

CITY OF HOXIE, KANSAS

***Primary Government Financial
Statement with Independent
Auditors' Report***

For the Year Ended December 31, 2021

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Certified Public Accountant

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INDEPENDENT AUDITOR'S REPORT

City Commissioners
City of Hoxie, Kansas
829 Main Street
Hoxie, KS 67740

Adverse and Unmodified Opinions

I have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Hoxie, 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 my opinion, because of the significance of the matter discussed in the "Basis for Adverse and Unmodified Opinions of my 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 City of Hoxie, 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 my opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of City of Hoxie, Kansas as of December 31, 2021, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of my report. I am required to be independent of City of Hoxie, Kansas, and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 City of Hoxie, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally

accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

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

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Hoxie, 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

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

In performing an audit in accordance with GAAS, I:

- 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 City of Hoxie, 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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Hoxie, Kansas' ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Supplementary Information

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

Prior Year Comparative Analysis

I also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Hoxie, Kansas as of and for the year ended December 31, 2020 (not presented herein), and have issued my report thereon dated September 9, 2021, which contained an unmodified opinion on the basic financial statement. The 2020 basic financial statement and my accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: <http://admin.ks.gov/offices/oar/municipal-services>. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2021 (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 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 my opinion, the 2020 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, 2020, on the basis of accounting described in Note 1.



James V. Myers
Certified Public Accountant

July 29, 2022

CITY OF HOXIE, 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 Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:						
General Fund:						
General Fund	\$ 84,997	\$ 724,354	\$ 762,808	\$ 46,543	\$ 8,771	\$ 55,314
Special Purpose Funds:						
Library Fund	1,557	38,854	37,895	2,516	-	2,516
Employee Benefits Fund	65,153	200,836	210,922	55,067	264	55,331
Street Resurfacing Fund	158,318	63,124	-	221,442	-	221,442
Airport Fund	42,225	5,217	2,546	44,896	95	44,991
Special Highway Fund	4,640	34,597	26,535	12,702	-	12,702
Fuller Cemetery Fund	13,560	16,670	18,133	11,897	-	11,897
Special Parks and Recreation Fund	9,508	4,121	10,000	3,629	-	3,629
Bed Tax Fund	5,618	2,944	1,000	7,562	-	7,562
Capital Improvement Fund	373,106	-	14,511	358,595	-	358,595
Equipment Reserve Fund	142,238	15,000	9,837	147,401	-	147,401
Pool Project Fund	9,456	-	-	9,456	-	9,456
Hoxie Recreation Fund	50,637	152,529	143,518	59,648	-	59,648
Sewer Capital Project Fund	66,820	-	66,820	-	-	-
CDBG-CV Fund	-	28,609	28,609	-	-	-
MIH Fund	216,685	-	16,818	199,867	-	199,867
ARPA Fund	-	91,031	-	91,031	-	91,031
Bond and Interest Fund:						
Bond and interest	27,982	379,479	141,221	266,240	-	266,240
Business Funds:						
Water and Sewer Utility Fund	69,342	314,336	301,895	81,783	6,971	88,754
Refuse Utility Fund	86,631	184,989	199,072	72,548	5,679	78,227
Sewer Maintenance Fund	284,718	169,237	148,529	305,426	-	305,426
Total Primary Government (Excluding Agency Funds)	\$ 1,712,991	\$ 2,425,927	\$ 2,140,669	\$ 1,998,249	\$ 21,780	\$ 2,020,029
Checking accounts						\$ 1,532,070
Savings accounts						20,053
Petty cash						600
Money market accounts						374,409
Certificates of deposit						250,000
Total Cash						\$ 2,177,132
Agency Funds per Schedule 3						(157,103)
Total Primary Government (Excluding Agency Funds)						\$ 2,020,029

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

CITY OF HOXIE, KANSAS
NOTES TO THE FINANCIAL STATEMENT
For the Year Ended December 31, 2021

Note 1: Summary of Significant Accounting Policies

A. Municipal Financial Reporting Entity

City of Hoxie, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than account principles generally accepted in the United States of America. The following is a summary of such significant policies.

The City is a municipal corporation governed by an elected three-member commission. This financial statement 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.

Housing Authority – The City’s Housing Authority operates the City’s housing projects. The housing authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Audited financial statements can be obtained by contacting the housing authority’s office.

Public Library – The City’s Library Board operates the City’s public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. Unaudited financial statements can be obtained by contacting the library.

The City is the primary government as defined in GASB #61. The City commission is elected by the public. The commission has the authority to make decisions, levy taxes, influence operations, and has the primary accountability in fiscal matters.

Note 1: Summary of Significant Accounting Policies (continued)

B. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

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

The 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.

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the City are not presented in the financial statement. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, and temporary notes are not presented in the financial statement.

C. Regulatory basis fund types

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.

Note 1: Summary of Significant Accounting Policies (continued)

The following types of funds comprise the financial activities of the City for the year ended December 31, 2021:

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

D. Cash and investments

Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by the City (except for investments in the Kansas Municipal Investment Pool). Cash includes amounts in demand deposits and certificates of deposit. Investments of the pooled accounts consist primarily of investments in the Kansas Municipal Investment Pool and U.S. government securities carried at cost, which approximates market. Interest income earned, unless specifically designated, is allocated to the general fund.

E. Property taxes

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

Note 1: Summary of Significant Accounting Policies (continued)

F. Interfund transactions

Quasi-external transactions (i.e., transactions that would be treated as receipts or expenditures if they involved organizations external to the governmental unit, such as internal service fund billings to departments) are accounted for as receipts or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

G. Reimbursements

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

H. Use of Estimates

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could defer from those estimates.

I. Restricted Assets

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Also, cash is restricted in the agency funds of the City for special purposes.

Note 2: Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

Note 2: Budgetary Information (continued)

3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The municipality did not hold a revenue neutral rate hearing for this year.

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

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison 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 regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budget expenditure authority lapses at year end.

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

- Capital Improvements Fund
- Equipment Reserve Fund
- Pool Project Fund
- Hoxie Recreation Fund
- Sewer Capital Project Fund
- CDBG-CV Fund
- MIH Fund
- ARPA Fund

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

Note 3: Deposits & Investments

City of Hoxie, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures, and unencumbered cash.

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

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

Concentration of credit risk

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City's allocation of investments as of December 31, 2021 is 100% guaranteed investment contracts secured by U.S. Treasury and Agencies.

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 does not use designated "peak periods". All deposits were legally secured at December 31, 2021.

At December 31, 2021, the City's carrying amount of deposits was \$2,177,132 and the bank balance was \$2,195,776. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$794,712 was covered by federal depository insurance and \$1,401,064 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Note 3: Deposits & Investments (continued)

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. The City had no investments of this type at December 31, 2021.

Note 4: Interfund Transfers

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis as authorized by Kansas statutes. City of Hoxie Kansas' interfund transfers and regulatory authority for the year ended December 31, 2021 were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
Refuse	Employee Benefits	12-1, 117	\$ 5,000
Refuse	General	12-1, 117	5,000
Water/Sewer	Bond and Interest	12-825d	17,500
General	Hoxie Recreation	Commission	5,000
Special Park	Hoxie Recreation	Commission	10,000
Sewer Mtn	Bond and Interest	12-825d	99,693
Sewer Mtn	Employee Benefits	12-1, 117	5,000
Sewer Mtn	Equipment Reserve	12-1, 117	15,000
Sewer Mtn	General	12-1, 117	<u>6,000</u>
Total			<u>\$168,193</u>

Note 5: Compensated Absences

The City's policy regarding vacation entitles employees to five days of vacation upon the completion of one year's continuous service from the date of employment. Each employee is entitled to 10 days of vacation on January 1 following the full year worked and each January 1 thereafter. After 10 years of full-time employment, the employee shall receive 1 extra day for each year over 10 of employment to a maximum of 20 days, with the last 10 to be optional as days off or paid. Vacation is not cumulative. Any employee who is eligible for vacation, but has not yet taken it at the time he/she terminates or is terminated, will receive his/her vacation pay at the regular rates at the time of termination. There was no unpaid accrual for vacation pay as of December 31, 2021.

Note 5: Compensated Absences (continued)

The City's policy for sick leave permits a full-time employee to earn sick leave at the rate of eight hours for each full month of service. On the 2nd January 1st following the employee's date of hire, each employee shall earn 12 hours of sick leave for each month of service. No employee may accrue more than 1,000 hours of sick leave. Employees are not paid for any unused sick leave upon termination of his/her employment with the City, except those employees retiring between the ages of 55 and 70, or leaving after 20 or more years of service. Such employees will be paid 1/3 of their sick leave hours at their regular rate of pay. The potential liability for sick leave at December 31, 2021 was \$20,045. This is not reflected in the financial statement.

Note 6: General Information about the Pension Plan

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

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.87% for the fiscal year ended December 31, 2021. Contributions to the pension plan from City of Hoxie, Kansas were \$63,803 for the year ended December 31, 2021.

Note 6: General Information about the Pension Plan (continued)

Net Pension Liability: At December 31, 2021, City of Hoxie, Kansas' proportionate share of the collective net pension liability reported by KPERS was \$392,458. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. City of Hoxie, Kansas' proportion of the net pension liability was based on the ratio of City of Hoxie, Kansas' contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

Note 7: Deferred Compensation Plan

City of Hoxie, Kansas sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The City is not required to make any contributions.

Note 8: Risk Management

City of Hoxie, Kansas carries commercial insurance for risks of loss, including property, general liability, automobile, umbrella, linebacker, workers' compensation, law enforcement coverage, and employee dishonesty. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

Note 9: Litigation

City of Hoxie, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the City.

Note 10: Grants and Shared Revenues

City of Hoxie, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

Note 11: Compliance Matters

There were no compliance matters to report for City of Hoxie, Kansas as of December 31, 2021.

Note 12: Other Post Employment Benefits

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

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

Note 13: Capital Projects in Process

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

	Project <u>Authorization</u>	Expenditures <u>To Date</u>
Sewer Project	\$4,362,000	\$3,487,254

Note 14: Evaluation of Subsequent Events

The organization has evaluated subsequent events through July 29, 2022, the date which the financial statement was available to be issued.

Note 15: Long-Term Debt

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Street Bond 2003 Series-A	5.0% - 5.9%	11/1/2003	\$ 137,000	3/1/2024	\$ 40,000	\$ -	\$ 10,000	\$ 30,000	\$ 1,750
Water Bond 2003 Series-B	4.15% - 5.9%	11/1/2003	380,000	3/1/2024	110,000	-	25,000	85,000	4,875
Royal Extension 2014-C	3.0% - 6.3%	12/17/2014	120,000	12/31/2035	95,000	-	5,000	90,000	4,929
BTI Project 2016	3.0% - 6.3%	3/1/2016	128,000	7/1/2025	70,000	-	14,000	56,000	1,663
Series 2020	1.75%	10/27/2020	2,850,000	10/27/2060	2,850,000	-	49,818	2,800,182	49,875
Series 2020-A	.60% - 2.8%	12/22/2020	1,765,000	3/1/2034	1,765,000	-	-	1,765,000	22,960
Series 2020-B	.60% - 2.8%	12/22/2020	210,000	3/1/2035	210,000	-	-	210,000	2,806
KDOT Loan:									
Transportation Rev Loan	3.68%	6/1/2010	213,795	8/1/2027	91,557	-	11,619	79,938	3,369
Capital Lease:									
Trash Truck	4.25%	12/15/2018	106,350	12/15/2023	66,487	-	21,234	45,253	2,865
Police Car	4.25%	2/8/2019	26,350	2/8/2024	21,514	-	5,041	16,473	930
Total Contractual Indebtedness									
					\$ 5,319,558	\$ -	\$ 141,712	\$ 5,177,846	\$ 96,022

Note 15: Long-Term Debt (continued)

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

Issue	Year									Total
	2022	2023	2024	2025	2026	2027 - 2031	2032 - 2036	2037 - 2060		
Principal										
General Obligation Bonds										
Street Bond 2003 Series-A	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000
Water Bond 2003 Series-B	25,000	30,000	30,000	-	-	-	-	-	-	85,000
Royal Extension 2014-C	5,000	5,000	5,000	5,000	5,000	25,000	40,000	-	-	90,000
BTI Project 2016	14,000	14,000	14,000	14,000	-	-	-	-	-	56,000
Sewer Series 2020	50,690	51,577	52,350	53,396	54,330	286,123	311,965	1,939,751	-	2,800,182
Series 2020-A	135,000	130,000	135,000	130,000	135,000	675,000	425,000	-	-	1,765,000
Series 2020-B	15,000	15,000	15,000	15,000	15,000	75,000	60,000	-	-	210,000
KDOT Loan	12,075	12,550	13,043	13,556	14,089	14,625	-	-	-	79,938
Capital Lease										
Trash Truck	22,149	23,104	-	-	-	-	-	-	-	45,253
Police Car	5,261	5,488	5,724	-	-	-	-	-	-	16,473
Total Principal	294,175	296,719	280,117	230,952	223,419	1,075,748	836,965	1,939,751		5,177,846
Interest										
General Obligation Bonds										
Street Bond 2003 Series-A	\$ 1,250	\$ 750	\$ 250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,250
Water Bond 2003 Series-B	3,625	2,250	750	-	-	-	-	-	-	6,625
Royal Extension 2014-C	4,735	4,529	4,316	4,097	3,872	15,625	4,970	-	-	42,144
BTI Project 2016	1,313	963	615	263	-	-	-	-	-	3,154
Sewer Series 2020	49,003	48,116	47,343	46,297	45,363	212,342	186,500	452,713	-	1,087,677
Series 2020-A	32,790	31,865	30,670	29,182	27,357	98,043	17,990	-	-	267,897
Series 2020-B	4,012	3,908	3,772	3,604	3,398	12,683	3,360	-	-	34,737
KDOT Loan	2,942	2,497	2,035	1,556	1,057	538	-	-	-	10,625
Capital Lease										
Trash Truck	1,950	995	-	-	-	-	-	-	-	2,945
Police Car	710	483	247	-	-	-	-	-	-	1,440
Total Interest	102,330	96,356	89,998	84,999	81,047	339,231	212,820	452,713		1,459,494
Total Principal and Interest	\$ 396,505	\$ 393,075	\$ 370,115	\$ 315,951	\$ 304,466	\$ 1,414,979	\$ 1,049,785	\$ 2,392,464		\$ 6,637,340

**REGULATORY REQUIRED
SUPPLEMENTAL INFORMATION**

CITY OF HOXIE, KANSAS
Summary of Expenditures - Actual and Budget (Budgeted Funds Only)
Regulatory Basis
For the Year Ended December 31, 2021

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Over (Under)</u>
Governmental Type Funds:					
General Funds:					
General Fund	\$ 877,948	\$ -	\$ 877,948	\$ 762,808	\$ (115,140)
Special Purpose Funds:					
Library Fund	40,200	-	40,200	37,895	(2,305)
Employee Benefits Fund	248,000	-	248,000	210,922	(37,078)
Street Resurfacing Fund	221,750	-	221,750	-	(221,750)
Airport Fund	5,800	-	5,800	2,546	(3,254)
Special Highway Fund	32,293	-	32,293	26,535	(5,758)
Fuller Cemetery Fund	25,553	-	25,553	18,133	(7,420)
Special Parks & Recreation Fund	14,525	-	14,525	10,000	(4,525)
Bed Tax Fund	6,797	-	6,797	1,000	(5,797)
Bond and Interest Funds:					
Bond and Interest Fund	378,234	-	378,234	141,221	(237,013)
Business Funds:					
Water and Sewer Utility Fund	291,500	16,281	307,781	301,895	(5,886)
Refuse Utility Fund	202,099	-	202,099	199,072	(3,027)
Sewer Maintenance Fund	149,418	-	149,418	148,529	(889)

CITY OF HOXIE, KANSAS
General 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 282,632	\$ 296,461	\$ 301,645	\$ (5,184)
Delinquent tax	5,501	2,541	1,150	1,391
Motor vehicle tax	42,931	48,363	42,049	6,314
16/20M vehicle tax	840	1,354	1,153	201
Recreational vehicle tax	982	1,198	972	226
Commercial vehicle tax	2,443	2,076	1,901	175
Watercraft tax	-	-	-	-
Neighborhood revitalization rebate	(22,564)	(19,551)	(17,440)	(2,111)
Total Taxes and Shared Revenues	\$ 312,765	\$ 332,442	\$ 331,430	\$ 1,012
Intergovernmental Revenues				
Federal aid	\$ -	\$ -	\$ -	\$ -
State aid	-	-	-	-
Connecting links	5,824	5,816	5,800	16
Local sales tax	114,663	145,231	140,000	5,231
Alcohol tax	3,982	4,121	4,500	(379)
Franchise tax	84,126	88,095	90,000	(1,905)
Total Intergovernmental Revenues	\$ 208,595	\$ 243,263	\$ 240,300	\$ 2,963
Licenses and Permits				
Licenses	\$ 900	\$ 1,000	\$ 1,500	\$ (500)
Dog and cat tags	145	160	170	(10)
Total Licenses and Permits	\$ 1,045	\$ 1,160	\$ 1,670	\$ (510)

Schedule 2-A

CITY OF HOXIE, KANSAS
General 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Charges for Services				
Court	\$ 34,136	\$ 29,003	\$ 34,000	\$ (4,997)
Pool	18,397	20,409	20,000	409
Total Charges for Services	\$ 52,533	\$ 49,412	\$ 54,000	\$ (4,588)
Use of Money and Property				
Building rent	\$ 12,575	\$ 13,050	\$ 12,800	\$ 250
Equipment rental	143	182	180	2
Total Use of Money and Property	\$ 12,718	\$ 13,232	\$ 12,980	\$ 252
Other				
Miscellaneous	\$ 1,235	\$ 7,493	\$ 250	\$ 7,243
Reimbursed expenses	36,060	27,740	28,000	(260)
Grants	13,587	34,516	100,000	(65,484)
Impound fee	1,043	315	2,000	(1,685)
Interest	6,523	3,781	9,000	(5,219)
Total Other	\$ 58,448	\$ 73,845	\$ 139,250	\$ (65,405)
Transfers In				
Refuse utility	\$ 10,000	\$ 5,000	\$ 5,000	\$ -
Sewer maintenance	-	6,000	-	6,000
Water/sewer utility	-	-	5,000	(5,000)
Total Transfers In	\$ 10,000	\$ 11,000	\$ 10,000	\$ 1,000
Total Receipts	\$ 656,104	\$ 724,354	\$ 789,630	\$ (65,276)

CITY OF HOXIE, KANSAS
General 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures				
General Government				
Personal services	\$ 139,851	\$ 157,378	\$ 168,000	\$ (10,622)
Commodities	13,940	4,728	17,000	(12,272)
Contractual services	67,273	85,726	76,157	9,569
Capital outlay	-	-	-	-
Grant project expense	22,589	30,900	100,000	(69,100)
Total General Government	\$ 243,653	\$ 278,732	\$ 361,157	\$ (82,425)
Street				
Personal services	\$ 91,275	\$ 147,443	\$ 124,000	\$ 23,443
Commodities	12,849	24,146	35,000	(10,854)
Contractual services	65,496	53,710	50,000	3,710
Capital outlay	-	-	10,000	(10,000)
Total Street	\$ 169,620	\$ 225,299	\$ 219,000	\$ 6,299
Park and Pool				
Personal services	\$ 31,995	\$ 24,627	\$ 35,000	\$ (10,373)
Commodities	17,018	22,258	25,000	(2,742)
Contractual services	26,076	29,155	45,000	(15,845)
Grant project expense	12,790	-	-	-
Total Park and Pool	\$ 87,879	\$ 76,040	\$ 105,000	\$ (28,960)

CITY OF HOXIE, KANSAS
General 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)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
Police				
Personal services	\$ 116,014	\$ 126,490	\$ 121,000	\$ 5,490
Commodities	11,283	14,971	25,000	(10,029)
Contractual services	33,866	16,318	30,971	(14,653)
Capital outlay	-	-	3,500	(3,500)
Dispatch/E911	-	10,000	10,000	-
Grant project expense	-	-	-	-
Lease payment	-	5,971	-	5,971
Total Police	<u>\$ 161,163</u>	<u>\$ 173,750</u>	<u>\$ 190,471</u>	<u>\$ (16,721)</u>
Cemetery				
Commodities	\$ 120	\$ 3,410	\$ 2,000	\$ 1,410
Contractual services	345	577	320	257
Total Cemetery	<u>\$ 465</u>	<u>\$ 3,987</u>	<u>\$ 2,320</u>	<u>\$ 1,667</u>
Transfers out				
Hoxie Recreation	5,000	5,000	-	5,000
Total Transfers	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 5,000</u>
Total Expenditures	<u>\$ 667,780</u>	<u>\$ 762,808</u>	<u>\$ 877,948</u>	<u>\$ (115,140)</u>
Receipts Over (Under) Expenditures	\$ (11,676)	\$ (38,454)		
Unencumbered Cash, Beginning	<u>96,673</u>	<u>84,997</u>		
Unencumbered Cash, Ending	<u>\$ 84,997</u>	<u>\$ 46,543</u>		

CITY OF HOXIE, KANSAS
Library 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 30,695	\$ 34,957	\$ 35,571	\$ (614)
Delinquent tax	725	338	200	138
Motor vehicle tax	5,467	5,347	4,566	781
16/20M vehicle tax	136	160	125	35
Recreational vehicle tax	125	132	106	26
Commercial vehicle tax	289	225	206	19
Watercraft tax	-	-	-	-
Neighborhood revitalization rebate	(2,451)	(2,305)	(2,057)	(248)
Total Receipts	\$ 34,986	\$ 38,854	\$ 38,717	\$ 137
Expenditures				
Contractual	\$ -	\$ -	\$ 2,200	\$ (2,200)
Appropriation	37,849	37,895	38,000	(105)
Total Expenditures	\$ 37,849	\$ 37,895	\$ 40,200	\$ (2,305)
Receipts Over (Under) Expenditures	\$ (2,863)	\$ 959		
Unencumbered Cash, Beginning	4,420	1,557		
Unencumbered Cash, Ending	\$ 1,557	\$ 2,516		

CITY OF HOXIE, KANSAS
Employee Benefits 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 161,359	\$ 168,558	\$ 171,509	\$ (2,951)
Delinquent tax	3,851	1,613	1,250	363
Motor vehicle tax	29,979	28,897	24,006	4,891
16/20M vehicle tax	579	949	658	291
Recreational vehicle tax	685	712	555	157
Commercial vehicle tax	1,712	1,185	1,085	100
Watercraft tax	-	-	-	-
Neighborhood revitalization rebate	(12,882)	(11,116)	(9,916)	(1,200)
Reimbursed Expenses	-	38	-	38
Transfers in				
Refuse utility	-	5,000	12,000	(7,000)
Sewer maintenance	5,000	5,000	-	5,000
Water/sewer utility	15,000	-	-	-
Total Receipts	<u>\$ 205,283</u>	<u>\$ 200,836</u>	<u>\$ 201,147</u>	<u>\$ (311)</u>
Expenditures				
Personal services	\$ 172,763	\$ 184,804	\$ 213,000	\$ (28,196)
Contractual	31,786	26,118	35,000	(8,882)
Total Expenditures	<u>\$ 204,549</u>	<u>\$ 210,922</u>	<u>\$ 248,000</u>	<u>\$ (37,078)</u>
Receipts Over (Under) Expenditures	\$ 734	\$ (10,086)		
Unencumbered Cash, Beginning	<u>64,419</u>	<u>65,153</u>		
Unencumbered Cash, Ending	<u>\$ 65,153</u>	<u>\$ 55,067</u>		

CITY OF HOXIE, KANSAS
Street Resurfacing 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 56,837	\$ 55,229	\$ 56,191	\$ (962)
Delinquent tax	1,293	566	450	116
Motor vehicle tax	9,956	9,997	8,456	1,541
16/20M vehicle tax	205	310	232	78
Recreational vehicle tax	228	247	195	52
Commercial vehicle tax	558	417	382	35
Watercraft tax	-	-	-	-
Neighborhood revitalization rebate	(4,538)	(3,642)	(3,249)	(393)
Reimbursed Expenses	-	-	-	-
Total Receipts	\$ 64,539	\$ 63,124	\$ 62,657	\$ 467
Expenditures				
Contractual	\$ -	\$ -	\$ 221,750	\$ (221,750)
Receipts Over (Under) Expenditures	\$ 64,539	\$ 63,124		
Unencumbered Cash, Beginning	93,779	158,318		
Unencumbered Cash, Ending	\$ 158,318	\$ 221,442		

CITY OF HOXIE, KANSAS
Airport 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 4,544	\$ 4,608	\$ 4,689	\$ (81)
Delinquent tax	98	44	25	19
Motor vehicle tax	761	792	676	116
16/20M vehicle tax	15	24	19	5
Recreational vehicle tax	17	20	16	4
Commercial vehicle tax	43	33	31	2
Neighborhood revitalization rebate	(363)	(304)	(271)	(33)
Total Receipts	<u>\$ 5,115</u>	<u>\$ 5,217</u>	<u>\$ 5,185</u>	<u>\$ 32</u>
Expenditures				
Commodities	\$ 79	\$ 1,419	\$ 650	\$ 769
Contractual	916	1,127	5,150	(4,023)
Total Expenditures	<u>\$ 995</u>	<u>\$ 2,546</u>	<u>\$ 5,800</u>	<u>\$ (3,254)</u>
Receipts Over (Under) Expenditures	\$ 4,120	\$ 2,671		
Unencumbered Cash, Beginning	<u>38,105</u>	<u>42,225</u>		
Unencumbered Cash, Ending	<u>\$ 42,225</u>	<u>\$ 44,896</u>		

CITY OF HOXIE, KANSAS
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)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
Receipts				
State gas tax	\$ 31,105	\$ 34,597	\$ 26,990	\$ 7,607
Expenditures				
Personal services	\$ 33,008	\$ 26,535	\$ 32,293	\$ (5,758)
Contractual	-	-	-	-
Total Expenditures	\$ 33,008	\$ 26,535	\$ 32,293	\$ (5,758)
Receipts Over (Under) Expenditures	\$ (1,903)	\$ 8,062		
Unencumbered Cash, Beginning	6,543	4,640		
Unencumbered Cash, Ending	\$ 4,640	\$ 12,702		

CITY OF HOXIE, KANSAS
Fuller 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Sale of lots	\$ 400	\$ 625	\$ 500	\$ 125
Farm income	12,000	12,100	12,000	100
Grave opening	4,150	3,050	3,600	(550)
Permits	100	95	100	(5)
Oil lease	-	-	-	-
Reimbursed Expenses	-	800	-	800
Total Receipts	<u>\$ 16,650</u>	<u>\$ 16,670</u>	<u>\$ 16,200</u>	<u>\$ 470</u>
Expenditures				
Personal services	\$ 9,474	\$ 6,933	\$ 8,000	\$ (1,067)
Contractual	1,355	1,340	6,500	(5,160)
Commodities	8,944	9,860	11,053	(1,193)
Capital outlay	-	-	-	-
Total Expenditures	<u>\$ 19,773</u>	<u>\$ 18,133</u>	<u>\$ 25,553</u>	<u>\$ (7,420)</u>
Receipts Over (Under) Expenditures	\$ (3,123)	\$ (1,463)		
Unencumbered Cash, Beginning	<u>16,483</u>	<u>13,360</u>		
Unencumbered Cash, Ending	<u>\$ 13,360</u>	<u>\$ 11,897</u>		

CITY OF HOXIE, KANSAS
Special Parks and Recreation 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Special liquor tax	\$ 3,982	\$ 4,121	<u>\$ 4,500</u>	<u>\$ (379)</u>
Expenditures				
Transfers out				
Hoxie Recreation	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 14,525</u>	<u>\$ (4,525)</u>
Receipts Over (Under) Expenditures	\$ 3,982	\$ (5,879)		
Unencumbered Cash, Beginning	<u>5,526</u>	<u>9,508</u>		
Unencumbered Cash, Ending	<u>\$ 9,508</u>	<u>\$ 3,629</u>		

CITY OF HOXIE, KANSAS
Bed Tax 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)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
Receipts				
Intergovernmental Revenue				
Local bed tax	\$ 3,721	\$ 2,944	\$ 4,200	\$ (1,256)
Expenditures				
Contractual	\$ -	\$ 1,000	\$ 6,797	\$ (5,797)
Receipts Over (Under) Expenditures	\$ 3,721	\$ 1,944		
Unencumbered Cash, Beginning	1,897	5,618		
Unencumbered Cash, Ending	\$ 5,618	\$ 7,562		

CITY OF HOXIE, KANSAS
Bond and Interest 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Taxes and Shared Revenues				
Ad valorem property tax	\$ 42,299	\$ 39,703	\$ 40,396	\$ (693)
Delinquent tax	1,095	486	450	36
Motor vehicle tax	7,942	7,442	6,293	1,149
16/20M vehicle tax	202	231	173	58
Recreational vehicle tax	181	184	145	39
Commercial vehicle tax	416	311	285	26
Watercraft tax	-	-	-	-
Special assessment	218,790	216,547	216,348	199
Neighborhood revitalization rebate	(3,377)	(2,618)	(2,336)	(282)
Bond proceeds	1,975,000	-	-	-
Transfers In				
Sewer maintenance	10,000	99,693	-	99,693
Water/sewer utility	27,500	17,500	17,500	-
Total Receipts	<u>\$ 2,280,048</u>	<u>\$ 379,479</u>	<u>\$ 279,254</u>	<u>\$ 100,225</u>
Expenditures				
Principal	\$ 2,066,179	\$ 98,492	\$ 164,619	\$ (66,127)
Interest	169,095	42,353	113,365	(71,012)
Commission and fees	3,407	376	250	126
Contractual	109,606	-	-	-
Cash basis reserve	-	-	100,000	(100,000)
Total Expenditures	<u>\$ 2,348,287</u>	<u>\$ 141,221</u>	<u>\$ 378,234</u>	<u>\$ (237,013)</u>
Receipts Over (Under) Expenditures	\$ (68,239)	\$ 238,258		
Unencumbered Cash, Beginning	<u>96,221</u>	<u>27,982</u>		
Unencumbered Cash, Ending	<u>\$ 27,982</u>	<u>\$ 266,240</u>		

CITY OF HOXIE, KANSAS
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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Customer charges	\$ 290,959	\$ 290,901	\$ 275,000	\$ 15,901
Late charges	1,631	1,796	1,800	(4)
Connect/Reconnect fees	1,745	1,558	1,800	(242)
Bulk	1,834	1,906	1,000	906
Miscellaneous	1,304	1,894	-	1,894
Reimbursed expenses	4,299	16,281	1,500	14,781
Total Receipts	\$ 301,772	\$ 314,336	\$ 281,100	\$ 33,236
Expenditures				
Personal services	\$ 147,048	\$ 159,245	\$ 138,000	\$ 21,245
Commodities	14,679	27,004	21,000	6,004
Contractual	85,089	98,146	85,000	13,146
Transfers out				
Bond and interest	27,500	17,500	17,500	-
Capital improvement	-	-	10,000	(10,000)
Employee benefits	15,000	-	-	-
Equipment reserve	-	-	15,000	(15,000)
General	-	-	5,000	(5,000)
Legal Water/Sewer Utility Fund Budget	\$ 289,316	\$ 301,895	\$ 291,500	\$ 10,395
Adjustment for Qualifying Budget Credits				
Reimbursements	-	-	16,281	(16,281)
Total Expenditures	\$ 289,316	\$ 301,895	\$ 307,781	\$ (5,886)
Receipts Over (Under) Expenditures	\$ 12,456	\$ 12,441		
Unencumbered Cash, Beginning	56,886	69,342		
Unencumbered Cash, Ending	\$ 69,342	\$ 81,783		

CITY OF HOXIE, KANSAS
Refuse 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)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Receipts				
Customer charges	\$ 180,229	\$ 180,898	\$ 180,000	\$ 898
Late charges	971	1,163	1,300	(137)
Bags	430	310	450	(140)
Containers	6,857	2,256	1,500	756
Miscellaneous	23	362	50	312
Total Receipts	<u>\$ 188,510</u>	<u>\$ 184,989</u>	<u>\$ 183,300</u>	<u>\$ 1,689</u>
Expenditures				
Personal services	\$ 75,101	\$ 93,272	\$ 84,000	\$ 9,272
Commodities	14,958	21,202	20,000	1,202
Contractual	12,950	15,844	15,000	844
Landfill	35,260	34,655	42,000	(7,345)
Lease payment	24,099	24,099	24,099	-
Transfers out				
Employee benefits	-	5,000	12,000	(7,000)
Equipment reserve	-	-	-	-
General	10,000	5,000	5,000	-
Total Expenditures	<u>\$ 172,368</u>	<u>\$ 199,072</u>	<u>\$ 202,099</u>	<u>\$ (3,027)</u>
Receipts Over (Under) Expenditures	\$ 16,142	\$ (14,083)		
Unencumbered Cash, Beginning	<u>70,489</u>	<u>86,631</u>		
Unencumbered Cash, Ending	<u>\$ 86,631</u>	<u>\$ 72,548</u>		

CITY OF HOXIE, KANSAS
Sewer Maintenance 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)

	Prior Year Actual	Current Year		Variance Over Under
		Actual	Budget	(Under)
Receipts				
Customer charges	\$ 168,104	\$ 168,045	\$ 165,500	\$ 2,545
Late charges	1,027	1,192	1,250	(58)
KDHE federal award	-	-	-	-
Reimbursed expenses	89	-	-	-
Total Receipts	<u>\$ 169,220</u>	<u>\$ 169,237</u>	<u>\$ 166,750</u>	<u>\$ 2,487</u>
Expenditures				
Personal services	\$ -	\$ -	\$ -	\$ -
Contractual	19,295	22,836	62,500	(39,664)
Principal	15,222	-	47,918	(47,918)
Interest	7,442	-	39,000	(39,000)
Transfers out				
Bond and interest	10,000	99,693	-	99,693
Capital improvement	25,000	-	-	-
Employee benefits	5,000	5,000	-	5,000
Equipment reserve	20,000	15,000	-	15,000
General	-	6,000	-	6,000
Total Expenditures	<u>\$ 101,959</u>	<u>\$ 148,529</u>	<u>\$ 149,418</u>	<u>\$ (889)</u>
Receipts Over (Under) Expenditures	\$ 67,261	\$ 20,708		
Unencumbered Cash, Beginning	<u>217,457</u>	<u>284,718</u>		
Unencumbered Cash, Ending	<u>\$ 284,718</u>	<u>\$ 305,426</u>		

CITY OF HOXIE, KANSAS
Capital Improvement Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Bond proceeds	\$ -	\$ -
Grant income	-	-
Reimbursements	21,228	-
State aid	-	-
Transfers in		
Sewer maintenance	25,000	-
Water/sewer utility	-	-
Total Receipts	<u>\$ 46,228</u>	<u>\$ -</u>
Expenditures		
Contract services	\$ 164,925	\$ 14,511
Fees	-	-
Legal services	-	-
Total Expenditures	<u>\$ 164,925</u>	<u>\$ 14,511</u>
Receipts Over (Under) Expenditures	\$ (118,697)	\$ (14,511)
Unencumbered Cash, Beginning	<u>491,803</u>	<u>373,106</u>
Unencumbered Cash, Ending	<u><u>\$ 373,106</u></u>	<u><u>\$ 358,595</u></u>

Schedule 2-O

CITY OF HOXIE, KANSAS
Equipment Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Reimbursed expense	\$ -	\$ -
Transfers in		
Refuse utility	-	-
Sewer maintenance	20,000	15,000
Water/sewer utility	-	-
Total Receipts	<u>\$ 20,000</u>	<u>\$ 15,000</u>
Expenditures		
Commodities	\$ -	\$ -
Contractual	2,492	9,837
Capital outlay	-	-
Lease payment	4,836	-
Lease interest payment	1,135	-
Total Expenditures	<u>\$ 8,463</u>	<u>\$ 9,837</u>
Receipts Over (Under) Expenditures	\$ 11,537	\$ 5,163
Unencumbered Cash, Beginning	<u>130,701</u>	<u>142,238</u>
Unencumbered Cash, Ending	<u><u>\$ 142,238</u></u>	<u><u>\$ 147,401</u></u>

Schedule 2-P

CITY OF HOXIE, KANSAS
Pool Project Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Donations	\$ -	\$ -
Expenditures		
Commodities	\$ -	\$ -
Contractual	-	-
Total Expenditures	\$ -	\$ -
Receipts Over (Under) Expenditures	\$ -	\$ -
Unencumbered Cash, Beginning	9,456	9,456
Unencumbered Cash, Ending	\$ 9,456	\$ 9,456

CITY OF HOXIE, KANSAS
Hoxie Recreation Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Banner and other sponsors	\$ 4,990	\$ 6,550
Concession stand income	7,376	10,729
County funds	15,373	20,000
Donations	13,315	4,055
Federal aid	14,207	8,176
Fundraiser income	5,814	4,356
Grants	102,188	40,539
Interest income	-	4
Miscellaneous	1,521	1,505
Participation fees	11,283	19,510
Reimbursements	829	1,495
Rent income	350	1,020
Scout income	11,234	19,590
Tournament income	-	-
Transfers in		
General	5,000	5,000
Special Parks and Recreation	-	10,000
Total Receipts	<u>\$ 193,480</u>	<u>\$ 152,529</u>
Expenditures		
Advertising	\$ 145	\$ 255
Bank service charges	248	420
Banner expense	-	-
Coaches	4,450	5,482
Concession stand	4,597	6,460
Contract labor	3,520	4,011
Director fees	14,000	27,409
Equipment	4,125	6,554

Schedule 2-Q

CITY OF HOXIE, KANSAS
Hoxie Recreation Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Fuel	106	265
Fun day expense	-	-
Fundraiser expense	2,907	1,054
Grant expense	101,398	33,471
Improvements	628	547
Insurance	310	304
League expenses	2,262	7,305
Meals and entertainment	9,466	6,883
Miscellaneous	200	1,241
Postage	119	55
Professional fees	505	505
Red ribbon expense	-	195
Referees/umpires	6,780	7,999
Rent	500	70
Repairs and maintenance	2,426	3,306
Scout expense	6,927	17,076
Supervisor	6,940	1,383
Supplies	4,342	3,128
Tournament expense	-	-
Uniforms	3,189	8,140
Total Expenditures	\$ 180,090	\$ 143,518
Receipts Over (Under) Expenditures	\$ 13,390	\$ 9,011
Unencumbered Cash, Beginning	37,247	50,637
Unencumbered Cash, Ending	\$ 50,637	\$ 59,648

Schedule 2-R

CITY OF HOXIE, KANSAS
Sewer Capital Project Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Bond proceeds	\$ 2,850,000	\$ -
CDBG federal aid	355,509	-
KDHE federal aid	1,498,371	-
Reimbursed expense	215,001	-
Total Receipts	<u>\$ 4,918,881</u>	<u>\$ -</u>
Expenditures		
Contractual	\$ 2,102,235	\$ -
Principal payment	2,758,902	16,945
Interest payment	35,909	49,875
Total Expenditures	<u>\$ 4,897,046</u>	<u>\$ 66,820</u>
Receipts Over (Under) Expenditures	\$ 21,835	\$ (66,820)
Unencumbered Cash, Beginning	<u>44,985</u>	<u>66,820</u>
Unencumbered Cash, Ending	<u><u>\$ 66,820</u></u>	<u><u>\$ -</u></u>

Schedule 2-S

CITY OF HOXIE, KANSAS
CDBG-CV Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Federal aid	\$ 144,991	\$ 28,609
Expenditures		
Contractual	\$ 11,250	\$ 3,750
Grant expense	133,741	24,859
Total Expenditures	\$ 144,991	\$ 28,609
Receipts Over (Under) Expenditures	\$ -	\$ -
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	\$ -	\$ -

Schedule 2-T

CITY OF HOXIE, KANSAS
MIH Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
State aid	\$ 240,157	\$ -
Expenditures		
Contractual	\$ 23,472	\$ 16,818
Receipts Over (Under) Expenditures	\$ 216,685	\$ (16,818)
Unencumbered Cash, Beginning	-	216,685
Unencumbered Cash, Ending	\$ 216,685	\$ 199,867

CITY OF HOXIE, KANSAS
ARPA Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts		
Federal aid	\$ -	\$ 91,031
Expenditures		
Contractual	\$ -	\$ -
Receipts Over (Under) Expenditures	\$ -	\$ 91,031
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 91,031</u>

CITY OF HOXIE, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2021

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Airport Authority	\$ 24,787	\$ 189,714	\$ 76,797	\$ 137,704
Flexible spending account	4,606	4,590	4,165	5,031
Meter deposit	12,300	6,000	4,050	14,250
Municipal court	<u>118</u>	<u>31,887</u>	<u>31,887</u>	<u>118</u>
Total	<u>\$ 41,811</u>	<u>\$ 232,191</u>	<u>\$ 116,899</u>	<u>\$ 157,103</u>