CITY OF OTIS, KANSAS

Primary Government Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2021

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For the Year Ended December 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Otis, Kansas
Otis, Kansas

Adverse and Unmodified Opinions

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matters discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2021, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the 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, 2021, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

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 audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the City 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.

above+beyond
AdamsBrown, LLC

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.

Auditors' 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 (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 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated May 12, 2021, which contained an unmodified opinion on the basic financial statement. 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 at the following link https://admin.ks.gov/offices/oar/municipal-services. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2021 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2020 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 basic financial statement or to the 2020 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2020 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2020, on the basis of accounting described in Note 1.

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

May 11, 2022

CITY OF OTIS, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	**Ending Unencumbered Cash Balance**	Add Encumbrances and Accounts Payable	**Ending Cash Balance**
Governmental Fund Types							
General Fund	$ 21,448	-	140,744	150,952	**11,240**	40	**11,280**
Special Purpose Funds							
Federal Funds Fund	-	-	19,839	-	**19,839**	-	**19,839**
Employee Benefit Fund	5,601	-	19,195	18,462	**6,334**	14	**6,348**
Library Fund	-	-	3,804	3,804	**-**	-	**-**
Special Highway Fund	10,289	-	12,598	14,024	**8,863**	-	**8,863**
Capital Improvement Fund	12,129	-	1,750	13,870	**9**	125	**134**
Capital Project Funds							
Water Improvement Fund	34,126	-	89,142	123,268	**-**	-	**-**
Business Fund Types							
Water Utility Fund	532,646	-	323,163	403,290	**452,519**	9,212	**461,731**
Sanitation Fund	830	-	30,575	31,099	**306**	-	**306**
Sewer Reserve Fund	58,518	-	34	23,003	**35,549**	-	**35,549**
Total Primary Government	$ 675,587	-	640,844	781,772	**534,659**	9,391	**544,050**

Composition of Cash		
Certificates of Deposit	$	**56,655**
Savings Accounts		**166,739**
Checking Accounts		**320,656**
Total Primary Government	**$**	**544,050**

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

The City is a municipal corporation governed by an elected five-member council. This financial statement does not include the related municipal entity shown below. A related municipal entity is an entity established to benefit the City and/or its constituents.

Public Library

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

Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

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.

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for the acquisition or construction of major capital facilities or equipment.

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

Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not

recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

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

NOTE 2 – BUDGETARY INFORMATION

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

a. Preparation of the budget for the succeeding calendar year on or before August 1st.

b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.

d. Adoption of the final budget on or before August 25th.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th.

The 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 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which 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 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 capital project funds, trust funds, and the following special purpose funds: Federal Funds Fund and Capital Improvement Fund.

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

NOTE 3 – DEPOSITS AND INVESTMENTS

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

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

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

Concentration of Credit Risk
State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and K.S.A. 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 institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were legally secured at December 31, 2021.

At December 31, 2021, the City's carrying amount of deposits was $544,050 and the bank balance was $622,849. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, all was covered by federal depository insurance for the year ending December 31, 2021.

Custodial Credit Risk – Investments
For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments at December 31, 2021.

NOTE 4 – INTERFUND TRANSFERS

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

From	To	Regulatory Authority	Amount
Water Utility Fund	Special Highway Fund	K.S.A. 12-825d	$ 5,000
Water Utility Fund	General Fund	K.S.A. 12-825d	15,000

NOTE 5 – CAPITAL PROJECTS

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

	Project Authorization	Expenditures to Date
Water Project	$ 3,345,000	$ 3,345,000

NOTE 6 – LITIGATION

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

NOTE 7 – RISK MANAGEMENT

City of Otis, Kansas carries commercial insurance for risks of loss, including property, general liability, inland marine, automobile, workers' compensation, and public official and employment practice. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 8 – GRANTS AND SHARED REVENUES

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

NOTE 9 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The City did not publish an annual financial statement, which is in violation of K.S.A. 12-1608.

The City did not remit bond payments within 20 days of maturity, which is in violation of K.S.A. 10-130.

NOTE 10 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description
City of Otis, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are

included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.87% for the fiscal year ended December 31, 2021. Contributions to the pension plan from the City were $7,353 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 $50,026. 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 ratio 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 this financial statement.

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

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

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

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

As provided by K.S.A.74-4927, disabled members in the Kansas Public Employees 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, 2021.

NOTE 12 – COMPENSATED ABSENCES

Paid Time Off
Regular full-time employees are entitled to 12 paid time off (PTO) days per year. Part-time employees do not earn PTO. Employees may not accrue more than 20 days of PTO. Employees are allowed to carryover 5 days of PTO to the next year. Upon termination, employees will be paid all accrued unused time off.

NOTE 13 – LONG-TERM DEBT

City of Otis, Kansas has the following type of long-term debt.

General Obligation Bonds
On September 26, 2019, the City issued $2,383,000 in General Obligation Bonds Series 2019 to pay off General Obligation Temporary Notes Series 2018 for the purpose of acquiring, constructing, reconstructing, improving or enlarging the water system.

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	**Balance End of Year**	Interest Paid
General Obligation Bonds									
Series 2019	2.75%	9/26/2019	$ 2,383,000	9/26/2059	$ 2,328,533	-	(65,965)	**2,262,568**	64,035

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

	Year												
	2022	2023	2024	2025	2026	2027-2031	2032-2036	2037-2041	2042-2046	2047-2051	2052-2056	2057-2059	**Total**
Principal													
General Obligation Bonds	$ 35,301	36,272	37,270	38,295	39,348	213,577	244,604	280,139	320,835	367,444	420,824	228,659	**2,262,568**
Interest													
General Obligation Bonds	63,669	62,698	61,700	60,675	59,622	281,271	250,244	214,709	174,013	127,404	74,024	15,611	**1,445,640**
Total Principal and Interest	$ **98,970**	**98,970**	**98,970**	**98,970**	**98,970**	**494,848**	**494,848**	**494,848**	**494,848**	**494,848**	**494,848**	**244,270**	**3,708,208**

CITY OF OTIS, KANSAS

Regulatory-Required Supplementary Information

Schedule 1

CITY OF OTIS, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	**Expenditures Chargeable to Current Year**	Variance Over (Under)
Governmental Fund Types					
General Fund	$ 79,706	74,473	154,179	**150,952**	(3,227)
Special Purpose Funds					
Employee Benefit Fund	19,550	-	19,550	**18,462**	(1,088)
Library Fund	4,370	-	4,370	**3,804**	(566)
Special Highway Fund	21,725	-	21,725	**14,024**	(7,701)
Business Funds					
Water Utility Fund	753,075	-	753,075	**403,290**	(349,785)
Sanitation Fund	38,627	-	38,627	**31,099**	(7,528)

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

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Taxes	$ 10,727	**4,945**	4,751	194
Franchise Tax	14,573	**17,431**	16,000	1,431
Licenses	-	**-**	300	(300)
Sewer Collections	25,602	**22,932**	25,000	(2,068)
Fines and Permits	329	**410**	500	(90)
Insurance Reimbursements	21,357	**74,973**	500	74,473
Rent	2,550	**1,250**	2,100	(850)
Sale of Assets	1,505	**-**	-	-
Miscellaneous	**5,103**	**3,803**	-	3,803
Transfers In	30,000	**15,000**	15,000	-
Total Receipts	111,746	**140,744**	64,151	76,593
Expenditures				
Salaries and Wages	12,699	**10,909**	9,000	1,909
Parks and Maintenance	4,497	**4,970**	2,500	2,470
Street Lights	8,123	**7,560**	8,000	(440)
Sewer	13,944	**9,100**	12,000	(2,900)
Liability Insurance	4,387	**-**	-	-
Insurance	18,766	**1,429**	16,000	(14,571)
Legal	2,102	**2,490**	1,500	990
Office Supplies	6,714	**1,870**	3,906	(2,036)
Repairs and Maintenance	2,443	**8,319**	5,000	3,319
Travel Expenses	2,745	**3,038**	2,000	1,038
Utilities	11,045	**8,766**	9,000	(234)
Rental Expenses	6,173	**5,776**	3,000	2,776
Library	1,200	**3,600**	4,800	(1,200)
Contractual Services	591	**-**	1,000	(1,000)
Miscellaneous	19,534	**6,825**	2,000	4,825
Capital Outlay	-	**76,300**	-	76,300
(a) Adjustment for Qualifying Budget Credits	-	**-**	74,473	(74,473)
Total Expenditures	114,963	**150,952**	154,179	(3,227)
Receipts Over (Under) Expenditures	(3,217)	**(10,208)**		
Unencumbered Cash - Beginning	24,665	**21,448**		
Unencumbered Cash - Ending	$ 21,448	**11,240**		

(a) Adjustment for Qualifying Budget Credits

Insurance Reimbursements Over Amount Budgeted	$ 74,473

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

		Prior Year Actual	**Current Year Actual**
Receipts			
Federal Aid	$	2,316	**19,839**
Expenditures			
ARPA Expenditures		2,316	**-**
Receipts Over (Under) Expenditures		-	**19,839**
Unencumbered Cash - Beginning		-	**-**
Unencumbered Cash - Ending	$	-	**19,839**

CITY OF OTIS, KANSAS
Employee Benefit Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Prior Year Actual	Current Year **Actual**	Current Year Budget	Current Year Variance Over (Under)
Receipts					
Taxes	$	12,342	**19,195**	19,293	(98)
Transfers In		5,000	**-**	-	-
Total Receipts		17,342	**19,195**	19,293	(98)
Expenditures					
Employee Benefits		14,550	**18,462**	19,550	(1,088)
Receipts Over (Under) Expenditures		2,792	**733**		
Unencumbered Cash - Beginning		2,809	**5,601**		
Unencumbered Cash - Ending	$	5,601	**6,334**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes	$ 4,214	**3,804**	4,292	(488)
Expenditures				
Appropriations	4,375	**3,804**	4,370	(566)
Receipts Over (Under) Expenditures	(161)	**-**		
Unencumbered Cash - Beginning	161	**-**		
Unencumbered Cash - Ending	$ -	**-**		

CITY OF OTIS, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
State Highway Tax	$ 6,832	**7,420**	5,990	1,430
Tax Specials	335	**178**	-	178
Transfers In	-	**5,000**	5,000	-
Total Receipts	7,167	**12,598**	10,990	1,608
Expenditures				
Salaries and Wages	5,040	**6,858**	10,000	(3,142)
Commodities	2,635	**6,370**	11,725	(5,355)
Capital Outlay	348	**796**	-	796
Total Expenditures	8,023	**14,024**	21,725	(7,701)
Receipts Over (Under) Expenditures	(856)	**(1,426)**		
Unencumbered Cash - Beginning	11,145	**10,289**		
Unencumbered Cash - Ending	$ 10,289	**8,863**		

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

		Prior Year Actual	**Current Year Actual**
Receipts			
Miscellaneous	$	2,000	**1,750**
Expenditures			
Contractual		15,707	**13,870**
Receipts Over (Under) Expenditures		(13,707)	**(12,120)**
Unencumbered Cash - Beginning		25,836	**12,129**
Unencumbered Cash - Ending	$	12,129	**9**

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

		Prior Year Actual	**Current Year Actual**
Receipts			
Interest	$	3,077	**7**
USDA Grant		872,865	**89,135**
Transfers In		79,429	**-**
Total Receipts		955,371	**89,142**
Expenditures			
Bond Principal		54,467	**-**
Bond Interest		65,533	**-**
Capital Outlay		2,322,228	**123,268**
Total Expenditures		2,442,228	**123,268**
Receipts Over (Under) Expenditures		(1,486,857)	**(34,126)**
Unencumbered Cash - Beginning		1,520,983	**34,126**
Unencumbered Cash - Ending	$	34,126	**-**

CITY OF OTIS, KANSAS
Water Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Prior Year Actual	Current Year **Actual**	Current Year Budget	Current Year Variance Over (Under)
Receipts					
Charges to Customers	$	341,031	**319,947**	315,000	4,947
Federal Aid		5,584	**-**	-	-
State Aid		702	**-**	-	-
Interest		3,448	**1,705**	2,000	(295)
Deposits		1,250	**1,350**	900	450
Water Connection		150	**50**	800	(750)
Miscellaneous		-	**111**	-	111
Total Receipts		352,165	**323,163**	318,700	4,463
Expenditures					
Production		74,752	**146,570**	210,000	(63,430)
Distribution		63,050	**83,136**	40,000	43,136
Meter Refunds		203	**3,474**	400	3,074
Sales Tax		148	**351**	350	1
Miscellaneous		1,222	**4,337**	98,970	(94,633)
Bond Principal		-	**65,965**	-	65,965
Bond Interest		-	**64,035**	-	64,035
Bond Fees		110	**-**	-	-
Capital Outlay		-	**15,422**	383,355	(367,933)
Transfers Out		115,429	**20,000**	20,000	-
Total Expenditures		254,914	**403,290**	753,075	(349,785)
Receipts Over (Under) Expenditures		97,251	**(80,127)**		
Unencumbered Cash - Beginning		435,395	**532,646**		
Unencumbered Cash - Ending	$	532,646	**452,519**		

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

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Charges to Customers	$ 27,210	**27,335**	32,000	(4,665)
Polycarts and Dumpster Fees	2,488	**2,402**	4,000	(1,598)
Administration Fees	886	**838**	1,000	(162)
Transfers In	1,000	**-**	-	-
Miscellaneous	-	**-**	600	(600)
Total Receipts	31,584	**30,575**	37,600	(7,025)
Expenditures				
Clean-Up	-	**-**	2,627	(2,627)
Contractual - Hauling	28,540	**28,527**	32,000	(3,473)
Contractual - Polycarts & Dumpsters	2,641	**2,572**	4,000	(1,428)
Total Expenditures	31,181	**31,099**	38,627	(7,528)
Receipts Over (Under) Expenditures	403	**(524)**		
Unencumbered Cash - Beginning	427	**830**		
Unencumbered Cash - Ending	$ 830	**306**		

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

		Prior Year Actual	**Current Year Actual**
Receipts			
Interest	$	443	**34**
Expenditures			
Commodities		-	**6,766**
Contractual		1,225	**578**
Capital Outlay		2,479	**15,659**
Total Expenditures		3,704	**23,003**
Receipts Over (Under) Expenditures		(3,261)	**(22,969)**
Unencumbered Cash - Beginning		61,779	**58,518**
Unencumbered Cash - Ending	$	58,518	**35,549**