

***City of McLouth***

***Financial Statement***

***For the year ended December 31, 2022***

*ATC Accounting*

City of McLouth, Kansas  
 Financial Statement  
 December 31, 2022

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## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council  
City of McLouth  
McLouth, Kansas 66054

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of McLouth, Kansas, as of and for the year ended December 31, 2022 and the related notes to the financial statement.

***Management's Responsibility 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 to meet the financial reporting requirements of the State of Kansas; 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.

***Auditors' Responsibility***

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the Kansas Municipal Audit and Accounting Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City of McLouth, Kansas to meet the requirements of the State of 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.

### *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 Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of McLouth, Kansas as of December 31, 2022, or changes in financial position and cash flows thereof for the year then ended.

### *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 McLouth, Kansas as of December 31, 2022, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

### *Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the 2022 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, individual fund schedules of regulatory basis receipts and expenditures-actual (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2022 basic financial statement, however are required to be presented under the provision 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 2022 basic financial statement. The 2022 information has been subjected to the auditing procedures applied in the audit of the 2022 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 basic financial statement or to the 2022 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2022 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2021 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2021 basic financial statement upon which we rendered as unqualified opinion dated June 24, 2022. The 2021 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2021 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 basic financial statement. The 2021 comparative information was subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2021 comparative information is fairly stated in all material respects in relation to the 2021 basic financial statement as a whole, on the basis of accounting described in Note 1.

### *ATC Accounting*

ATC Accounting

June 23, 2023

City of McLouth, Kansas  
 Summary Statement of Receipts, Expenditures and Unencumbered Cash  
 Regulatory Basis  
 For the Year Ended December 31, 2022

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL	\$ 208,577	\$ 555,808	\$ 484,047	\$ 280,338	\$ 3,875	\$ 284,213
SPECIAL PURPOSE FUNDS:						
Law Enforcement	33,231	12,647	19,135	26,743	204	26,947
Fire Equipment	-	-	-	-	-	-
Library	28	23,989	23,347	670	-	670
Special Highway	5,965	22,939	3,209	25,695	-	25,695
BOND AND INTEREST FUND:						
Bond and Interest	321	15,963	-	16,284	-	16,284
CAPITAL PROJECT FUNDS:						
Capital Improvement	177,888	1,287,166	1,282,417	182,637	-	182,637
Equipment Reserve	63,224	15,000	-	78,224	-	78,224
ARPA Reserve	64,783	64,783	19,045	110,521	-	110,521
BUSINESS FUNDS:						
Water Utility	127,219	235,078	295,235	67,062	23,859	90,921
Sewer Utility	56,813	176,564	127,560	105,817	275	106,092
Gas Utility	129,650	370,869	435,343	65,176	11,230	76,406
AGENCY FUNDS:						
Utility Deposits	53,816	13,100	10,400	56,516	-	56,516
Total Reporting Entity	<u>\$ 921,515</u>	<u>\$ 2,793,906</u>	<u>\$ 2,699,738</u>	<u>\$ 1,015,683</u>	<u>\$ 39,443</u>	<u>\$1,055,126</u>

Checking Accounts	\$ 541,887
Money Market and Savings Accounts	262,153
Certificate of Deposits	<u>251,086</u>
Total Reporting Entity	<u>\$ 1,055,126</u>

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

City of McLouth, Kansas  
Notes to the Financial Statements  
December 31, 2022

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Financial Reporting Entity

The City of McLouth is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of McLouth (the municipality).

The related municipal entity is not included in the City's reporting entity even though it was established to benefit the City and/or its constituents.

Library Board - The 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. Complete financial records for the Library Board may be reviewed at their administrative offices.

### (b) Regulatory Basis Fund Types

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

**Special Purpose fund** – used to account for the proceeds of specific tax levies and other specific 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 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. water fund, electric fund, etc.).

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

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

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

#### **(d) Budgetary Information**

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

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

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. There were no such budget amendments for the year 2022.

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

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

A legal operating budget is not required for Capital Project Funds and Agency Funds.

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

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

### **Compliance with Kansas Statutes**

The City is not aware of any non-compliance with Kansas Statutes.

## **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 an institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements;

and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

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

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. State statutes require the City’s deposits in financial institutes to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2022.

At December 31, 2022, the City’s carrying amount of deposits was \$1,066,967 and the bank balance was \$1,055,126. The bank balance was held by 1 bank resulting in a concentration of credit risk. Of the bank balance \$250,000 was covered by federal depository insurance and the remaining \$816,967 was collateralized with securities held by the pledging financial institutions’ agents in the City’s name.

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

#### **4. UNCERTAINTIES**

As a result of significant disruption in the U.S. economy due to the ongoing Coronavirus “COVID-19” pandemic in 2020, uncertainties have risen which are likely to negatively impact future operation results. The duration and extent to which COVID-19 may impact financial performance is unknown at this time.

As a result of COVID-19, the State of Kansas has received Coronavirus State and Local Fiscal Recovery Funds (SLFRF) under the American Rescue Plan Act (ARPA). The SLFRF was received from the U.S. Department of Treasury. The City received SLFRF in the amount of \$64,783 during 2021 and 2022. The SLFRF are to be used to strengthen and improve infrastructure and continue to support the recovery related to the public health emergency. Additional information and updates on ARPA SLFRF, which includes audit requirements, can be found at <https://home.treasury.gov/>.

## 5. LONG-TERM DEBT

Changes in long-term liabilities for the City of McLouth, Kansas for the year ended December 31, 2022 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:									
Temporary Note	2.35%	11/05/2020	1,220,000	03/1/2022	\$ 1,220,000	\$ -	\$ 1,220,000	\$ -	\$ 37,782
Series 2022	2.125%	02/28/2022	1,228,000	2/28/2062	-	1,228,000	-	1,228,000	-
Kansas Low Interest Utility Loan	.25%-2.68%	03/22/2021	281,000	01/1/2027	\$ 257,597	\$ -	\$ 46,573	\$ 211,024	\$ 615
Total Contractual Indebtedness					<u>\$ 1,477,597</u>	<u>\$ 1,228,000</u>	<u>\$ 1,266,573</u>	<u>\$ 1,439,024</u>	<u>\$ 38,397</u>

Current maturities of long-term debt and interest through maturity are as follows:

	2023	2024	2025	2026	2027	2028-32	2033-37	2038-42	2043-47	2048-52	2053-57	2058-62	Total
Principal													
GO Series 2022	\$ 19,796	\$ 20,217	\$ 20,577	\$ 21,084	\$ 21,532	\$ 114,650	\$ 127,312	\$ 141,496	\$ 157,188	\$ 174,622	\$ 193,974	\$ 215,552	\$ 1,228,000
KS Low Int Utility Loan	45,713	45,671	46,903	48,168	24,569	-	-	-	-	-	-	-	211,024
Total Principal	<u>65,509</u>	<u>65,888</u>	<u>67,480</u>	<u>69,252</u>	<u>46,101</u>	<u>114,650</u>	<u>127,312</u>	<u>141,496</u>	<u>157,188</u>	<u>174,622</u>	<u>193,974</u>	<u>215,552</u>	<u>1,439,024</u>
Interest:													
GO Series 2022	26,095	25,674	25,314	24,807	24,359	114,805	102,143	87,959	72,267	54,833	35,481	13,941	607,678
KS Low Int Utility Loan	2,779	4,126	2,894	1,629	329	-	-	-	-	-	-	-	11,757
Total Interest	<u>28,874</u>	<u>29,800</u>	<u>28,208</u>	<u>26,436</u>	<u>24,688</u>	<u>114,805</u>	<u>102,143</u>	<u>87,959</u>	<u>72,267</u>	<u>54,833</u>	<u>35,481</u>	<u>13,941</u>	<u>619,435</u>
Total Principal and Int	<u>\$ 94,383</u>	<u>\$ 95,688</u>	<u>\$ 95,688</u>	<u>\$ 95,688</u>	<u>\$ 70,789</u>	<u>\$ 229,455</u>	<u>\$ 229,455</u>	<u>\$ 229,455</u>	<u>\$ 229,455</u>	<u>\$ 229,455</u>	<u>\$ 229,455</u>	<u>\$ 229,493</u>	<u>\$ 2,058,459</u>

## 6. DEFINED BENEFIT PENSION PLAN

**Plan Description.** The City participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report (only one is issued) that includes financial statements and required supplementary information. That report may be obtained by writing to KPERs (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

**Funding Policy.** K.S.A. 74-419 and K.S.A. 74-49,210 establishes the KPERs member-employee contribution rates. KPERs has multiple benefit structures and contribution rates depend on whether the employee is a Tier 1, Tier 2, or Tier 3 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009 and Tier 3 members were first employed in a covered position on or after January 1, 2015. Kansas law establishes the KPERs member-employee contribution rate at 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members through December 31, 2014. On January 1, 2015, Kansas law increased the KPERs member-employee contribution rate to 6% of covered salary for Tier 1 members. On that date, the Tier 2 member-employee contribution rate remained at 6% of covered salary, and the Tier 3 member contribution rate was established at 6% of covered salary. 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 Tier 1 and Tier 2 be determined annually based on the results of an annual actuarial valuation. Tier 3 Employer credits are established by statute and are based on the member employee's years of service. Tier 1 and Tier 2 is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rate (not including the 0.85% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.89%, for the fiscal year ended December 31, 2022. Contributions to the pension plan from the city were \$28,916 for the year ended December 31, 2022

**Net Pension Liability.** At December 31, 2022, the city's proportionate share of the collective net pension liability reported by KPERs was \$135,643. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, which was rolled forward to June 30, 2022. The city's proportion of the net pension liability was based on the ration of the city's contributions to KPERs, relative to the total employer and non-employer contributions of the local subgroup within KPERs. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

## 7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

### (a) Other Post Employment Benefits

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

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

(b) Other Employee Benefits

Vacation – A full-time employee may accrue vacation of 6.67 hours per month with 0 to 5 years of service, 8 hours per month with 6 to10 years of service, 10 hours per month with 11 to 15 years of service and 12 hours per month with more than 15 years of service. The maximum amount of vacation available is three weeks per year. Vacation is vested and terminating employees will be paid for vacation not taken. Effective December 2020 employees were allowed to be paid for any vacation in excess of the maximum accrued vacation carryover hours of 40. The cost of accumulated vacation leave will be recorded as an expenditure at the time the vacation is utilized, as normal personal service expenditure or upon payment to the employee.

The cost of accumulated vacation leave is \$5,257 and will be recorded as expenditures at the time the vacation leave is utilized, as normal personal service expenditures.

Sick Leave - Full-time employees may accrue sick leave at the rate of 1 day per month with a maximum accumulation of 720 days. Upon termination or resignation, no payment for unused sick leave will be made. The cost of accumulated sick pay has not been estimated or accrued by the City as of December 31, 2022 since no liability to pay upon termination.

**8. 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, grant 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 torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2021 to 2022 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.

**9. INTERFUND TRANSFERS**

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
General	Capital Improvements	K.S.A. 12-1,118	5,000
General	Equipment Reserve	K.S.A. 12-1,118	5,000
Water	Capital Improvements	K.S.A. 12-1,118	10,000
Water	Equipment Reserve	K.S.A. 12-1,118	10,000

**10. SUBSEQUENT EVENTS**

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

**CITY OF MCLOUTH, KANSAS**  
**REGULATORY-REQUIRED**  
**SUPPLEMENTARY INFORMATION**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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

Description	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable To Current Year Budget	Variance Over (Under)
GENERAL	\$ 735,590	\$ -	\$ 735,590	\$ 484,047	\$ (251,543)
SPECIAL PURPOSE FUNDS:					
Law Enforcement	53,291	-	53,291	19,135	(34,156)
Fire Equipment	-	-	-	-	-
Library	23,347	-	23,347	23,347	-
Special Highway	46,869	-	46,869	3,209	(43,660)
BOND AND INTEREST FUND:					
Bond and Interest	15,850	-	15,850	-	(15,850)
BUSINESS FUNDS:					
Water Utility	492,991	-	492,991	295,235	(197,756)
Sewer Utility	276,709	-	276,709	127,560	(149,149)
Gas Utility	711,000	-	711,000	435,343	(275,657)

City of McLouth, Kansas  
 General Fund  
 Schedule of Receipts and Expenditures – Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2022

	2021	2022		Variance Over (Under)
	Actual	Actual	Budget	
Receipts:				
Ad Valorem Property	\$ 246,309	\$ 259,387	\$ 258,727	\$ 660
Delinquent	6,342	11,965	15,524	(3,559)
Motor Vehicle	35,888	33,271	30,337	2,934
Recreational Vehicle	445	406	452	(46)
16/20M Truck	283	744	294	450
Commercial Vehicle Tax	197	276	105	171
Watercraft Tax	-	-	175	(175)
Franchise Fees	44,323	42,530	40,000	2,530
Sanitation	64,327	66,045	70,000	(3,955)
Sales Tax	64,189	70,155	60,000	10,155
Licenses, Fees and Permits	3,846	2,498	7,500	(5,002)
Municipal Court	21,170	41,844	30,000	11,844
Interest on Idle Funds	1,169	1,335	2,000	(665)
Reimbursements	-	2,231	-	2,231
Miscellaneous	19,304	23,121	1,000	22,121
Transfer from Bond and Interest	-	-	-	-
Transfer from Fire Equipment	-	-	-	-
Total Receipts	507,792	555,808	\$ 516,114	\$ 39,694

City of McLouth, Kansas  
 General Fund (Continued)  
 Schedule of Receipts and Expenditures – Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2022

	2021	2022		Variance Over (Under)
	Actual	Actual	Budget	
Expenditures:				
Salaries and Wages	72,345	45,276	\$ 73,500	\$ (28,224)
Employee Benefits	17,480	16,303	22,940	(6,637)
Police Salaries and Wages	83,958	105,951	110,500	(4,549)
Police Employee Benefits	30,545	57,550	52,800	4,750
General Government	133,123	26,186	32,350	(6,164)
Legal/Contract/Administration	21,611	12,861	21,000	(8,139)
Sanitation	63,405	63,661	60,000	3,661
Streets	19,247	83,384	31,000	52,384
Police Operations and Maintenance	26,994	30,639	26,300	4,339
Fire Operations and Maintenance	34,430	-	-	-
Court	12,835	21,179	16,000	5,179
Insurance	15,485	8,260	7,500	760
Training, Testing and Fees	1,970	503	500	3
Miscellaneous	142	705	1,500	(795)
Capital Outlay	-	1,589	269,700	(268,111)
Transfer to Capital Improvements	20,000	5,000	5,000	-
Transfer to Equipment Reserve	5,000	5,000	5,000	-
Total Expenditures	558,570	484,047	\$ 735,590	\$ (251,543)
Receipts Over (Under) Expenditures	(50,778)	71,761		
Unencumbered Cash, January 1	259,355	208,577		
Unencumbered Cash, December 31	\$ 208,577	\$ 280,338		

City of McLouth, Kansas  
 Law Enforcement Fund  
 Schedule of Receipts and Expenditures – Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2022

	2021	2022		Variance Over (Under)
	Actual	Actual	Budget	
<b>Receipts:</b>				
Ad Valorem Property	\$ 10,186	\$ 10,732	\$ 10,702	\$ 30
Delinquent	257	489	642	(153)
Motor Vehicle	1,444	1,369	1,254	115
Recreational Vehicle	18	17	19	(2)
16/20M Truck	11	29	12	17
Commercial Truck Tax	8	11	4	7
Watercraft Tax	-	-	-	-
Reimbursement	-	-	-	-
Miscellaneous	-	-	-	-
<b>Total Receipts</b>	<b>11,924</b>	<b>12,647</b>	<b>\$ 12,633</b>	<b>\$ 14</b>
<b>Expenditures:</b>				
Commodities	-	-	\$ 2,500	\$ (2,500)
Capital Outlay	29,349	19,135	50,791	(31,656)
<b>Total Expenditures</b>	<b>29,349</b>	<b>19,135</b>	<b>\$ 53,291</b>	<b>\$ (34,156)</b>
Receipts Over (Under) Expenditures	(17,425)	(6,488)		
Unencumbered Cash, January 1	50,656	33,231		
Unencumbered Cash, December 31	\$ 33,231	\$ 26,743		

City of McLouth, Kansas  
 Fire Equipment Fund  
 Schedule of Receipts and Expenditures – Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2022

	2021	2022		Variance Over (Under)
	Actual	Actual	Budget	
<b>Receipts:</b>				
Ad Valorem Property	\$ -	\$ -	\$ -	\$ -
Delinquent	-	-	-	-
Motor Vehicle	-	-	-	-
Recreational Vehicle	-	-	-	-
16/20M Truck	-	-	-	-
Commercial Truck Tax	-	-	-	-
Watercraft Tax	-	-	-	-
<b>Total Receipts</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenditures:</b>				
Public Safety	-	-	\$ -	\$ -
Capital Outlay	-	-	-	-
Transfer to General	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, January 1	-	-		
<b>Unencumbered Cash, December 31</b>	<b>\$ -</b>	<b>\$ -</b>		

City of McLouth, Kansas  
 Library Fund  
 Schedule of Receipts and Expenditures – Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2022

	2021	2022		Variance Over (Under)
	Actual	Actual	Budget	
<b>Receipts:</b>				
Ad Valorem Property	\$ 19,374	\$ 20,270	\$ 20,217	\$ 53
Delinquent	516	978	1,213	(235)
Motor Vehicle	2,915	2,629	2,386	243
Recreational Vehicle	36	32	36	(4)
16/20M Truck	24	59	23	36
Commercial Truck Tax	16	21	8	13
Watercraft Tax	-	-	13	(13)
<b>Total Receipts</b>	<b>22,881</b>	<b>23,989</b>	<b>\$ 23,896</b>	<b>\$ 93</b>
<b>Expenditures:</b>				
Recreation and Culture	23,347	23,347	\$ 23,347	\$ -
Receipts Over (Under) Expenditures	(466)	642		
Unencumbered Cash, January 1	494	28		
<b>Unencumbered Cash, December 31</b>	<b>\$ 28</b>	<b>\$ 670</b>		

City of McLouth, Kansas  
 Special Highway Fund  
 Schedule of Receipts and Expenditures – Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2022

	2021	2022		
	Actual	Actual	Budget	Variance Over (Under)
<b>Receipts:</b>				
Special Highway Tax	\$ 24,486	\$ 22,939	\$ 21,830	\$ 1,109
Miscellaneous	-	-	-	-
Total Receipts	24,486	22,939	\$ 21,830	\$ 1,109
<b>Expenditures:</b>				
Street Repair and Maintenance	22,483	3,209	\$ 46,869	\$ (43,660)
<hr/>				
Receipts Over (Under) Expenditures	2,003	19,730		
Unencumbered Cash, January 1	3,962	5,965		
<hr/>				
Unencumbered Cash, December 31	\$ 5,965	\$ 25,695		

City of McLouth, Kansas  
 Bond and Interest Fund  
 Schedule of Receipts and Expenditures – Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2022

	2021	2022		
		Actual	Budget	Variance Over (Under)
<b>Receipts:</b>				
Ad Valorem Property	\$ -	\$ 15,876	\$ 15,850	\$ 26
Delinquent	-	87	951	(864)
Motor Vehicle	-	-	-	-
Recreational Vehicle	-	-	-	-
16/20M Truck	-	-	-	-
Commercial Truck Tax	-	-	-	-
Watercraft Tax	-	-	-	-
Total Receipts	-	15,963	\$ 16,801	\$ (838)
<b>Expenditures:</b>				
Principal	-	-	\$ -	\$ -
Interest	-	-	15,850	(15,850)
Total Expenditures	-	-	\$ 15,850	\$ (15,850)
Receipts Over (Under) Expenditures	-	15,963		
Unencumbered Cash, January 1	321	321		
Unencumbered Cash, December 31	\$ 321	\$ 16,284		

City of McLouth, Kansas  
 Non-Budgeted Funds  
 Schedule of Receipts and Expenditures – Actual  
 Regulatory Basis  
 For the Year Ended December 31, 2022

	ARPA Reserve	Capital Improvement	Equipment Reserve
Receipts:			
Transfer – General	\$ -	\$ 5,000	\$ 5,000
Transfer – Water	-	10,000	10,000
Transfer - Sewer	-	-	-
Transfer - Gas	-	-	-
Grant Proceeds	64,783	1,272,166	-
Sale of Assets	-	-	-
	<hr/>		
Total Receipts	64,783	1,287,166	15,000
	<hr/>		
Expenditures:			
Capital Outlay	19,045	1,282,417	-
	<hr/>		
Total Expenditures	19,045	1,282,417	-
	<hr/>		
Receipts Over (Under) Expenditures	45,738	4,749	15,000
Unencumbered Cash, January 1	64,783	177,888	63,224
	<hr/>		
Unencumbered Cash, December 31	\$ 110,521	\$ 182,637	\$ 78,224
	<hr/>		

City of McLouth, Kansas  
Water Utility Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2022

	2021	2022		
		Actual	Budget	Variance Over (Under)
<b>Receipts:</b>				
Charges for Services	\$ 247,253	\$ 234,882	\$ 275,000	\$ (40,118)
Interest on Idle Funds	462	196	1,000	(804)
Miscellaneous	-	-	-	-
<b>Total Receipts</b>	<b>247,715</b>	<b>235,078</b>	<b>\$ 276,000</b>	<b>\$ (40,922)</b>
<b>Expenditures:</b>				
Salaries and Wages	38,908	52,397	\$ 55,000	\$ (2,603)
Employee Benefits	13,072	17,457	20,665	(3,208)
Debt Service	-	-	22,000	(22,000)
Training, Testing and Fees	1,129	2,909	-	2,909
Operations and Maintenance	61,166	50,273	58,400	(8,127)
Insurance	7,345	8,260	7,500	760
Legal and Contract Services	49,285	54,281	53,735	546
Water Purchase	68,047	47,007	60,000	(12,993)
Capital Outlay	-	-	128,000	(128,000)
USDA Expense	1,190,125	42,651	67,691	(25,040)
Transfer – Capital Improvements	-	10,000	20,000	(10,000)
Transfer – Equipment Reserve	-	10,000	-	10,000
<b>Total Expenditures</b>	<b>1,429,077</b>	<b>295,235</b>	<b>\$ 492,991</b>	<b>\$ (197,756)</b>
Receipts Over (Under) Expenditures	(1,181,362)	(60,157)		
Unencumbered Cash, January 1	1,308,581	127,219		
<b>Unencumbered Cash, December 31</b>	<b>\$ 127,219</b>	<b>\$ 67,062</b>		

City of McLouth, Kansas  
Sewer Utility Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2022

	2021	2022		Variance Over (Under)
		Actual	Budget	
<b>Receipts:</b>				
Charges for Services	\$ 180,296	\$ 175,915	\$ 195,000	\$ (19,085)
Interest on Idle Funds	774	649	1,500	(851)
Miscellaneous	-	-	-	-
<b>Total Receipts</b>	<b>181,070</b>	<b>176,564</b>	<b>\$ 196,500</b>	<b>\$ (19,936)</b>
<b>Expenditures:</b>				
Salaries and Wages	32,677	48,441	\$ 49,000	\$ (559)
Employee Benefits	12,142	16,816	15,915	901
Training, Testing and Fees	1,680	955	-	955
Operations and Maintenance	55,835	41,577	52,100	(10,523)
Insurance	6,845	8,377	6,600	1,777
Legal and Contract Services	24,475	11,394	11,500	(106)
Capital Outlay	15,205	-	136,594	(136,594)
Miscellaneous	-	-	-	-
Debt Service	105,521	-	-	-
Transfer – Capital Improvements	-	-	5,000	(5,000)
<b>Total Expenditures</b>	<b>254,380</b>	<b>127,560</b>	<b>\$ 276,709</b>	<b>\$ (149,149)</b>
Receipts Over (Under) Expenditures	(73,310)	49,004		
Unencumbered Cash, January 1	130,123	56,813		
<b>Unencumbered Cash, December 31</b>	<b>\$ 56,813</b>	<b>\$ 105,817</b>		

City of McLouth, Kansas  
 Gas Utility Fund  
 Schedule of Receipts and Expenditures – Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2022

	2021	2022		
	Actual	Actual	Budget	Variance Over (Under)
<b>Receipts:</b>				
Charges for Services	\$ 441,836	\$ 370,673	\$ 600,000	\$ (229,327)
Kansas Low Interest Utility Loan Proceeds	281,000	-	-	-
Interest on Idle Funds	462	196	1,000	(804)
Miscellaneous	692	-	-	-
<b>Total Receipts</b>	<b>723,990</b>	<b>370,869</b>	<b>\$ 601,000</b>	<b>\$ (230,131)</b>
<b>Expenditures:</b>				
Salaries and Wages	60,229	49,830	\$ 64,500	\$ (14,670)
Employee Benefits	16,435	16,886	18,915	(2,029)
Training, Testing and Fees	250	73	-	73
Operations and Maintenance	18,072	12,543	24,300	(11,757)
Insurance	6,845	8,260	6,500	1,760
Legal and Contract Services	37,442	54,443	-	54,443
Gas Purchase	494,788	246,073	445,000	(198,927)
Capital Outlay	11,802	-	74,597	(74,597)
Miscellaneous	300	47	-	47
Debt Service	47,188	47,188	47,188	-
Transfer – Capital Improvements	-	-	20,000	(20,000)
Transfer – Equipment Reserve	-	-	10,000	(10,000)
<b>Total Expenditures</b>	<b>693,351</b>	<b>435,343</b>	<b>\$ 711,000</b>	<b>\$ (275,657)</b>
Receipts Over (Under) Expenditures	30,639	(64,474)		
Unencumbered Cash, January 1	99,011	129,650		
Unencumbered Cash, December 31	\$ 129,650	\$ 65,176		

City of McLouth, Kansas  
 Utility Deposit Fund  
 Schedule of Receipts and Expenditures – Actual  
 Regulatory Basis  
 For the Year Ended December 31, 2022

	2021	2022
Receipts:		
Water Deposits	\$ 225	\$ -
Sewer Deposits	225	-
Gas Deposits	10,050	13,100
	<hr/>	<hr/>
Total Receipts	10,500	13,100
	<hr/>	<hr/>
Expenditures:		
Water Deposit Refund	2,300	1,925
Sewer Deposit Refund	2,300	1,925
Gas Deposit Refund	5,200	6,550
	<hr/>	<hr/>
Total Expenditures	9,800	10,400
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	700	2,700
Unencumbered Cash, January 1	53,116	53,816
	<hr/>	<hr/>
Unencumbered Cash, December 31	\$ 53,816	\$ 56,516
	<hr/>	<hr/>