CITY OF MCLOUTH, KANSAS

FINANCIAL STATEMENTS

Year Ended December 31, 2024

This page intentionally left blank.

CITY OF MCLOUTH, KANSAS

FINANCIAL STATEMENTS
Year ending December 31, 2024

TABLE OF CONTENTS

	Page Number
INTRODUCTORY SECTION	
Table of Contents	i
FINANCIAL SECTION	
Independent Auditor's Report	1 - 2
Summary Statement of Receipts, Expenditures and Unencumbered Cash	3
Notes to the Financial Statements	4 - 9
Schedule 1 Summary of Expenditures - Actual and Budget	10
Schedule 2 Schedule of Receipts and Expenditures - Actual and Budget and Actual Only	
General Fund	11
Law Enforcement Fund	12
Library Fund	13
Special Highway Fund	14
ARPA Reserve Fund	15
Capital Improvement Reserve Fund	15
Equipment Reserve Fund	15
Bond and Interest Fund	16
Water Utility Fund	17
Sewer Utility Fund	18
Gas Utility Fund	19
Schedule 3 Schedule of Receipts and Disbursements - Agency Funds	20

GORDONCPA
AUDITING
ACCOUNTING
CONSULTING

4205 W 6th St Ste C
Lawrence, KS 66049

(785) 371-4847
cpagordon.com

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of McLouth, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the City of McLouth, Kansas (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of Adverse and Unmodified Opinions" section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2024, or the changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2024, 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

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statement" section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified opinions.

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

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City 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 the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and 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 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 our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

October 13, 2025

CITY OF MCLOUTH, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:						
General	$ 173,477	$ 607,447	$ 584,660	$ 196,264	$ 3,373	$ 199,637
Special Purpose Funds:						
Law Enforcement	1,050	26,898	2,928	25,020	-	25,020
Library	1,125	25,733	26,858	-	-	-
Special Highway	35,761	22,866	36,827	21,800	-	21,800
ARPA Reserve	19,386	-	17,744	1,642	-	1,642
Capital Improvement Reserve	219,246	37,800	19,167	237,879	-	237,879
Equipment Reserve	96,235	24,645	-	120,880	-	120,880
Bond and Interest Funds:						
Bond and Interest	21,582	52,450	45,891	28,141	-	28,141
Business Funds:						
Water Utility	83,918	242,710	234,765	91,863	1,361	93,224
Sewer Utility	132,203	179,224	141,615	169,812	2,216	172,028
Gas Utility	159,738	279,214	361,975	76,977	[282]	76,695
Total	$ 943,721	$ 1,498,987	$ 1,472,430	$ 970,278	$ 6,668	$ 976,946

Composition of Cash:	
Union State Savings Bank	
Checking	$ 772,317
Certificate of Deposit	261,075
Total Cash	1,033,392
Less: Agency Funds per Schedule 3	[56,446]
Total Reporting Entity	$ 976,946

See independent auditor's report on the financial statements.

CITY OF MCLOUTH, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of McLouth, Kansas, (the City) is a municipal corporation governed by a mayor and a five member council. These financial statements present the City. A 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:

Public Library Board - the McLouth Public 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 obtained by contacting the Library.

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis regulatory 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.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year ended December 31, 2024:

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.

Business Fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.)

Agency Fund - funds used to report assets held by the City in a purely custodial capacity (i.e. payroll clearing fund, etc.)

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. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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

If the City is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least 10 days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The City did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipt other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The 2024 budget was not amended.

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, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City 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 the ARPA Reserve, Capital Improvement Reserve or Equipment Reserve funds.

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

NOTE 2 - Deposits

Deposits. 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.

Investments. 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. As of December 31, 2024, the City held no such investments.

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.

NOTE 2 - Deposits (Continued)

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has no designated "peak periods." All deposits were legally secured at December 31, 2024.

As of December 31, 2024, the City's carrying amount of deposits was $1,033,392 and the bank balance was $ 1,071,930. The bank balance was held by one bank, resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance and $821,930 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.

NOTE 3 - Retirement Plan

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. 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 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.26% for the fiscal year ended December 31, 2024. Contributions to the pension plan from the City were $33,156 for the year ended December 31, 2024.

Net Pension Liability. As of December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $309,543. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup of 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 KPERS website at www.kpers.org or can be obtained as described above.

NOTE 4 - Long-Term Debt

During the year ended December 31, 2024, the following changes occurred in long term liabilities:

Type of Issue	Beginning Principal Outstanding	Additions to Principal	Reductions of Principal	Ending Principal Outstanding	Interest Paid
General Obligation Bonds	$ 1,208,204	$ -	$ 20,217	$1,187,987	$ 25,674
Utility Loans	165,311	-	95,679	69,631	4,219
Total	$ 1,373,515	$ -	$ 115,896	$1,257,619	$ 29,893

Outstanding Debt. Long-term debt currently outstanding is as follows:

Purpose	Date Issued	Final Maturity	Interest Rate	Original Amount	Balance December 31, 2024
Series 2022 GO Bonds	2/28/2022	2/28/2062	2.125%	$1,228,000	$ 1,187,987
Utility Loan #C99370999	3/22/2021	1/1/2027	.25% - 2.81%	211,024	69,631
					$ 1,257,619

General Obligation Bonds. The annual debt service requirements to maturity for the general obligation bonds are as follows:

Year Ending December 31,	Principal	Interest
2025	$ 20,577	$ 25,314
2026	21,084	24,807
2027	21,532	24,359
2028	21,989	23,902
2029	22,392	23,499
2030 - 2034	119,579	109,876
2035 - 2039	132,840	96,595
2040 - 2044	147,573	81,882
2045 - 2049	163,908	65,547
2050 - 2054	182,130	47,345
2055 - 2059	202,330	27,125
2060 - 2062	132,054	5,658
	$ 1,187,987	$ 555,909

Utility Loans. The annual debt service requirements to maturity for the utility loan are as follows:

Year Ending December 31,	Principal	Interest
2025	$ 27,341	$ 1,576
2026	28,044	752
2027	14,246	152
	$ 69,631	$ 2,480

NOTE 5 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks of loss, including related lost regulatory receipts. No significant reductions in insurance coverage from that of the prior year have occurred. Settlements have not exceeded insurance coverage for each of the last three years.

NOTE 6 - Compensated Absences

Vacation Leave. 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 terminated 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.

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.

NOTE 7 - Other Long-Term Obligations from Operations

Other Post-Employment Benefits. As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in 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. There is no cost to the City under this program.

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employers Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2024.

NOTE 8 - Interfund Transfers

A reconciliation of transfers by fund type for 2024 follows:

From	To	Amount	Regulatory Authority
General	Equipment Reserve	$ 20,000	K.S.A. 12-1,117
Water Utility	Capital Improvement	12,800	K.S.A. 12-825d
Sewer Utility	Capital Improvement	5,000	K.S.A. 12-825d
Gas Utility	Capital Improvement	20,000	K.S.A. 12-825d
		$ 57,800	

NOTE 9 - Contingencies

The City is a party to various claims, none of which is expected to have material financial impact on the City.

NOTE 10 - Stewardship, Compliance, and Accountability

Expenditures in the Library Fund exceeded the adopted budget for the year ended December 31, 2024, which is a violation of K.S.A. 79-2935.

CITY OF MCLOUTH, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over [Under]
General Funds:					
General	$ 899,015	$ -	$ 899,015	$ 584,660	$ [314,355]
Special Purpose Funds:					
Law Enforcement	57,475	-	57,475	2,928	[54,547]
Library	24,020	-	24,020	26,858	2,838
Special Highway	71,805	-	71,805	36,827	[34,978]
Bond and Interest Funds:					
Bond and Interest	68,336	-	68,336	45,891	[22,445]
Business Funds:					
Water Utility	356,468	-	356,468	234,765	[121,703]
Sewer Utility	352,817	-	352,817	141,615	[211,202]
Gas Utility	517,000	-	517,000	361,975	[155,025]

SCHEDULE 2 - 1

CITY OF MCLOUTH, KANSAS

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over [Under]
Receipts			
Taxes	$ 349,477	$ 328,400	$ 21,077
Licenses and permits	2,754	7,500	[4,746]
Sales tax	77,043	70,000	7,043
Municipal court	43,967	30,000	13,967
Franchise fees	44,412	50,000	[5,588]
Sanitation	71,498	75,000	[3,502]
Miscellaneous	15,334	-	15,334
Interest income	2,962	2,000	962
Total Receipts	607,447	$ 562,900	$ 44,547
Expenditures			
Salaries and wages	190,135	$ 187,500	$ 2,635
Employee benefits	110,456	85,220	25,236
General government	33,866	56,650	[22,784]
Legal, contract and administration	21,447	18,000	3,447
Sanitation	67,183	65,000	2,183
Streets	62,500	71,500	[9,000]
Police operations and maintenance	23,473	40,350	[16,877]
Municipal court	16,872	27,100	[10,228]
Capital outlay	2,732	292,280	[289,548]
Insurance	31,578	9,600	21,978
Traning, testing and fees	1,707	500	1,207
Miscellaneous	2,711	-	2,711
Transfers out	20,000	20,000	-
Cash forward	-	25,315	[25,315]
Total Expenditures	584,660	$ 899,015	$ [314,355]
Receipts Over [Under] Expenditures	22,787		
Unencumbered Cash, Beginning	173,477		
Unencumbered Cash, Ending	$ 196,264		

See independent auditor's report on the financial statements.

CITY OF MCLOUTH, KANSAS

LAW ENFORCEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over [Under]
Receipts			
Taxes	$ 22,198	$ 21,707	$ 491
Miscellaneous	4,700	-	4,700
Total Receipts	26,898	$ 21,707	$ 5,191
Expenditures			
Commodities	2,816	$ 2,500	$ 316
Capital outlay	-	50,700	[50,700]
Miscellaneous	112	-	112
Cash forward	-	4,275	[4,275]
Total Expenditures	2,928	$ 57,475	$ [54,547]
Receipts Over [Under] Expenditures	23,970		
Unencumbered Cash, Beginning	1,050		
Unencumbered Cash, Ending	$ 25,020		

SCHEDULE 2 - 3

CITY OF MCLOUTH, KANSAS

LIBRARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over [Under]
Receipts			
Taxes	$ 25,733	$ 23,909	$ 1,824
Total Receipts	25,733	$ 23,909	$ 1,824
Expenditures			
Recreation and culture	26,858	$ 24,020	$ 2,838
Total Expenditures	26,858	$ 24,020	$ 2,838
Receipts Over [Under] Expenditures	[1,125]		
Unencumbered Cash, Beginning	1,125		
Unencumbered Cash, Ending	$ -		

CITY OF MCLOUTH, KANSAS

SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over [Under]
Receipts			
Intergovernmental	$ 22,866	$ 22,970	$ [104]
Total Receipts	22,866	$ 22,970	$ [104]
Expenditures			
Contractual	36,827	$ 71,805	$ [34,978]
Total Expenditures	36,827	$ 71,805	$ [34,978]
Receipts Over [Under] Expenditures	[13,961]		
Unencumbered Cash, Beginning	35,761		
Unencumbered Cash, Ending	$ 21,800		

SCHEDULE 2 - 5

CITY OF MCLOUTH, KANSAS

NON-BUDGETED FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL *
Regulatory Basis
For the Year Ended December 31, 2024

	ARPA Reserve	Capital Improvement Reserve	Equipment Reserve
Receipts			
Transfers in	$ -	$ 37,800	$ 20,000
Miscellaneous	-	-	4,645
Total Receipts	-	37,800	24,645
Expenditures			
Capital outlay	17,744	19,167	-
Total Expenditures	17,744	19,167	-
Receipts Over [Under] Expenditures	[17,744]	18,633	24,645
Unencumbered Cash, Beginning	19,386	219,246	96,235
Unencumbered Cash, Ending	$ 1,642	$ 237,879	$ 120,880

* These funds are not required to be budgeted.

CITY OF MCLOUTH, KANSAS

BOND & INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over [Under]
Receipts			
Taxes	$ 52,450	$ 53,415	$ [965]
Total Receipts	52,450	$ 53,415	$ [965]
Expenditures			
Bond principal	19,796	$ 19,796	$ -
Bond interest	26,095	26,095	-
Cash forward	-	22,445	[22,445]
Total Expenditures	45,891	$ 68,336	$ [22,445]
Receipts Over [Under] Expenditures	6,559		
Unencumbered Cash, Beginning	21,582		
Unencumbered Cash, Ending	$ 28,141		

CITY OF MCLOUTH, KANSAS

WATER UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over [Under]
Receipts			
Charges to customers	$ 240,367	$ 275,000	$ [34,633]
Miscellaneous	2,343	1,000	1,343
Total Receipts	242,710	$ 276,000	$ [33,290]
Expenditures			
Salaries and wages	54,927	$ 57,000	$ [2,073]
Employee benefits	27,490	22,465	5,025
Operations, maintenance, training	54,985	62,800	[7,815]
Insurance	5,510	7,200	[1,690]
Legal and contract services	27,435	53,235	[25,800]
Water purchased	38,114	60,000	[21,886]
Water main replacement	-	62,000	[62,000]
Fees	3,704	-	3,704
Capital outlay	9,800	18,968	[9,168]
Transfers out	12,800	12,800	-
Total Expenditures	234,765	$ 356,468	$ [121,703]
Receipts Over [Under] Expenditures	7,945		
Unencumbered Cash, Beginning	83,918		
Unencumbered Cash, Ending	$ 91,863		

CITY OF MCLOUTH, KANSAS

SEWER UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over [Under]
Receipts			
Charges to customers	$ 173,696	$ 195,000	$ [21,304]
Miscellaneous	5,528	1,500	4,028
Total Receipts	179,224	$ 196,500	$ [17,276]
Expenditures			
Salaries and wages	60,038	$ 60,000	$ 38
Employee benefits	27,799	20,800	6,999
Operation, maintenance, training	38,631	59,800	[21,169]
Insurance	5,510	8,300	[2,790]
Legal and contract services	4,637	11,500	[6,863]
Capital outlay	-	187,417	[187,417]
Transfers out	5,000	5,000	-
Total Expenditures	141,615	$ 352,817	$ [211,202]
Receipts Over [Under] Expenditures	37,609		
Unencumbered Cash, Beginning	132,203		
Unencumbered Cash, Ending	$ 169,812		

CITY OF MCLOUTH, KANSAS

GAS UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024

	Actual	Budget	Variance Over [Under]
Receipts			
Charges to customers	$ 276,871	$ 456,000	$ [179,129]
Miscellaneous	2,343	1,000	1,343
Total Receipts	279,214	$ 457,000	$ [177,786]
Expenditures			
Salaries and wages	36,531	$ 31,000	$ 5,531
Employee benefits	6,464	5,100	1,364
Operation and maintenance	70,085	71,860	[1,775]
Insurance	5,510	8,300	[2,790]
Gas purchased	133,866	320,000	[186,134]
Capital outlay	89,519	70,740	18,779
Transfers out	20,000	10,000	10,000
Total Expenditures	361,975	$ 517,000	$ [155,025]
Receipts Over [Under] Expenditures	[82,761]		
Unencumbered Cash, Beginning	159,738		
Unencumbered Cash, Ending	$ 76,977		

CITY OF MCLOUTH, KANSAS

AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended December 31, 2024

FUND	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Utility Deposits	$ 53,116	$ 4,000	$ 1,050	$ 56,066
Payroll Clearing	-	5,234	4,854	380
Total Agency Funds	$ 53,116	$ 9,234	$ 5,904	$ 56,446

See independent auditor's report on the financial statements.