December 31, 2021, and the aggregate receipts and expenditures for the year ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide.* Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City of Argonia, 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 1 of the financial statement, the financial statement is prepared by the City of Argonia, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide,* which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Argonia, 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 Responsibility for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Argonia, Kansas' internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Argonia, 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, 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 2021 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic

financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, the schedule of regulatory basis receipts and disbursements-agency funds, and schedules of regulatory basis receipts and expenditures, actual-related municipal entity (Schedules 1, 2, and 3, as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2021 basic financial statement; however are required to be presented under the provisions of the *Kansas Municipal Audit Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The information has been 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 accompanying supplemental information is fairly stated in all material respects in relation to the 2021 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2020 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedules of regulatory basis receipts and expenditures-actual-related municipal entities (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2020 basic financial statement upon which we rendered an unmodified opinion dated November 30, 2021. The 2020 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link: http://da.ks.gov/ar/muniserv/. Such 2020 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 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 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 2020 basic financial statement or to the 2020 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 2020 comparative information is fairly stated in all material respects in relation to the 2021 basic financial statement taken as a whole, on the basis of accounting described in Note 1.

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the City of Argonia, Kansas, (a Municipality) as of and for the year ended December 31, 2021 and the related notes to the financial statement.

Certified Public Accountants
Wellington, Kansas
February 1, 2023

City of Argonia, Kansas

Summary Statement of Receipts, Expenditures and Unencumbered Cash

Regulatory Basis

For the Year Ended December 31, 2021

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances/ Accounts Pay.	Ending Cash Balance
Governmental Type Funds:						
General Fund	$ 142,382	$ 295,917	$ 228,086	$ 210,213	$ 6,455	$ 216,668
Special Purpose Funds:						
Special Highway	9,037	13,543	-	22,580	-	22,580
Equipment Reserve	95,564	-	-	95,564	-	95,564
Park Trust	19,526	21,283	23,497	17,312	2,681	19,993
Argonia Daze	4,698	4,761	3,117	6,342	-	6,342
Drag Races	6,358	7,057	5,893	7,522	-	7,522
Argonia Recreation Fund	-	4,000	-	4,000	-	4,000
ARPA Fund	-	35,939	15,973	19,966	12,643	32,609
Bond and Interest Funds:						
Bond & Interest	17,836	38,732	38,455	18,113	-	18,113
Capital Project Funds:						
Capital Improvements	11,068	-	5,879	5,189	5,879	11,068
Business Funds:						
Water and Sewer Utility	59,089	283,992	319,304	23,777	11,062	34,839
Gas Utility	89,777	837,337	595,699	331,415	28,385	359,800
Cemetery	48,747	17,900	12,268	54,379	1,173	55,552
Solid Waste Utility	30,478	58,362	53,066	35,774	4,457	40,231
Trust Funds:						
Vera M Linn Cemetery Memorial Fund	71,436	106	-	71,542	-	71,542
Cemetery Building	2,458	3	-	2,461	-	2,461
Total reporting entity	$ 608,454	$1,618,932	$ 1,301,237	$ 926,149	$ 72,735	$ 998,884

Composition of Cash Balance:

Cash on hand, City Clerk	$ 150
Cash in Conway Bank, Argonia:	
Operating checking account	801,460
Cemetery Building checking account	2,463
Certificates of Deposit	197,200
Total cash and investments	1,001,273
Agency fund per Schedule 3	(2,389)
Total reporting entity	$ 998,884

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

1. Summary of Significant Accounting Policies

A. Municipal Financial Reporting entity

The City of Argonia, Kansas ("City") is a municipal corporation operating under a Mayor-Council form of government. It provides the following services: Public Safety-Police, Volunteer Fire, Highways and Streets, Public Improvements, Utilities-Gas, Water, Sewer, Refuse, and General Administrative Services. This regulatory financial statement presents only the municipality with no related municipal entities.

B. Regulatory Basis Fund Types

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

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

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 the 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. utility services and internal service funds).

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

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

C. Basis of Accounting

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

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

1. Summary of Significant Accounting Policies (continued)

D. Property taxes

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

Recognized state shared taxes represent payments received during the current fiscal period. State statutes specify distribution dates for such shared taxes. For revenue recognition purposes, amounts collected and held by the State on behalf of the City at year-end are not due and receivable until the ensuing year.

Federal and State grant aid and unrestricted aid is reported as revenue in the fiscal year the entitlement is received.

E. Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund that receives the reimbursement.

F. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time.

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.

1. Summary of Significant Accounting Policies (continued)

F. Budgetary Information (continued)

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

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose fund: Equipment Reserve Fund. Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

2. Stewardship, Compliance and Accountability

A. Compliance With Finance-Related Legal and Contractual Provisions

- Budget Law K.S.A. 79-2935 states that expenditures should not exceed the adopted budget of a fund, if that fund is subject to the budget law. The Water and Sewer Fund exceeded the budget in 2021 by $13,249.

B. Negative Fund Balances

- There were no funds that had a negative unencumbered cash balance at December 31, 2021.

3. Deposits and Investments

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

K.S.A. 12-1675 limits the City's investments of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; US 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.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City did not designate any peak periods in 2021. All deposits were legally secured at December 31, 2021.

3. Deposits and Investments (continued)

At December 31, 2021, the City's carrying amount of deposits was $1,001,123 and the bank balance was $1,014,394. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $447,200 was covered by federal depository insurance and $567,194 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

4. Long-term Debt

Changes in long-term liabilities for the City for the year ended December 31, 2021 were as follows:

	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance 12/31/2021	Interest Paid
General Obligation Bonds									
Series 2015 GO Refunding	1.2-2.5%	10/1/2015	315,000	9/1/2025	$ 155,000	$ -	$ 35,000	$ 120,000	$ 3,455
					$ 155,000	$ -	$ 35,000	$ 120,000	$ 3,455
Other Debt									
Revolving Loan KWPCRLF	2.55%	9/24/2010	907,256	9/1/2032	$ 414,623	$ -	$ 29,943	$ 384,680	$ 10,493
Revolving Loan KPWSLF	2.16%	12/10/2012	2,033,286	2/1/2035	1,135,705	-	67,479	1,068,226	18,962
State of Kansas City Utility Low-Interest loan	0.25%	3/14/2021	294,096	3/1/1931	-	294,096	17,262	276,834	559
					$1,550,328	$ 294,096	$ 114,684	$1,729,740	$ 30,014
Total					$1,705,328	$ 294,096	$ 149,684	$1,849,740	$ 33,469

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

	2022	2023	2024	2025	2026	2027-2031	2032-2035	Totals
Principal								
General Obligation Bonds	35,000	35,000	35,000	15,000	-	-	-	120,000
Revolving Loan KWPCRLF	30,711	31,499	32,307	33,136	33,987	183,473	39,567	384,680
Revolving Loan KPWSLF	68,945	70,442	71,972	73,535	75,132	400,852	307,348	1,068,226
State of Kansas - City Utility Low-Interest loan	29,893	29,968	30,043	30,118	30,193	126,620	-	276,835
	164,549	166,909	169,322	151,789	139,312	710,945	346,915	1,849,741
Interest								
General Obligation Bonds	2,825	2,038	1,250	375	-	-	-	6,488
Revolving Loan KWPCRLF	9,615	8,827	8,018	7,189	6,339	18,155	758	58,901
Revolving Loan KPWSLF	22,703	21,206	19,676	18,113	16,516	57,388	13,420	169,022
State of Kansas - City Utility Low-Interest loan	658	583	508	433	357	674	-	3,213
	35,801	32,654	29,452	26,110	23,212	76,217	14,178	237,624
Total Principal & Interest	200,350	199,563	198,774	177,899	162,524	787,162	361,093	2,087,365

5. Capital Project Funds

There were no capital projects authorized or under way in 2021.

6. Claims and Judgments

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

The City is exposed to various risks of loss related to property loss; torts; theft of, damage to, and destruction of assets; errors and omissions; employee injuries and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2020 to 2021 and there were no settlements that exceeded insurance coverage in the past three years.

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

7. Interfund transfers and other interfund activity

The following is a schedule of interfund operating transfers made in 2021:

From:	To:	Regulatory Authority	Amount
General	Water & Sewer Ut	KSA 12-825d	50,000
Gas Utility	General	KSA 12-825d	50,000
Water & Sewer Utility	Bond & Interest	KSA 12-825d	25,000

8. Other Long-Term Obligations from Operations

A. Post-Employment Health Care Benefits

The City does not maintain a group health insurance plan for its employees or retirees, nor does it have any other post-employment benefits.

B. Compensated absences

The City's policies regarding vacations permit full time employees to accrue vacation at the rate of five days after one year of service, ten days after three years of service and fifteen days after ten years of employment. Unused vacation does not carry over to the next year. Upon termination or resignation from service with the City, employees are entitled to payment for all accrued vacation. Full time employees earn sick time at the rate of eight hours per month, to a maximum of 240 hours accrued. Sick leave may be used as personal leave if prior notification is given. There are no other post-employment benefits for employees.

9. Defined Contribution Pension Plan

The City established a SIMPLE retirement plan July 1, 1997. A SIMPLE is a defined contribution plan under the Internal Revenue Code where employees may elect to reduce their salary and, for 2021, contribute up to $13,500 per year into the plan. The City chooses to match employee contributions up to a maximum of 3% of compensation. Employer contributions were $1,551 and $653 in 2021 and 2020, respectively.

10. Vera M. Linn Memorial Endowment

During 1995, the City was notified that it was the beneficiary of a bequest from the Vera M. Linn Estate. The total bequest was $69,685.16. The terms of the Last Will and Testament of Vera M. Linn state that funds be deposited in "...the perpetual care fund of Argonia Cemetery, Argonia, Kansas, and request that the income there from be used annually for Memorial Day flowers and the upkeep for the graves of the descendants of George Linn and Charles Ford in said Cemetery." The balance of the fund at December 31, 2021 was $71,542.

11. February 2021 Extreme Weather Event

The City experienced the extremely cold weather that much of the country experienced in February 2021. At the time the City was purchasing gas at the spot market price. Due to this extreme weather phenomena and extremely high spot market prices, the gas utilities cost of gas for this period was approximately $300,000. In order to pay the large invoice for the cost of gas sold, the City entered into a City Utility Low-Interest Loan Program with the State of Kansas for $294,096. This program was for the full amount of the month's gas cost and was financed at 0.25% with a maturity in 2031.

12. Subsequent Events

Management has evaluated subsequent events occurring through February 1, 2023, which is the date at which the financial statement was available to be issued.

REGULATORY – REQUIRED SUPPLEMENTARY INFORMATION

City of Argonia, Kansas

Summary of Expenditures--Actual and Budget

Regulatory Basis

(Budgeted Funds Only)

For the Year Ended December 31, 2021

Fund	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance-Over (Under)
General	$ 329,410	$ -	$ 329,410	$ 228,086	$ (101,324)
Special Purpose Funds					
Special Highway	17,615	-	17,615	-	(17,615)
Park Trust	25,050	-	25,050	23,497	(1,553)
Argonia Daze	10,948	-	10,948	3,117	(7,831)
Argonia Drag Races	18,676	-	18,676	5,893	(12,783)
Argonia Recreation	8,000	-	8,000	-	(8,000)
Bond & Interest Funds:					
Bond & Interest	80,455	-	80,455	38,455	(42,000)
Business Funds:					
Water and Sewer Utility	306,055	-	306,055	319,304	13,249
Gas Utility	333,474	294,096	627,570	595,699	(31,871)
Cemetery	44,157	-	44,157	12,268	(31,889)
Solid Waste Utility	88,101	-	88,101	53,066	(35,035)
Trust Funds:					
Vera Linn Cemetery Building	2,475	-	2,475	-	(2,475)
Total primary government	1,264,416	294,096	1,558,512	1,279,385	(279,127)

City of Argonia, Kansas

General Fund

Schedule of Receipts & Expenditures-Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
	2020 Actual	Actual	Budget	Variance-Over (Under)
Receipts				
Taxes and Intergovernmental:				
Ad valorem property tax	$ 108,946	$ 114,582	$ 120,704	$ (6,122)
Less NRP rebate	(185)	(186)	(2,200)	2,014
Delinquent taxes	3,830	7,782	-	7,782
Motor vehicle tax	20,854	21,477	21,345	132
Recreational vehicle & 16/20M tax	859	912	874	38
Special assessments	31	-	-	-
Local sales tax	33,628	38,830	30,000	8,830
Franchise taxes	24,415	25,616	26,000	(384)
Sumner County Road & Bridge	6,000	6,000	6,000	-
Licenses, fines and permits:				
Licenses and permits	5,447	3,471	4,000	(529)
Fines and court fees	1,666	343	15,000	(14,657)
CD Interest	-	362	100	262
Interest earnings	1,670	645	900	(255)
Other:				
Swimming pool revenue	3,174	5,834	6,100	(266)
Rec Commission fund reimbursement	4,000	-	-	-
Community building rental	450	1,910	1,000	910
Reimbursement - police dept	-	-	2,000	(2,000)
Insurance proceeds	41,912	826	-	826
Streets & parks donations	-	80	-	80
Memorial-Fire Dept	2,075	50	-	50
Firemen's Relief reimbursement	-	9,672	6,000	3,672
SPARKS Grant	9,650	-	-	-
Miscellaneous	8,844	7,711	-	7,711
Operating transfers from Gas fund	20,000	50,000	20,000	30,000
Operating transfers from Water & Sewer fund	-	-	20,000	(20,000)
Total receipts	$ 297,266	$ 295,917	$ 277,823	$ 18,094

City of Argonia, Kansas

General Fund

Schedule of Receipts & Expenditures-Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
	2020 Actual	Actual	Budget	Variance-Over (Under)
Expenditures				
Administration				
Personal services	$ 50,417	$ 51,686	$ 47,500	$ 4,186
Employee benefits	4,727	6,009	5,000	1,009
Contractual	27,378	22,608	45,000	(22,392)
Commodities	3,003	2,308	5,000	(2,692)
Capital outlay	38,564	(300)	4,000	(4,300)
Police				
Personal services	22,656	9,300	51,000	(41,700)
Employee benefits	1,733	711	4,500	(3,789)
Contractual	6,117	7,368	8,000	(632)
Commodities	3,564	1,271	6,000	(4,729)
Capital outlay	-	-	-	-
Refund of fines and fees	203	550	-	550
Fire				
Contractual	21,086	19,429	20,000	(571)
Commodities	2,764	2,243	13,000	(10,757)
Memorial Expense	-	-	-	-
Capital outlay	-	-	-	-
Street and Park				
Contractual	35,182	14,299	53,410	(39,111)
Commodities	2,493	8,280	10,000	(1,720)
Capital outlay	-	-	-	-
Pool				
Personal services	16,486	19,355	22,000	(2,645)
Employee benefits	1,261	1,481	2,000	(519)
Contractual	10,241	8,352	4,000	4,352
Commodities	7,114	3,121	10,000	(6,879)
Capital outlay	-	-	7,000	(7,000)
Non-departmental				
Contingency/Capital outlay	-	-	-	-
Other	-	15	-	15
Appropriation to Argonia Daze	2,000	-	2,000	(2,000)
Appropriation to Park Trust	5,000	-	-	-
SPARKS funding	9,650	-	-	-
Operating transfers to Water and Sewer	-	50,000	10,000	40,000
Total expenditures	$ 271,639	$ 228,086	$ 329,410	$ (101,324)
Receipts over (under) expenditures	$ 25,627	$ 67,831		
Unencumbered cash balance, beginning	116,755	142,382		
Unencumbered cash balance, ending	$ 142,382	$ 210,213		

City of Argonia, Kansas

Special Purpose Fund

Special Highway Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
	2020 Actual	Actual	Budget	Variance-Over (Under)
Receipts				
Intergovernmental:				
State payments	$ 8,980	$ 13,543	$ 10,920	$ 2,623
County payments	3,341	-	-	-
Total receipts	$ 12,321	$ 13,543	$ 10,920	$ 2,623
Expenditures				
Street repairs and maintenance	$ 12,018	$ -	$ 17,615	$ (17,615)
Total expenditures	$ 12,018	$ -	$ 17,615	$ (17,615)
Receipts over (under) expenditures	$ 303	$ 13,543		
Unencumbered cash balance, beginning	8,734	9,037		
Unencumbered cash balance, ending	$ 9,037	$ 22,580		

City of Argonia, Kansas

Special Purpose Fund

Equipment Reserve Fund

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020 Actual	2021 Actual
Receipts		
Transfer from General Fund	$ -	$ -
Reimbursement From Fire District	-	-
Total receipts	$ -	$ -
Expenditures		
Capital outlay	$ -	$ -
Commodities	18,726	-
Total expenditures	$ 18,726	$ -
Receipts over (under) expenditures	$ (18,726)	$ -
Unencumbered cash balance, beginning	114,290	95,564
Unencumbered cash balance, ending	$ 95,564	$ 95,564

City of Argonia, Kansas

Special Purpose Fund

Park Trust Fund

Schedule of Receipts and Expenditures-Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
	2020 Actual	Actual	Budget	Variance-Over (Under)
Receipts				
Fees	$ 18,028	$ 21,138	$ 15,000	$ 6,138
River Park deposit	-	145	-	-
Other miscellaneous	1,660	-	-	-
Transfer from general fund	5,000	-	-	-
Total receipts	$ 24,688	$ 21,283	$ 15,000	$ 6,138
Expenditures and Transfers				
Personal services	$ 2,710	$ 4,028	$ 4,000	$ 28
Contractual services	12,424	13,668	5,000	8,668
Commodities	2,120	5,170	10,000	(4,830)
Capital Outlay	-	-	6,050	(6,050)
Employee benefits	176	231	-	231
River Park deposit refund	135	400	-	400
Total expenditures	17,565	23,497	25,050	(1,553)
Receipts over (under) expenditures	$ 7,123	$ (2,214)		
Unencumbered cash balance, beginning	12,403	19,526		
Unencumbered cash balance, ending	$ 19,526	$ 17,312		

City of Argonia, Kansas

Special Purpose Fund

Argonia Daze Fund

Schedule of Receipts and Expenditures-Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
	2020 Actual	Actual	Budget	Variance-Over (Under)
Receipts				
Program receipts	$ 1,200	$ 4,761	$ 5,000	$ (239)
Transfer from General Fund	2,000	-	2,000	(2,000)
				-
Total receipts	$ 3,200	$ 4,761	$ 7,000	$ (2,239)
Expenditures				
Program expenses	$ 1,250	$ 3,117	$ 10,948	$ (7,831)
Total expenditures	$ 1,250	$ 3,117	$ 10,948	$ (7,831)
Receipts over (under) expenditures	$ 1,950	$ 1,644		
Unencumbered cash balance, beginning	2,748	4,698		
Unencumbered cash balance, ending	$ 4,698	$ 6,342		

City of Argonia, Kansas

Special Purpose Fund

Argonia Drag Races

Schedule of Receipts and Expenditures-Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
	2020 Actual	Actual	Budget	Variance-Over (Under)
Receipts				
Entry Fees	$ 2,845	$ 7,057	$ 15,000	$ (7,943)
Total receipts	$ 2,845	$ 7,057	$ 15,000	$ (7,943)
Expenditures				
Program expenses	$ 200	$ 5,893	$ 12,000	$ (6,107)
Contractual	-	-	6,676	(6,676)
Total expenditures	$ 200	$ 5,893	$ 18,676	$ (12,783)
Receipts over (under) expenditures	$ 2,645	$ 1,164		
Unencumbered cash balance, beginning	3,713	6,358		
Unencumbered cash balance, ending	$ 6,358	$ 7,522		

City of Argonia, Kansas

Special Purpose Fund

Argonia Recreation Fund

Schedule of Receipts and Expenditures-Actual

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
	2020 Actual	Actual	Budget	Variance-Over (Under)
Cash Receipts				
Rec Commission	$ 4,000	$ 4,000	4,000	-
Total cash receipts	$ 4,000	$ 4,000	$ 4,000	$ -
Expenditures				
Program expenses	$ 4,000	$ -	$ 8,000	$ (8,000)
Total expenditures	4,000	-	8,000	(8,000)
Cash receipts over (under) expenditures	$ -	$ 4,000		
Unencumbered cash balance, beginning	-	-		
Unencumbered cash balance, ending	$ -	$ 4,000		

City of Argonia, Kansas

Special Purpose Fund

ARPA Fund

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020 Actual	2021 Actual
Receipts		
American Rescue Plan Act grant	$ -	$ 35,939
Total receipts	$ -	$ 35,939
Expenditures		
Expenditures	$ -	$ 15,973
Total expenditures	$ -	$ 15,973
Receipts over (under) expenditures	$ -	$ 19,966
Unencumbered cash balance, beginning	-	-
Unencumbered cash balance, ending	$ -	$ 19,966

City of Argonia, Kansas

Bond and Interest Fund

Bond & Interest

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
	2020 Actual	Actual	Budget	Variance-Over (Under)
Receipts				
Ad valorem property tax	$ 11,526	$ 10,530	$ 11,090	$ (560)
Less NRP rebate	(20)	(17)	(240)	223
Delinquent taxes	474	847	-	847
Motor vehicle tax	2,310	2,274	2,257	17
Recreational vehicle & 16/20M tax	223	98	93	5
Transfer from Water & Sewer fund	25,000	25,000	25,000	-
Total receipts	$ 39,513	$ 38,732	$ 38,200	$ 532
Expenditures				
Interest on bonds	$ 4,073	$ 3,455	$ 3,455	$ -
Principal on bonds	35,000	35,000	35,000	-
Cash basis reserve	-	-	42,000	(42,000)
Total expenditures	$ 39,073	$ 38,455	$ 80,455	$ (42,000)
Receipts over (under) expenditures	$ 440	$ 277		
Unencumbered cash balance, beginning	17,396	17,836		
Unencumbered cash balance, ending	$ 17,836	$ 18,113		

City of Argonia, Kansas

Capital Project Fund

Capital Improvement Fund

Schedule of Receipts and Expenditures - Actual

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020 Actual	2021 Actual
Receipts		
Total receipts	$ -	$ -
Expenditures		
Capital outlay	$ -	$ 5,879
Total expenditures	$ -	$ 5,879
Receipts over (under) expenditures	$ -	$ (5,879)
Unencumbered cash balance, beginning	11,068	11,068
Unencumbered cash balance, ending	$ 11,068	$ 5,189

City of Argonia, Kansas

Business Fund

Water and Sewer Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020	2021		
	Actual	Actual	Budget	Variance-Over (Under)
Receipts				
Water sales	$ 162,472	$ 164,882	$ 175,000	$ (10,118)
Water deposits	-	581	1,200	(619)
Sewer sales	70,893	66,414	78,000	(11,586)
Other revenue	2,163	2,115	-	2,115
Transfer from General Fund	-	50,000	-	50,000
Miscellaneous	545	-	500	(500)
Total receipts	$ 236,073	$ 283,992	$ 254,700	$ (20,208)
Expenditures				
Administration				
Personal services	$ 5,852	$ 11,832	$ 6,000	$ 5,832
Employee benefits	557	905	500	405
Contractual services	20,650	42,742	11,000	31,742
Commodities	1,598	2,092	1,400	692
Bad debt expenses	-	-	200	(200)
Water utility deposit refund	457	1,110	500	610
Construction & engineering	52	-	-	-
Production and distribution				
Personal services	39,507	52,900	40,000	12,900
Employee benefits	3,634	4,128	5,000	(872)
Contractual services	52,406	27,070	20,000	7,070
Commodities	11,449	19,551	30,000	(10,449)
Capital outlay	8,186	-	10,459	(10,459)
Debt service				
Principal	95,238	97,422	97,421	1
Interest	31,496	30,117	34,552	(4,435)
Fees	5,240	4,435	4,023	412
Operating transfers				
Transfer to General	-	-	20,000	(20,000)
Bond and Interest fund	25,000	25,000	25,000	-
Total expenditures	$ 301,322	$ 319,304	$ 306,055	$ 13,249
Receipts over (under) expenditures	$ (65,249)	$ (35,312)		
Unencumbered cash balance, beginning	124,338	59,089		
Unencumbered cash balance, ending	$ 59,089	$ 23,777		

City of Argonia, Kansas

Business Fund

Gas Utility Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
	2020 Actual	Actual	Budget	Variance-Over (Under)
Receipts				
Gas sales and service charges	$ 152,774	$ 532,911	$ 210,000	$ 322,911
Refund from gas company	-	-	100	(100)
Utility deposits	2,406	3,244	5,000	(1,756)
Other revenue	-	6,918	1,000	5,918
Low interest loan proceeds	-	294,096		
Interest earnings	235	168	200	(32)
Total receipts	$ 155,415	$ 837,337	$ 216,300	$ 326,941
Expenditures				
Administration				
Personal services	$ 5,852	$ 11,832	$ 6,000	$ 5,832
Employee benefits	339	905	500	405
Contractual services	22,991	32,902	12,000	20,902
Commodities	1,081	1,218	5,000	(3,782)
Distribution				
Personal services	39,507	52,900	40,000	12,900
Employee benefits	2,411	4,128	3,500	628
Contractual services	29,274	19,221	29,500	(10,279)
Commodities	2,475	4,765	8,000	(3,235)
Capital outlay	-	-	112,974	(112,974)
Gas utility deposit refund	2,090	2,003	1,000	1,003
Gas purchases	49,236	398,004	85,000	313,004
Gas low interest loan	-	17,821	-	17,821
Operating transfer to equipment reserve	-	-	10,000	(10,000)
Operating transfer to general fund	20,000	50,000	20,000	30,000
Adjustment for qualifing budget credits	-	-	294,096	(294,096)
Total expenditures	$ 175,256	$ 595,699	$ 627,570	$ (31,871)
Receipts over (under) expenditures	$ (19,841)	$ 241,638		
Unencumbered cash balance, beginning	109,618	89,777		
Unencumbered cash balance, ending	$ 89,777	$ 331,415		

City of Argonia, Kansas

Business Fund

Cemetery Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
	2020 Actual	Actual	Budget	Variance-Over (Under)
Receipts				
Sale of lots and services	$ 5,250	$ 3,950	$ 2,500	$ 1,450
Farm income	4,330	4,330	4,330	-
Hangar lease	600	600	600	-
Other	125	6,200	-	6,200
Donations	540	100	-	100
Opening and closing	-	2,350	3,000	(650)
Interest earnings	35	370	-	370
Operating transfer from Vera Linn Endowment	-	-	1,000	(1,000)
Total receipts	$ 10,880	$ 17,900	$ 11,430	$ 6,470
Expenditures				
Personal services	$ 2,949	$ 4,028	$ 5,000	$ (972)
Employee benefits	-	231	300	(69)
Contractual services	5,679	5,134	5,000	134
Commodities	1,453	2,875	11,500	(8,625)
Capital outlay	-	-	12,357	(12,357)
Transfer to equipment reserve	-	-	10,000	(10,000)
Total expenditures	$ 10,081	$ 12,268	$ 44,157	$ (31,889)
Receipts over (under) expenditures	$ 799	$ 5,632		
Unencumbered cash balance, beginning	47,948	48,747		
Unencumbered cash balance, ending	$ 48,747	$ 54,379		

City of Argonia, Kansas

Business Fund

Solid Waste Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
	2020 Actual	Actual	Budget	Variance-Over (Under)
Receipts				
Refuse fees	$ 61,820	$ 58,362	$ 62,500	$ (4,138)
Other	-	-	-	-
Total receipts	$ 61,820	$ 58,362	$ 62,500	$ (4,138)
Expenditures				
Personal services	$ 143	$ -	$ -	$ -
Contractual services	50,136	52,332	88,101	(35,769)
Commodities	163	734	-	734
Total expenditures	$ 50,442	$ 53,066	$ 88,101	$ (35,035)
Receipts over (under) expenditures	$ 11,378	$ 5,296		
Unencumbered cash balance, beginning	19,100	30,478		
Unencumbered cash balance, ending	$ 30,478	$ 35,774		

City of Argonia, Kansas

Trust Fund

Vera M. Linn Cemetery Memorial Fund

Schedule of Receipts and Expenditures-Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020 Actual	2021 Actual
Receipts		
Interest	$ 1,139	$ 106
Expenditures		
Operating transfer to Cemetery Fund	$ -	$ -
Total expenditures	$ -	$ -
Receipts over (under) expenditures	$ 1,139	$ 106
Unencumbered cash balance, beginning	70,297	71,436
Unencumbered cash balance, ending	$ 71,436	$ 71,542

City of Argonia, Kansas

Trust Fund

Cemetery Building Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		2021		
Receipts	2020 Actual	Actual	Budget	Variance-Over (Under)
Interest	$ 3	$ 3	$ 10	$ (7)
Donations	-	-	-	-
Total receipts	$ 3	$ 3	$ 10	$ (7)
Expenditures				
Supplies, repairs, equipment	$ -	$ -	$ 2,475	$ (2,475)
Total expenditures	$ -	$ -	$ 2,475	$ (2,475)
Receipts over (under) expenditures	$ 3	$ 3		
Unencumbered cash balance, beginning	2,455	2,458		
Unencumbered cash balance, ending	$ 2,458	$ 2,461		

City of Argonia, Kansas
Agency Funds
Schedule of Regulatory Basis Receipts and Disbursements
For the Year Ended December 31, 2021

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Payroll Clearing	$ 3,297	$ -	$ 908	$ 2,389