

# ***City of McLouth***

## ***Financial Statement***

***For the year ended December 31, 2021***

*ATC Accounting*

City of McLouth, Kansas  
Financial Statement  
December 31, 2021

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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, 2021 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, 2021, 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, 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.

### ***Report on Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the 2021 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual, 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 2021 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 2021 basic financial statement. The 2021 information has been subjected to the auditing procedures applied in the audit of the 2021 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2021 basic financial statement or to the 2021 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2021 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2020 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2020 basic financial statement upon which we rendered as unqualified opinion dated June 11, 2021. The 2020 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2020 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 basic financial statement or to the 2020 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2020 comparative information is fairly stated in all material respects in relation to the 2020 basic financial statement as a whole, on the basis of accounting described in Note 1.

### ***ATC Accounting***

ATC Accounting

June 24, 2022

City of McLouth, 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	Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL	\$ 259,355	\$ 507,792	\$ 558,570	\$ 208,577	\$ 6,028	\$ 214,605
SPECIAL PURPOSE FUNDS:						
Law Enforcement	50,656	11,924	29,349	33,231	-	33,231
Fire Equipment	-	-	-	-	-	-
Library	494	22,881	23,347	28	-	28
Special Highway	3,962	24,486	22,483	5,965	-	5,965
BOND AND INTEREST FUND:						
Bond and Interest	321	-	-	321	-	321
CAPITAL PROJECT FUNDS:						
Capital Improvement	275,255	50,729	148,096	177,888	-	177,888
Equipment Reserve	104,424	5,000	46,200	63,224	-	63,224
ARPA Reserve	-	64,783	-	64,783	-	64,783
BUSINESS FUNDS:						
Water Utility	1,308,581	247,715	1,429,077	127,219	7,940	135,159
Sewer Utility	130,123	181,070	254,380	56,813	223	57,036
Gas Utility	99,011	723,990	693,351	129,650	9,273	138,923
AGENCY FUNDS:						
Utility Deposits	53,116	10,500	9,800	53,816	-	53,816
Total Reporting Entity	\$ 2,285,298	\$ 1,850,870	\$ 3,214,653	\$ 921,515	\$ 23,464	\$ 944,979

Checking Accounts	\$ 433,479
Money Market and Savings Accounts	261,114
Certificate of Deposits	<u>250,386</u>

Total Reporting Entity	<u>\$ 944,979</u>
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The notes to the financial statement are an integral part of this statement

City of McLouth, Kansas  
Notes to the Financial Statements  
December 31, 2021

## 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 2021.

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, 2021.

At December 31, 2021, the City's carrying amount of deposits was \$944,979 and the bank balance was \$948,815. 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 \$698,815 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 2021, 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. 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, 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:									
Temporary Note	2.35%	11/05/2020	1,220,000	03/1/2022	\$ 1,220,000	\$ -	\$ -	\$ 1,220,000	\$ -
KDHE Loans:									
Sewer Improvements	3.57%	04/05/2000	1,702,238	09/1/2021	\$ 102,761	\$ -	\$ 102,761	\$ -	\$ 2,760
Kansas Low Interest Utility Loan	.25%	03/22/2021	281,000	01/1/2027	\$ -	\$ 281,000	\$ 23,403	\$ 257,597	\$ 191
Total Contractual Indebtedness					\$ 1,322,761	\$ 281,000	\$ 126,164	\$ 1,477,597	\$ 2,951

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

	2022	2023	2024	2025	2026	2027	Total
Principal							
General Obligation Temporary Note	\$ 1,220,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,220,000
KDHE Loan – Sewer	-	-	-	-	-	-	-
Kansas Low Interest Utility Loan	46,573	46,689	46,806	46,923	47,041	23,565	257,597
Total Principal	1,266,573	46,689	46,806	46,923	47,041	23,565	1,477,597
Interest:							
General Obligation Temporary Note	37,782	-	-	-	-	-	37,782
KDHE Loan – Sewer	-	-	-	-	-	-	-
Kansas Low Interest Utility Loan	615	498	382	265	147	29	1,936
Total Interest	38,397	498	382	265	147	29	39,718
Total Principal and Interest	\$ 1,304,970	\$ 47,187	\$ 47,188	\$ 47,188	\$ 47,188	\$ 23,594	\$ 1,517,315

The temporary note above will be paid from the issuance of bonds in 2022 which will spread the maturities out to 2062.

## **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, 2021. Contributions to the pension plan from the city were \$21,693 for the year ended December 31, 2021

**Net Pension Liability.** At December 31, 2021, 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, 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. 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 to 10 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 \$6,869 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, 2021 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 2020 to 2021 and there were no settlements that exceeded insurance coverage in the past three years.

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

## **9. INTERFUND TRANSFERS**

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
General	Capital Improvements	K.S.A. 12-1,118	20,000
General	Equipment Reserve	K.S.A. 12-1,118	5,000

## **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, 2021**

City of McLouth, Kansas  
Summary of Expenditures – Actual and Budget  
Regulatory Basis  
(Budgeted Funds Only)  
For the Year Ended December 31, 2021

Description	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable To Current Year Budget	Variance Over (Under)
GENERAL	\$ 787,807	\$ -	\$ 787,807	\$ 558,570	\$ (229,237)
SPECIAL PURPOSE FUNDS:					
Law Enforcement	50,791	-	50,791	29,349	(21,442)
Fire Equipment	38,205	-	38,205	-	(38,205)
Library	23,347	-	23,347	23,347	-
Special Highway	22,873	-	22,873	22,483	(390)
BOND AND INTEREST FUND:					
Bond and Interest	321	-	321	-	(321)
BUSINESS FUNDS:					
Water Utility	1,613,262	-	1,613,262	1,429,077	(184,185)
Sewer Utility	325,914	-	325,914	254,380	(71,534)
Gas Utility	758,950	-	758,950	693,351	(65,599)

City of McLouth, Kansas  
General Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2021

	2020	2021		Variance
	Actual	Actual	Budget	Over (Under)
Receipts:				
Ad Valorem Property	\$ 231,178	\$ 246,309	\$ 250,799	\$ (4,490)
Delinquent	11,369	6,342	12,490	(6,148)
Motor Vehicle	30,583	35,888	32,226	3,662
Recreational Vehicle	476	445	377	68
16/20M Truck	458	283	412	(129)
Commercial Vehicle Tax	131	197	279	(82)
Watercraft Tax	-	-	218	(218)
Franchise Fees	36,925	44,323	32,000	12,323
Sanitation	57,058	64,327	70,000	(5,673)
Sales Tax	58,441	64,189	55,000	9,189
Licenses, Fees and Permits	3,667	3,846	7,500	(3,654)
Municipal Court	27,762	21,170	30,000	(8,830)
Interest on Idle Funds	1,187	1,169	2,000	(831)
Reimbursements	-	-	-	-
Miscellaneous	14,218	19,304	1,000	18,304
Transfer from Bond and Interest	-	-	-	-
Transfer from Fire Equipment	34,999	-	-	-
Total Receipts	508,452	507,792	\$ 494,301	\$ 13,491

City of McLouth, Kansas  
General Fund (Continued)  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2021

	2020	2021		
	Actual	Actual	Budget	Variance Over (Under)
Expenditures:				
Salaries and Wages	53,045	72,345	\$ 67,500	\$ 4,845
Employee Benefits	13,491	17,480	19,102	(1,622)
Police Salaries and Wages	95,668	83,958	110,500	(26,542)
Police Employee Benefits	27,250	30,545	35,200	(4,655)
General Government	49,410	133,123	54,000	79,123
Legal/Contract/Administration	17,976	21,611	22,000	(389)
Sanitation	52,414	63,405	60,000	3,405
Streets	57,931	19,247	17,450	1,797
Police Operations and Maintenance	17,979	26,994	30,400	(3,406)
Fire Operations and Maintenance	1,570	34,430	8,950	25,480
Court	13,708	12,835	8,500	4,335
Insurance	12,317	15,485	7,500	7,985
Training, Testing and Fees	306	1,970	500	1,470
Miscellaneous	1,863	142	1,500	(1,358)
Capital Outlay	-	-	269,705	(269,705)
Transfer to Capital Improvements	100,000	20,000	70,000	(50,000)
Transfer to Equipment Reserve	-	5,000	5,000	-
Total Expenditures	514,928	558,570	\$ 787,807	\$ (229,237)
Receipts Over (Under) Expenditures	(6,476)	(50,778)		
Unencumbered Cash, January 1	265,831	259,355		
Unencumbered Cash, December 31	\$ 259,355	\$ 208,577		

City of McLouth, Kansas  
Law Enforcement Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2021

	2020	2021		Variance
	Actual	Actual	Budget	Over (Under)
Receipts:				
Ad Valorem Property	\$ 9,689	\$ 10,186	\$ 10,368	\$ (182)
Delinquent	478	257	516	(259)
Motor Vehicle	1,282	1,444	1,351	93
Recreational Vehicle	20	18	16	2
16/20M Truck	19	11	17	(6)
Commercial Truck Tax	6	8	12	(4)
Watercraft Tax	-	-	-	-
Reimbursement	10,000	-	-	-
Miscellaneous	-	-	-	-
Total Receipts	21,494	11,924	\$ 12,280	\$ (356)
Expenditures:				
Commodities	693	-	\$ 2,500	\$ (2,500)
Capital Outlay	-	29,349	48,291	(18,942)
Total Expenditures	693	29,349	\$ 50,791	\$ (21,442)
Receipts Over (Under) Expenditures	20,801	(17,425)		
Unencumbered Cash, January 1	29,855	50,656		
Unencumbered Cash, December 31	\$ 50,656	\$ 33,231		



City of McLouth, Kansas  
 Fire Equipment Fund  
 Schedule of Receipts and Expenditures – Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2021

	2020	2021		Variance
	Actual	Actual	Budget	Over (Under)
Receipts:				
Ad Valorem Property	\$ 9,689	\$ -	\$ -	\$ -
Delinquent	478	-	-	-
Motor Vehicle	1,281	-	1,351	(1,351)
Recreational Vehicle	20	-	16	(16)
16/20M Truck	20	-	17	(17)
Commercial Truck Tax	5	-	12	(12)
Watercraft Tax	-	-	9	(9)
Total Receipts	11,493	-	\$ 1,405	\$ (1,405)
Expenditures:				
Public Safety	514	-	\$ 1,500	\$ (1,500)
Capital Outlay	2,600	-	36,705	(36,705)
Transfer to General	34,999	-	-	-
Total Expenditures	38,113	-	\$ 38,205	\$ (38,205)
Receipts Over (Under) Expenditures	(26,620)	-		
Unencumbered Cash, January 1	26,620	-		
Unencumbered Cash, December 31	\$ -	\$ -		

City of McLouth, Kansas  
Library Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2021

	2020	2021		Variance
	Actual	Actual	Budget	Over (Under)
Receipts:				
Ad Valorem Property	\$ 19,390	\$ 19,374	\$ 19,724	\$ (350)
Delinquent	1,002	516	982	(466)
Motor Vehicle	2,707	2,915	2,704	211
Recreational Vehicle	42	36	32	4
16/20M Truck	41	24	34	(10)
Commercial Truck Tax	12	16	23	(7)
Watercraft Tax	-	-	18	(18)
Total Receipts	23,194	22,881	\$ 23,517	\$ (636)
Expenditures:				
Recreation and Culture	23,334	23,347	\$ 23,347	\$ -
Receipts Over (Under) Expenditures	(140)	(466)		
Unencumbered Cash, January 1	634	494		
Unencumbered Cash, December 31	\$ 494	\$ 28		

City of McLouth, Kansas  
Special Highway Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2021

	2020	2021		Variance
	Actual	Actual	Budget	Over (Under)
Receipts:				
Special Highway Tax	\$ 22,019	\$ 24,486	\$ 19,170	\$ 5,316
Miscellaneous	-	-	-	-
Total Receipts	22,019	24,486	\$ 19,170	\$ 5,316
Expenditures:				
Street Repair and Maintenance	73,488	22,483	\$ 22,873	\$ (390)
Receipts Over (Under) Expenditures	(51,469)	2,003		
Unencumbered Cash, January 1	55,431	3,962		
Unencumbered Cash, December 31	\$ 3,962	\$ 5,965		

City of McLouth, Kansas  
Bond and Interest Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2021

	2020	2021		Variance
		Actual	Budget	Over (Under)
Receipts:				
Ad Valorem Property	\$ -	\$ -	\$ -	\$ -
Delinquent	-	-	-	-
Motor Vehicle	-	-	-	-
Recreational Vehicle	-	-	-	-
16/20M Truck	-	-	-	-
Commercial Truck Tax	-	-	-	-
Watercraft Tax	-	-	-	-
Total Receipts	-	-	\$ -	\$ -
Expenditures:				
Debt Service	-	-	\$ -	\$ -
Transfer to General	-	-	321	(321)
Total Expenditures	-	-	\$ 321	\$ (321)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, January 1	321	321		
Unencumbered Cash, December 31	\$ 321	\$ 321		

City of McLouth, Kansas  
Non-Budgeted Funds  
Schedule of Receipts and Expenditures – Actual  
Regulatory Basis  
For the Year Ended December 31, 2021

	ARPA Reserve	Capital Improvement	Equipment Reserve
Receipts:			
Transfer – General	\$ -	\$ 20,000	\$ 5,000
Transfer – Water	-	-	-
Transfer - Sewer	-	-	-
Transfer - Gas	-	-	-
Grant Proceeds	64,783	-	-
Sale of Assets	-	30,729	-
	<hr/>		
Total Receipts	64,783	50,729	5,000
	<hr/>		
Expenditures:			
Capital Outlay	-	148,096	46,200
	<hr/>		
Total Expenditures	-	148,096	46,200
	<hr/>		
Receipts Over (Under) Expenditures	64,783	(97,367)	(41,200)
Unencumbered Cash, January 1	-	275,255	104,424
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Unencumbered Cash, December 31	\$ 64,783	\$ 177,888	\$ 63,224
	<hr/>		

City of McLouth, Kansas  
Water Utility Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2021

	2020	2021		
		Actual	Budget	Variance Over (Under)
Receipts:				
Charges for Services	\$ 243,830	\$ 247,253	\$ 275,000	\$ (27,747)
Interest on Idle Funds	580	462	500	(38)
Miscellaneous	208	-	-	-
Temporary Note Proceeds	1,220,000	-	1,220,000	(1,220,000)
Total Receipts	1,464,618	247,715	\$ 1,495,500	\$ (1,247,785)
Expenditures:				
Salaries and Wages	42,823	38,908	\$ 47,000	\$ (8,092)
Employee Benefits	11,983	13,072	16,150	(3,078)
Debt Service	-	-	-	-
Training, Testing and Fees	671	1,129	-	1,129
Operations and Maintenance	47,164	61,166	67,109	(5,943)
Insurance	7,398	7,345	6,900	445
Legal and Contract Services	67,595	49,285	20,000	29,285
Water Purchase	57,895	68,047	60,000	8,047
Capital Outlay	3,050	-	156,103	(156,103)
USDA Expense	7,570	1,190,125	1,220,000	(29,875)
Transfer – Capital Improvements	-	-	20,000	(20,000)
Total Expenditures	246,149	1,429,077	\$ 1,613,262	\$ (184,185)
Receipts Over (Under) Expenditures	1,218,469	(1,181,362)		
Unencumbered Cash, January 1	90,112	1,308,581		
Unencumbered Cash, December 31	\$ 1,308,581	\$ 127,219		

City of McLouth, Kansas  
Sewer Utility Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2021

	2020	2021		
		Actual	Budget	Variance Over (Under)
Receipts:				
Charges for Services	\$ 179,248	\$ 180,296	\$ 195,000	\$ (14,704)
Interest on Idle Funds	947	774	1,000	(226)
Miscellaneous	-	-	-	-
Total Receipts	180,195	181,070	\$ 196,000	\$ (14,930)
Expenditures:				
Salaries and Wages	18,884	32,677	\$ 49,000	\$ (16,323)
Employee Benefits	7,943	12,142	15,750	(3,608)
Training, Testing and Fees	1,633	1,680	-	1,680
Operations and Maintenance	28,237	55,835	52,600	3,235
Insurance	7,398	6,845	6,600	245
Legal and Contract Services	2,050	24,475	11,000	13,475
Capital Outlay	-	15,205	80,364	(65,159)
Miscellaneous	-	-	-	-
Debt Service	105,521	105,521	105,600	(79)
Transfer – Capital Improvements	5,000	-	5,000	(5,000)
Total Expenditures	176,666	254,380	\$ 325,914	\$ (71,534)
Receipts Over (Under) Expenditures	3,529	(73,310)		
Unencumbered Cash, January 1	126,594	130,123		
Unencumbered Cash, December 31	\$ 130,123	\$ 56,813		

City of McLouth, Kansas  
Gas Utility Fund  
Schedule of Receipts and Expenditures – Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2021

	2020	2021		Variance
	Actual	Actual	Budget	Over (Under)
Receipts:				
Charges for Services	\$ 210,467	\$ 441,836	\$ 368,674	\$ 73,162
Kansas Low Interest Utility Loan Proceeds	-	281,000	281,000	-
Interest on Idle Funds	579	462	500	(38)
Miscellaneous	1,624	692	-	692
Total Receipts	212,670	723,990	\$ 650,174	\$ 73,816
Expenditures:				
Salaries and Wages	58,404	60,229	\$ 64,500	\$ (4,271)
Employee Benefits	14,542	16,435	18,750	(2,315)
Training, Testing and Fees	-	250	-	250
Operations and Maintenance	17,915	18,072	24,200	(6,128)
Insurance	7,398	6,845	6,500	345
Legal and Contract Services	2,721	37,442	-	37,442
Gas Purchase	99,905	494,788	645,000	(150,212)
Capital Outlay	-	11,802	-	11,802
Miscellaneous	-	300	-	300
Debt Service	-	47,188	-	47,188
Transfer – Equipment Reserve	10,000	-	-	-
Total Expenditures	210,885	693,351	\$ 758,950	\$ (65,599)
Receipts Over (Under) Expenditures	1,785	30,639		
Unencumbered Cash, January 1	97,226	99,011		
Unencumbered Cash, December 31	\$ 99,011	\$ 129,650		



City of McLouth, Kansas  
Utility Deposit Fund  
Schedule of Receipts and Expenditures – Actual  
Regulatory Basis  
For the Year Ended December 31, 2021

	2020	2021
Receipts:		
Water Deposits	\$ 3,450	\$ 225
Sewer Deposits	3,535	225
Gas Deposits	7,220	10,050
	<hr/>	<hr/>
Total Receipts	14,205	10,500
	<hr/>	<hr/>
Expenditures:		
Water Deposit Refund	1,725	2,300
Sewer Deposit Refund	1,660	2,300
Gas Deposit Refund	8,040	5,200
	<hr/>	<hr/>
Total Expenditures	11,425	9,800
	<hr/>	<hr/>
Receipts Over (Under) Expenditures	2,780	700
Unencumbered Cash, January 1	50,336	53,116
	<hr/>	<hr/>
Unencumbered Cash, December 31	\$ 53,116	\$ 53,816
	<hr/>	<hr/>