CITY OF MARYSVILLE, KANSAS

FINANCIAL STATEMENT

WITH

INDEPENDENT AUDITOR'S REPORT

December 31, 2021

VARNEY & ASSOCIATES, CPAs, LLC
Manhattan, Kansas

CITY OF MARYSVILLE, KANSAS
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July 27, 2022

Mayor and Council Members
City of Marysville, Kansas

Independent Auditor's Report

Adverse and Unmodified Opinions
We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Marysville, Kansas (the City), 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 matter 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 they year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* (KMAAG) 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 KMAAG. 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 audits. 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 the 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 KMAAG, 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 the financial statement in accordance with KMAAG as described in Note 1; this includes determining 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 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 statements as a whole are 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.

Other 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, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not required part of the basic financial statement; however, are required to be presented under the provisions of the KMAAG. 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.

Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprises the City's basic financial statement. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards is presented for purposes of additional analysis and is not a required part of the basic financial statement. 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 Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statement as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 27, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Certified Public Accountants
Manhattan, Kansas

CITY OF MARYSVILLE, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2021

Fund	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Cash Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Funds							
General Fund	$ 781,164	$ -	$ 2,746,936	$ 2,861,439	$ 666,661	$ -	$ 666,661
Special Purpose Funds							
Special Highway Fund	57,395	-	94,750	47,770	104,375	-	104,375
Industrial Fund	169,810	-	29,773	10,001	189,582	-	189,582
Library Fund	-	-	214,703	211,510	3,193	-	3,193
Library Employee Benefit Fund	-	-	41,444	40,000	1,444	-	1,444
Special Parks and Recreation Fund	28,153	-	8,571	5,000	31,724	-	31,724
Employee Benefit Fund	258,680	-	489,415	514,034	234,061	-	234,061
Transient Guest Tax Fund	35,536	-	84,536	48,807	71,265	-	71,265
Sales Tax Improvements Fund	125,868	-	1,509,753	1,008,608	627,013	-	627,013
Swimming Pool Sales Tax Fund	359,149	-	714,553	621,276	452,426	-	452,426
Airport Revolving Fund	26,149	-	578,482	523,434	81,197	-	81,197
Fire Equipment Reserve Fund	205,916	-	36,583	-	242,499	-	242,499
Fire Insurance Proceeds Fund	-	-	5,700	-	5,700	-	5,700
Library Revolving Fund	4,876	-	207,000	185,816	26,060	-	26,060
Special Law Enforcement Trust Fund	3,496	-	8,408	480	11,424	-	11,424
Koester Block Maintenance Fund	54,180	-	67,574	74,392	47,362	-	47,362
Municipal Equipment Reserve Fund	456,865	-	90,563	153,345	394,083	-	394,083
Economic Development Fund	19,579	-	20,047	11,724	27,902	-	27,902
Bond and Interest Funds					-		
Bond and Interest Fund	27,755	-	6,957	-	34,712	-	34,712
Capital Improvement Funds							
Special Improvements Fund	-	-	1,849,000	1,791,605	57,395	-	57,395
Capital Improvements Fund	53,540	-	43,590	12,568	84,562	-	84,562
Business Funds							
Water Revenue Fund	701,998	-	923,703	1,110,506	515,195	-	515,195
Sewer Revenue Fund	198,588	-	788,876	724,354	263,110	-	263,110
Bond and Interest #1 Fund	159,421	-	159,216	169,443	149,194	-	149,194
Bond and Interest #1A Fund	49,511	-	49,445	49,379	49,577	-	49,577
Sewage Replacement Fund	673,201	-	354,044	85,370	941,875	-	941,875
Water Utility Reserve Fund	608,534	-	62,165	268,373	402,326	-	402,326
Trust Type Funds							
Cemetery Fund	37,482	-	-	-	37,482	-	37,482
	$ 5,096,846	$ -	$ 11,185,787	$ 10,529,234	$ 5,753,399	$ -	$ 5,753,399
Related Municipal Entity							
Marysville Public Library	308,915	-	311,219	321,816	298,318	3,726	302,044
Total Reporting Entity	$ 5,405,761	$ -	$ 11,497,006	$ 10,851,050	$ 6,051,717	$ 3,726	$ 6,055,443

Composition of Cash:		
	Checking Accounts - City of Marysville	$ 5,762,570
	Bank Accounts - Marysville Public Library	302,044
	Less: Agency Funds per Schedule 3	(9,171)
	Total Reporting Entity (Excluding Agency Funds)	$ 6,055,443

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

CITY OF MARYSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT
December 31, 2021

Note 1: Summary of Significant Accounting Policies

Reporting Entity

The City of Marysville, Kansas (the City) was founded in 1854, and incorporated in February 1861 and operates under an elected eight-member council and mayor. This financial statement presents the City and its related municipal entities. The accounting policies of the City conform to the cash-basis and budget laws of Kansas (regulatory basis).

The Financial Reporting Entity

The basic criterion for including a separate entity in the City' s financial reporting entity is the financial accountability of the City for the separate entity. The City is financially accountable if it appoints a voting majority of a related municipal entity's governing body and if it either has the ability to impose its will on the related municipal entity or there is a potential for the related municipal entity to provide certain financial benefits to, or impose certain financial burdens on, the primary government.

The related municipal entities are included in the City' s Reporting entity because it is established to benefit the City and/or its constituents.

1. Marysville Public Library is organized under K.S.A. 12-1218. The City levies property taxes for the Library under K.S.A. 79-1952, which is deposited in a special purpose fund and appropriated to the Library for its operations.

2. Public Building Commission (PBC) is organized by Ordinance 1795 under K.S.A. 12-1757. The PBC was established to acquire, construct, reconstruct, equip and furnish buildings or other facilities of a revenue producing character to be maintained and operated for city offices and general city buildings, and others. The PBC is authorized to lease and sublease all or any part of buildings and facilities owned by the PBC or the City to other agencies or entities. The PBC is also authorized to issue revenue bonds.

Separate financial statements of the individual related municipal entity may be obtained from its respective administrative office.

Regulatory Basis Fund Types

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

The following types of funds were utilized in recording the financial activities of the City for the year 2021:

General Fund - The chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund - Used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Projects 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 acquisition or construction of major capital facilities or equipment.

Bond and Interest Fund – Used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of 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.).

Trust fund - Funds used to report assets held in trust for the benefit of the City (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the City, scholarship funds, etc.).

Agency fund - Funds used to report assets by the City in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Note 1: Summary of Significant Accounting Policies (Continued)

Restricted Assets

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

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 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-l 120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use regulatory basis of accounting.

Reimbursed Expenses

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 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:

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

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The County held a revenue neutral rate hearing for this year on August 9, 2021.

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

Note 2: Budgetary Information (Continued)

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 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, trust funds and the following special purpose funds and business funds:

Special Purpose Funds: Airport Revolving Fund, Fire Equipment Reserve Fund, Fire Insurance Proceeds Fund, , Library Revolving Fund, Special Law Enforcement Trust Fund, Koester Block Maintenance Fund, Municipal Equipment Reserve Fund, and Economic Development Fund.

Business Funds: Sewage Replacement Fund and Water Utility Reserve 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.

K.S.A. 79-2935 provides that it shall be unlawful for the governing body to create indebtedness in any fund in excess of the adopted budget of expenditures of such fund. For the year ended December 31, 2021, the City did not exceed the budget in any funds.

Note 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 and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 (d) (1) 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 Government'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 did not have a peak period pledge agreement during 2021, and therefore the City did not designate peak periods.

All deposits were legally secured at December 31, 2021. At December 31, 2021, the carrying amount of the City's deposits including certificates of deposit was $5,762,570 and the bank balance was $6,186,688. The difference between the carrying amount and the bank balance is outstanding checks. Of the bank balance, $250,000 was covered by FDIC insurance and the remaining was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name.

Note 3: Deposits and Investments (Continued)

At year-end, the carrying amount of the Marysville Public Library's deposits was $302,044 and the bank balance was $327,997. The bank balance was held at two banks resulting in a concentration of credit risk. The difference between the carrying amount and the bank balance is outstanding checks. Of the bank balance, $304,328 was covered by FDIC insurance and the remaining balance of $23,669 was unsecured as of December 31, 2021. The City held $26,060 for the Library in a revolving fund.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Government 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 4: Property Taxes

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar-year basis and are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half of the full amounts of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes levied and collected in the year prior to January 1st of the ensuing year.

Note 5: Long-Term Debt

The City has a loan agreement with the Kansas Department of Health and Environment's Kansas Water Pollution Control Revolving Fund. The loan enabled the City to borrow $937,213. The loan is being repaid over twenty years.

The City has a loan agreement with the Kansas Department of Health and Environment's Kansas Public Water Supply Loan Fund. The loan enabled the City to borrow $547,952. The loan is being repaid over twenty years.

The City has issued Series 2015 Advance Refunding bonds in the amount $1,705,000. The Series 2015 bonds mature on August 1, 2030 and will be subject to optional redemption for bonds maturing on August 1, 2026 and thereafter.

The City has issued Series 2021 and 2021-A Temporary Notes in the amounts of $400,000 and $700,000, respectively. The Series 2021 matured on December 31, 2021. The Series 2021-A matures on November 1, 2028.

Note 5: Long-Term Debt (Continued)

Changes in long-term liabilities for the City and PBC 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	Net Change	Balance End of Year	Interest Paid
City of Marysville										
General Obligation Bonds										
Series 2015 Refunding	2-3%	4/8/2015	$ 1,705,000	8/1/2030	$ 1,180,000	$ -	$ 105,000	$ (105,000)	$ 1,075,000	$ 30,475
Temporary Notes										
Series 2021	2.28%	5/10/2021	400,000	12/31/2021	-	400,000	400,000	-	-	358
Series 2021-A	3.08%	10/26/2021	700,000	11/1/2028	-	700,000	-	700,000	700,000	-
					-	1,100,000	400,000	700,000	700,000	358
Other										
KDHE Breeding Heights										
Sewer Project	2.77%	9/1/2005	937,213	9/25/2022	207,570	-	43,932	(43,932)	163,638	5,448
KDHE Water Improvem	2.42%	1/9/2012	547,952	2/1/2033	348,417	-	24,182	(24,182)	324,235	8,286
					$ 555,987	$ -	$ 68,114	$ (68,114)	$ 487,873	$ 13,734
TOTAL LONG-TERM DEBT					$ 1,735,987	$ 1,100,000	$ 573,114	$ 526,886	$ 2,262,873	$ 44,567

Note 5: Long-Term Debt (Continued)

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

PRINCIPAL	2022	2023	2024	2025	2026	2027-2031	2032-2036	Total
Series 2015 Refunding	$ 105,000	$ 110,000	$ 115,000	$ 123,000	$ 123,000	$ 499,000	$ -	$ 1,075,000
Series 2021-A	90,648	93,866	96,775	99,866	103,009	215,836	-	700,000
KDHE Breeding Heights Sewer Project	41,636	42,797	43,991	35,214	-	-	-	163,638
KDHE Water Improvements	24,770	25,373	25,992	25,004	25,004	136,552	61,540	324,235
Total Principal	$ 262,054	$ 272,036	$ 281,758	$ 283,084	$ 251,013	$ 851,388	$ 61,540	$ 2,262,873
INTEREST								
Series 2015 Refunding	$ 28,376	$ 26,276	$ 24,076	$ 21,776	$ 18,900	$ 38,550	$ -	$ 157,954
Series 2021-A	21,512	18,294	15,385	12,295	9,152	8,486	-	85,124
KDHE Breeding Heights Sewer Project	4,524	3,362	2,169	942	-	-	-	10,997
KDHE Water Improvements	7,697	7,094	6,477	5,846	5,201	15,778	1,058	49,151
Total Interest	$ 62,109	$ 55,026	$ 48,107	$ 40,859	$ 33,253	$ 62,814	$ 1,058	$ 303,226
TOTAL PRINCIPAL, INTEREST AND SERVICE FEE	$ 324,163	$ 327,062	$ 329,865	$ 323,943	$ 284,266	$ 914,202	$ 62,598	$ 2,566,099

Note 6: Interfund Transfers

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	Equipment Reserve Fund	KSA 12-1, 117	$ 26,000
General Fund	Special Improvement Fund	KSA 12-1, 117	220,000
General Fund	Fire Equipment Fund	KSA 12-1, 117	36,250
General Fund	Capital Improvement Fund	KSA 12-1, 118	12,000
General Fund	Economic Development Fund	Council Resolution	20,000
Water Revenue Fund	Equipment Reserve Fund	KSA 12-1, 117	15,000
Water Revenue Fund	General Fund	KSA 12-1, 117	40,000
Water Revenue Fund	Bond and Interest #1 Fund	KSA 12-825d	159,000
Water Revenue Fund	Utility Reserve Fund	KSA 12-825d	60,000
Sewer Revenue Fund	General Fund	KSA 12-825d	40,000
Sewer Revenue Fund	Sewage Replacement Fund	KSA 12-825d	100,000
Sewer Revenue Fund	Bond and Interest #1 Fund	KSA 12-825d	49,379
Sewer Revenue Fund	Equipment Reserve Fund	KSA 12-1, 117	35,000
Swimming Pool Sales Tax Fund	General Fund	KSA 12-187	10,000
Sales Tax Improvements Fund	General Fund	KSA 12-187	370,000
			$ 1,192,629

Note 7: Capital Projects

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

Project Name	Project Authorization	Expended To Date
Street Replacement - 12th Street	$ 107,000	$ 114,285
CIPP 2021	189,357	174,085
Water Line Replacement	444,175	429,511
ADA Ramps/Curb and Gutter	104,360	59,000
New Fire Station	1,399,334	933,107
Airport Road and Parking Lot	676,000	323,289
Art Center - Window Rehab	14,000	14,000
11th Road	217,813	217,259
Totals	$ 3,152,039	$ 2,264,536

Note 8: Other Long-Term Obligations from Operations

Compensated Absences

The City maintains a policy of providing vacation and sick leave to its full - time employees, granted in varying amounts depending on length of service and date of hire. Vacation days are vesting and accumulate but accumulation is subject to various limits. Per the City' s policy, at December 31, 2021, the City's liability for unused vacation was $84,549.

Other Post-Employment Benefits

Under the Consolidated 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 8: Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no decreases in insurance coverage from the prior year.

The City continues to carry commercial insurance for all other risks of loss, including general liability, crime, inland marine, errors and omissions, business auto, and property. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 9: Defined Benefit Pension Plan

Plan Description

The municipality 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 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 memberemployee 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 municipality were $149,662 for the year ended December 31, 2021.

Net Pension Liability

At December 31, 2021, the municipality's proportionate share of the collective net pension liability reported by KPERS was $968,809. 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 (non-school municipality)'s proportion of the net pension liability was based on the ratio of the (non-school municipality)'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 10: Tax Abatements

There are currently two programs being utilized by the City of Marysville, Kansas that offer tax abatements for economic development purposes. All programs operate by granting an exemption for all or part of a property's assessed valuation. Economic development exemptions allow the city to provide property tax abatements on real estate, buildings, or other improvements to encourage business expansion and new employment opportunities. The program allows up to a 100% abatement of the qualifying property for up to a maximum 10 years.

The Neighborhood Revitalization Program provides property tax abatements to promote revitalization and development of the City of Marysville, Kansas in order to promote the revitalization of the community and protect the health, safety, and welfare of the residents. If the property is approved, the abatement is for 3 years with an abatement being 60% of the qualifying property. From the abatement, 5% is paid to Marshall County to cover administrative costs incurred by the County. The total amount of taxes abated by this program for 2021 was $26,732.

Note 11: COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Municipality's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Municipality is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2021.

As a result of the COVID-19 outbreak, numerous Federal and State grants have been made available to the Municipality to assist with the risks and help offset incurred costs of the Municipality.

Note 12: Evaluation of Subsequent Events

The County entered into a lease purchase agreement for a Sewer Truck on February 14, 2022 with First Commerce Bank in the amount $400,000 with a fixed rate of 2.82%. The first payment of this lease will be due July 28, 2022.

REGULATORY-REQUIRED SUPPLEMENTAL INFORMATION

CITY OF MARYSVILLE, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2021

Fund	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Funds					
General Fund	$ 3,273,173	$ -	$ 3,273,173	$ 2,746,936	$ (526,237)
Special Purpose Funds					
Special Highway Fund	115,336	-	115,336	47,770	(67,566)
Industrial Fund	168,000	-	168,000	10,001	(157,999)
Library Fund	211,510	-	211,510	211,510	-
Library Employee Benefit Fund	40,000	-	40,000	40,000	-
Special Parks and Recreation Fund	32,629	-	32,629	5,000	(27,629)
Employee Benefit Fund	683,000	-	683,000	514,034	(168,966)
Transient Guest Tax Fund	77,066	-	77,066	48,807	(28,259)
Sales Tax Improvements Fund	1,683,090	-	1,683,090	1,008,608	(674,482)
Swimming Pool Sales Tax Fund	748,576	-	748,576	621,276	(127,300)
Bond and Interest Funds					
Bond and Interest Fund	7,140	-	7,140	-	(7,140)
Business Funds					
Water Revenue Fund	1,596,207	-	1,596,207	1,110,506	(485,701)
Sewage Revenue Fund	1,000,339	-	1,000,339	724,354	(275,985)
Bond and Interest Fund #1 Fund	321,184	-	321,184	169,443	(151,741)
Bond and Interest Fund #1A Fund	99,647	-	99,647	49,379	(50,268)
Totals	$ 10,056,897	$ -	$ 10,056,897	$ 7,307,624	$ (2,749,273)

See Independent Auditor's Report.

CITY OF MARYSVILLE, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Taxes and Shared Revenue			
Ad Valorem	$ 1,366,994	$ 1,384,078	$ (17,084)
Delinquent	17,885	-	17,885
Motor vehicle	131,111	109,719	21,392
Recreational vehicle Tax	1,987	1,256	731
16/20M vehicle tax	2,182	1,736	446
Commercial vehicle tax	13,200	10,320	2,880
Vehicle excise tax	-	24	(24)
In lieu of taxes	435	500	(65)
Local alcohol tax	6,319	9,858	(3,539)
Special assessments	1,884	2,500	(616)
Interest on idle funds	2,030	1,900	130
Franchise fees	435,029	463,000	(27,971)
Licenses, permits and fees	19,996	10,950	9,046
Non-business licenses and permits	-	12,050	(12,050)
Grants	53,770	1,000	52,770
Highway maintenance	14,020	10,000	4,020
Charges for services - Fire	52,539	42,000	10,539
Charges for services - Burial	10,925	10,850	75
Cemetery deeds	900	1,200	(300)
Fines	37,484	44,400	(6,916)
Contracts/Rent	32,480	8,300	24,180
Donations	50	1,725	(1,675)
Transfers in	460,000	435,000	25,000
Reimbursed expenses	32,428	3,200	29,228
Neighborhood Revitalization Rebate	(17,884)	(17,676)	(208)
Miscellaneous	71,172	18,000	53,172
Total Receipts	$ 2,746,936	$ 2,565,890	$ 181,046

CITY OF MARYSVILLE, KANSAS
GENERAL FUND (CONTINUED)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Expenditures			
Administration			
Personnel services	$ 274,947	$ 300,508	$ (25,561)
Contractual services	99,803	113,304	(13,501)
Commodities	23,247	25,750	(2,503)
Capital outlay	2,426	34,000	(31,574)
Non-operating expenses	2,622	1,000	1,622
Transfer to Municipal Equipment Reserve Fund	10,000	-	10,000
Police			
Personnel services	436,882	477,797	(40,915)
Contractual services	79,949	90,750	(10,801)
Commodities	67,592	63,700	3,892
Capital outlay	23,943	75,050	(51,107)
Transfer to Municipal Equipment Reserve Fund	10,000	-	10,000
Municipal Court			
Personnel services	35,439	38,968	(3,529)
Contractual services	11,994	31,138	(19,144)
Commodities	1,327	1,700	(373)
Capital outlay	410	2,000	(1,590)
Fire Department			
Personnel services	34,385	48,668	(14,283)
Contractual services	24,643	28,700	(4,057)
Commodities	9,563	14,200	(4,637)
Capital outlay	86,248	451,197	(364,949)
Street			
Personnel services	292,554	288,151	4,403
Contractual services	100,256	79,625	20,631
Commodities	104,637	62,200	42,437
Capital outlay	45,000	26,000	19,000
Parks			
Personnel services	103,297	115,261	(11,964)
Contractual services	16,461	22,775	(6,314)
Commodities	14,101	10,950	3,151
Capital outlay	36,176	46,000	(9,824)
Transfer to Municipal Equipment Reserve Fund	8,000	-	8,000
Recreation			
Contractual services	78,857	78,300	557
Commodities	869	785	84
Capital outlay	749	50,000	(49,251)
Cemetery Department			
Personnel services	107,671	102,269	5,402
Contractual services	12,012	22,550	(10,538)
Commodities	9,026	9,400	(374)
Capital outlay	-	14,000	(14,000)
Transfer to Municipal Equipment Reserve Fund	6,000	-	6,000

(continued)

CITY OF MARYSVILLE, KANSAS
GENERAL FUND (CONTINUED)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Expenditures (Continued)			
Traffic Control			
Contractual services	$ 8,254	$ 15,000	$ (6,746)
Commodities	31,500	35,000	(3,500)
Health and Safety			
Public safety	1,917	2,000	(83)
Sanitation	1,800	2,000	(200)
Personnel services	-	100	(100)
Contractual services	162,682	167,289	(4,607)
Capital outlay	-	1,300	(1,300)
Street Lighting			
Contractual services	69,062	78,300	(9,238)
Capital outlay	7	2,500	(2,493)
Forestry			
Personnel services	-	-	-
Contractual services	-	400	(400)
Commodities	-	1,750	(1,750)
Airport Maintenance			
Personnel services	1,106	900	206
Contractual services	62,964	13,791	49,173
Commodities	205	300	(95)
Capital outlay	-	2,500	(2,500)
Art Center			
Personnel services	2,704	200	2,504
Contractual services	35	5,000	(4,965)
Capital outlay	14,000	12,000	2,000
Other			
Grants/Gifts	31,362	8,500	22,862
Tort liability	14,505	128,747	(114,242)
Noxious weeds	-	900	(900)
Transfer to Fire Equipment Reserve Fund	36,250	36,000	250
Transfer to Capital Improvement Fund	12,000	12,000	-
Transfer to Economic Development Fund	20,000	20,000	-
Transfer to Municipal Equipment Reserve Fund	220,000	-	220,000
Total Expenditures	$ 2,861,439	$ 3,273,173	$ (411,734)
Receipts Over (Under) Expenditures	$ (114,503)		
Unencumbered Cash - Beginning	781,164		
Unencumbered Cash - Ending	$ 666,661		

CITY OF MARYSVILLE, KANSAS
SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
State of Kansas gas tax	$ 94,625	$ 73,930	$ 20,695
Interest on idle funds	125	358	(233)
Total Receipts	$ 94,750	$ 358	$ (233)
EXPENDITURES			
Contractual services	$ 163	$ 5,524	$ (5,361)
Commodities	47,607	109,812	(62,205)
Total Expenditures	$ 47,770	$ 115,336	$ (67,566)
Receipts Over (Under) Expenditures	$ 46,980		
Unencumbered Cash - Beginning	57,395		
Unencumbered Cash - Ending	$ 104,375		

CITY OF MARYSVILLE, KANSAS
INDUSTRIAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem tax	$ 25,001	$ 25,204	$ (203)
Delinquent tax	622	-	622
Motor vehicle tax	3,413	2,602	811
Recreational vehicle tax	50	30	20
16/20M vehicle tax	83	41	42
Commercial vehicle tax	321	245	76
Vehicle excise tax	-	9	(9)
In lieu of tax	8	15	(7)
Interest on idle funds	275	-	275
Miscellaneous receipts	-	376	(376)
Total Receipts	$ 29,773	$ 28,522	$ (108)
EXPENDITURES			
Contractual services	$ -	$ 50,000	$ (50,000)
Commodities	10,001	20,000	(9,999)
Capital outlay	-	90,500	(90,500)
Community Promotion	-	7,500	(7,500)
Total Expenditures	$ 10,001	$ 168,000	$ (157,999)
Receipts Over (Under) Expenditures	$ 19,772		
Unencumbered Cash - Beginning	169,810		
Unencumbered Cash - Ending	$ 189,582		

CITY OF MARYSVILLE, KANSAS
LIBRARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem tax	$ 188,597	$ 191,002	$ (2,405)
Delinquent tax	2,625	700	1,925
Motor vehicle tax	20,785	16,715	4,070
Recreational vehicle tax	310	191	119
16/20M vehicle tax	293	264	29
Commercial vehicle tax	2,032	1,572	460
Vehicle excise tax	-	6	(6)
In lieu of tax	61	60	1
Delinquent personal property tax	-	1,000	(1,000)
Total Receipts	$ 214,703	$ 211,510	$ 3,193
EXPENDITURES			
Tax distribution	$ 211,510	$ 211,510	$ -
Total Expenditures	$ 211,510	$ 211,510	$ -
Receipts Over (Under) Expenditures	$ 3,193		
Unencumbered Cash - Beginning	-		
Unencumbered Cash - Ending	$ 3,193		

CITY OF MARYSVILLE, KANSAS
LIBRARY EMPLOYEE BENEFIT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem tax	$ 30,243	$ 30,593	$ (350)
Delinquent tax	901	-	901
Motor vehicle tax	9,104	7,999	1,105
Recreational vehicle tax	141	92	49
16/20M vehicle tax	94	127	(33)
Commercial vehicle tax	951	752	199
Vehicle excise tax	-	1	(1)
In lieu of tax	10	135	(125)
Delinquent personal property tax	-	300	(300)
Total Receipts	$ 41,444	$ 39,999	$ 1,445
EXPENDITURES			
Tax distribution	$ 40,000	$ 40,000	$ -
Receipts Over (Under) Expenditures	$ 1,444		
Unencumbered Cash - Beginning	-		
Unencumbered Cash - Ending	$ 1,444		

CITY OF MARYSVILLE, KANSAS
SPECIAL PARKS AND RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Liquor tax	$ 6,319	$ 9,858	$ (3,539)
Miscellaneous	2,211	-	2,211
Interest on Idle Funds	41	45	(4)
Total Receipts	$ 8,571	$ 9,903	$ (1,332)
EXPENDITURES			
Contractual services	$ 5,000	$ 15,600	$ (10,600)
Commodities	-	1,000	(1,000)
Capital outlay	-	16,029	(16,029)
Total Expenditures	$ 5,000	$ 32,629	$ (27,629)
Receipts Over (Under) Expenditures	$ 3,571		
Unencumbered Cash - Beginning	28,153		
Unencumbered Cash - Ending	$ 31,724		

CITY OF MARYSVILLE, KANSAS
EMPLOYEE BENEFIT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem tax	$ 429,315	$ 429,335	$ (20)
Delinquent tax	6,551	-	6,551
Motor vehicle tax	52,022	40,207	11,815
Recreational vehicle tax	762	460	302
16/20M vehicle tax	721	636	85
Commercial vehicle tax	4,938	3,782	1,156
Vehicle excise tax	-	13	(13)
In lieu of tax	137	-	137
Interest on idle funds	585	1,250	(665)
Miscellaneous receipts	-	-	-
Neighborhood revitalization	(5,616)	-	(5,616)
Total Receipts	$ 489,415	$ 475,683	$ 13,732
EXPENDITURES			
Personnel services	$ 480,412	$ 683,000	$ (202,588)
Contractual services	33,622	-	33,622
Total Expenditures	$ 514,034	$ 683,000	$ (168,966)
Receipts Over (Under) Expenditures	$ (24,619)		
Unencumbered Cash - Beginning	258,680		
Unencumbered Cash - Ending	$ 234,061		

CITY OF MARYSVILLE, KANSAS
TRANSIENT GUEST TAX FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Guest Tax	$ 82,049	$ 60,000	$ 22,049
Interest on idle funds	74	-	74
Grants	900	-	900
Miscellaneous	1,513	250	1,263
Total Receipts	$ 84,536	$ 60,250	$ 24,286
EXPENDITURES			
Personnel services	$ 29,022	$ -	$ 29,022
Contractual services	15,722	20,000	(4,278)
Commodities	4,063	4,000	63
Non-operating expense	-	5,005	(5,005)
Community promotion	-	48,061	(48,061)
Total Expenditures	$ 48,807	$ 77,066	$ (28,259)
Receipts Over (Under) Expenditures	$ 35,729		
Unencumbered Cash - Beginning	35,536		
Unencumbered Cash - Ending	$ 71,265		

CITY OF MARYSVILLE, KANSAS
SALES TAX IMPROVEMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Sales tax improvement	$ 1,088,695	$ 925,000	$ 163,695
Other revenue	-	100	(100)
Grant	-	-	-
Reimbursements	420,000	-	420,000
Interest on Idle Funds	1,058	-	1,058
Total Receipts	$ 1,509,753	$ 925,100	$ 584,653
EXPENDITURES			
Personnel services	$ 1,000	$ -	$ 1,000
Contractual services	18,696	-	18,696
Commodities	2,720	-	2,720
Capital outlay	497,775	1,312,090	(814,315)
Non-Operating expenses	118,417	371,000	(252,583)
Transfer out	370,000	-	370,000
Total Expenditures	$ 1,008,608	$ 1,683,090	$ (674,482)
Receipts Over (Under) Expenditures	$ 501,145		
Unencumbered Cash - Beginning	125,868		
Unencumbered Cash - Ending	$ 627,013		

CITY OF MARYSVILLE, KANSAS
SWIMMING POOL SALES TAX FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Sales tax	$ 653,217	$ 559,000	$ 94,217
Pool admissions	23,265	28,989	(5,724)
Pool concessions	13,481	15,022	(1,541)
Pool passes	24,015	29,565	(5,550)
Swim lessons	-	6,000	(6,000)
Miscellaneous	11	-	11
Interest on Idle Funds	564	10,000	(9,436)
Total Receipts	$ 714,553	$ 648,576	$ 65,977
EXPENDITURES			
Personnel services	$ 92,692	$ 123,100	$ (30,408)
Contractual services	64,066	70,124	(6,058)
Commodities	34,518	66,216	(31,698)
Capital outlay	-	489,136	(489,136)
Principal	416,670	-	416,670
Interest paid	3,330	-	3,330
Transfer out	10,000	-	10,000
Total Expenditures	$ 621,276	$ 748,576	$ (127,300)
Receipts Over (Under) Expenditures	$ 93,277		
Unencumbered Cash - Beginning	359,149		
Unencumbered Cash - Ending	$ 452,426		

CITY OF MARYSVILLE, KANSAS
AIRPORT REVOLVING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

	Actual
Receipts	
Grants and contracts	$ 578,441
Interest on idle funds	41
Total Receipts	$ 578,482
EXPENDITURES	
Contractual services	$ 523,074
Commodities	360
Total Expenditures	$ 523,434
Receipts Over (Under) Expenditures	$ 55,048
Unencumbered Cash - Beginning	26,149
Unencumbered Cash - Ending	$ 81,197

CITY OF MARYSVILLE, KANSAS
FIRE EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

	Actual
Receipts	
Interest in Idle Funds	$ 333
Transfers in	36,250
Total Receipts	$ 36,583.00
EXPENDITURES	
Interest paid	$ -
Receipts Over (Under) Expenditures	$ 36,583
Unencumbered Cash - Beginning	205,916
Unencumbered Cash - Ending	$ 242,499

CITY OF MARYSVILLE, KANSAS
FIRE INSURANCE PROCEEDS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

	Actual
Receipts	
Miscellaneous	$ 5,700
EXPENDITURES	
Contractual services	$ -
Receipts Over (Under) Expenditures	$ 5,700
Unencumbered Cash - Beginning	-
Unencumbered Cash - Ending	$ 5,700

CITY OF MARYSVILLE, KANSAS
LIBRARY REVOLVING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

	Actual
Receipts	
Reimbursements	$ 207,000
EXPENDITURES	
Personnel services	$ 185,473
Contractual	343.00
Total Expenditures	$ 185,816
Receipts Over (Under) Expenditures	$ 21,184
Unencumbered Cash - Beginning	4,876.00
Unencumbered Cash - Ending	$ 26,060

CITY OF MARYSVILLE, KANSAS
SPECIAL LAW ENFORCEMENT TRUST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

	Actual
Receipts	
Interest on Idle Funds	$ 10
Miscellaneous	8,398
Total Receipts	$ 8,408
EXPENDITURES	
Contractual services	$ 480
Receipts Over (Under) Expenditures	$ 7,928
Unencumbered Cash - Beginning	3,496
Unencumbered Cash - Ending	$ 11,424

CITY OF MARYSVILLE, KANSAS
KOESTER BLOCK MAINTENANCE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual
Receipts	
Interest on Idle Funds	$ 82
Contracts	37,850
Donations	2,000
Miscellaneous	27,642
Total Receipts	$ 67,574
EXPENDITURES	
Personnel services	$ 8,067
Contractual services	59,320
Non-operating expenses	7,005
Total Expenditures	$ 74,392
Receipts Over (Under) Expenditures	$ (6,818)
Unencumbered Cash - Beginning	54,180
Unencumbered Cash - Ending	$ 47,362

CITY OF MARYSVILLE, KANSAS
MUNICIPAL EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual
Receipts	
Interest in Idle Funds	$ 650
Miscellaneous	5,913
Transfers in	84,000
Total Receipts	$ 90,563
EXPENDITURES	
Capital outlay	$ 153,345
Receipts Over (Under) Expenditures	$ (62,782)
Unencumbered Cash - Beginning	456,865
Unencumbered Cash - Ending	$ 394,083

CITY OF MARYSVILLE, KANSAS
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts		
Interest in Idle Funds	$	47
Transfers in		20,000
Total Receipts	$	20,047
EXPENDITURES		
Contractual services	$	11,724
Receipts Over (Under) Expenditures	$	8,323
Unencumbered Cash - Beginning		19,579
Unencumbered Cash - Ending	$	27,902

CITY OF MARYSVILLE, KANSAS
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem tax	$ 6,203	$ -	$ 6,203
Delinquent tax	496	-	496
Recreational vehicle tax	53	-	53
Commercial vehicle tax	155	-	155
Interest on Idle Funds	50	1,000	(950)
Total Receipts	$ 6,957	$ 1,000	$ 5,957
EXPENDITURES			
Transfer out	$ -	$ 7,140	$ (7,140)
Receipts Over (Under) Expenditures	$ 6,957		
Unencumbered Cash - Beginning	27,755		
Unencumbered Cash - Ending	$ 34,712		

CITY OF MARYSVILLE, KANSAS
SPECIAL IMPROVEMENTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts	
Grants	$ 529,000
Debt proceeds	1,100,000
Transfers in	220,000
Total Receipts	$ 1,849,000
EXPENDITURES	
Contractual services	$ 40,000
Capital outlay	1,351,247
Debt service	400,358
Total Expenditures	$ 1,791,605
Receipts Over (Under) Expenditures	$ 57,395
Unencumbered Cash - Beginning	-
Unencumbered Cash - Ending	$ 57,395

CITY OF MARYSVILLE, KANSAS
CAPITAL IMPROVEMENTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts		
Interest in Idle Funds	$	90
Miscellaneous		31,500
Transfers in		12,000
Total Receipts	$	43,590
EXPENDITURES		
Capital outlay	$	12,568
Receipts Over (Under) Expenditures	$	31,022
Unencumbered Cash - Beginning		53,540
Unencumbered Cash - Ending	$	84,562

CITY OF MARYSVILLE, KANSAS
WATER REVENUE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Charges for services	$ 28,850	$ 33,500	$ (4,650)
Water sales	874,107	830,000	44,107
Penalties	6,195	6,800	(605)
Reimbursements	29	-	29
Sales tax	13,539	12,000	1,539
Miscellaneous	121	5,000	(4,879)
Interest on idle funds	862	4,000	(3,138)
Total Receipts	$ 923,703	$ 891,300	$ 32,403
EXPENDITURES			
Production			
Contractual services	$ 56,667	$ 92,175	$ (35,508)
Commodities	10,675	7,500	3,175
Capital outlay	-	150,000	(150,000)
Transfers out	15,000	-	15,000
Total Production	$ 82,342	$ 249,675	$ (167,333)
Transmission and Distribution			
Personnel services	$ 225,482	$ 227,480	$ (1,998)
Contractual services	31,372	105,263	(73,891)
Commodities	86,001	95,400	(9,399)
Capital outlay	327,064	321,991	5,073
Total Transmission and Distribution	$ 669,919	$ 750,134	$ (80,215)
Commercial and General			
Personnel services	$ 32,616	$ 54,572	$ (21,956)
Contractual services	31,929	35,775	(3,846)
Commodities	11,623	14,100	(2,477)
Capital outlay	2,424	12,000	(9,576)
Total Commercial and General	$ 78,592	$ 116,447	$ (37,855)
Other/Non-Operating			
Sales tax	$ 14,062	$ 17,000	$ (2,938)
Water protection fee	3,401	4,500	(1,099)
Clean drinking water fee	3,190	4,500	(1,310)
Transfer to General Fund	40,000	40,000	-
Transfer to Water Utility Reserve Fund	60,000	60,000	-
Transfer to Bond and Interest #1 A Fund	159,000	159,000	-
Tort liability	-	194,951	(194,951)
Total Other/Non-Operating	$ 279,653	$ 479,951	$ (200,298)
Total Expenditures	$ 1,110,506	$ 1,596,207	$ (485,701)
Receipts Over (Under) Expenditures	$ (186,803)		
Unencumbered Cash - Beginning	701,998		
Unencumbered Cash - Ending	$ 515,195		

See Independent Auditor's Report.

CITY OF MARYSVILLE, KANSAS
SEWER REVENUE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Charges for services	$ 767,677	$ 748,800	$ 18,877
Special assesments	2,100	2,500	(400)
Penalties	9,292	9,608	(316)
Reimbursements	-	100	(100)
Miscellaneous	9,470	1,000	8,470
Interest on idle funds	337	4,000	(3,663)
Total Receipts	$ 788,876	$ 766,008	$ 22,868
EXPENDITURES			
Commercial and General			
Personnel services	$ 18,939	$ 16,166	$ 2,773
Contractual services	20,561	23,087	(2,526)
Commodities	11,427	11,300	127
Capital outlay	2,423	10,000	(7,577)
Total Commercial and General	$ 53,350	$ 60,553	$ (7,203)
Collections			
Personnel services	$ 118,606	$ 182,916	$ (64,310)
Contractual services	53,708	34,500	19,208
Commodities	23,739	16,550	7,189
Capital outlay	179,451	385,000	(205,549)
Transfers out	20,000	-	20,000
Total Collections	$ 395,504	$ 618,966	$ (223,462)
Processing			
Contractual services	$ 36,499	$ 41,700	$ (5,201)
Commodities	10,866	6,500	4,366
Capital outlay	22,150	82,241	(60,091)
Transfers out	15,000	-	15,000
Total Processing	$ 84,515	$ 130,441	$ (45,926)
Non-Operating			
Transfer to General Fund	$ 40,000	$ 40,000	$ -
Transfer to Sewage Replacement Fund	100,000	100,000	-
Transfer to Bond and Interest #1 A Fund	49,379	49,379	-
Tort liability	1,606	1,000	606
Total Non-Operating	$ 190,985	$ 190,379	$ 606
Total Expenditures	$ 724,354	$ 1,000,339	$ (275,985)
Receipts Over (Under) Expenditures	$ 64,522		
Unencumbered Cash - Beginning	198,588		
Unencumbered Cash - Ending	$ 263,110		

CITY OF MARYSVILLE, KANSAS
BOND AND INTEREST #1 FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Transfers in	$ 159,000	$ 159,000	$ -
Interest on Idle Funds	216	872	(656)
Total Receipts	$ 159,216	$ 159,872	$ (656)
EXPENDITURES			
Principal	$ 129,182	$ 129,182	$ -
Commissions/Service fees	2,698	1,198	1,500
Interest paid	37,563	37,562	1
Cash reserves	-	153,242	(153,242)
Total Expenditures	$ 169,443	$ 321,184	$ (151,741)
Receipts Over (Under) Expenditures	$ (10,227)		
Unencumbered Cash - Beginning	159,421		
Unencumbered Cash - Ending	$ 149,194		

CITY OF MARYSVILLE, KANSAS
BOND AND INTEREST #1A FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2021

	Actual	Budget	Variance Over (Under)
Receipts			
Transfers in	$ 49,379	$ 49,379	$ -
Interest on Idle Funds	66	452	(386)
Total Receipts	$ 49,445	$ 49,831	$ (386)
EXPENDITURES			
Principal	$ 43,932	$ 43,932	$ -
Commissions/Service fees	491	492	(1)
Interest paid	4,956	4,956	-
Cash basis reserve	-	50,267	(50,267)
Total Expenditures	$ 49,379	$ 99,647	$ (50,268)
Receipts Over (Under) Expenditures	$ 66		
Unencumbered Cash - Beginning	49,511		
Unencumbered Cash - Ending	$ 49,577		

CITY OF MARYSVILLE, KANSAS
SEWAGE REPLACEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts		
Transfers in	$	100,000
Grants		249,440
Speical assessments		3,432
Interest on Idle Funds		1,172
Total Receipts	$	354,044
EXPENDITURES		
Contractual services	$	12,231
Capital outlay		73,139
Total Expenditures	$	85,370
Receipts Over (Under) Expenditures	$	268,674
Unencumbered Cash - Beginning		673,201
Unencumbered Cash - Ending	$	941,875

CITY OF MARYSVILLE, KANSAS
WATER UTILITY RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

	Actual
Receipts	
Transfers in	$ 60,000
Special assessments	1,335
Interest on Idle Funds	830
Total Receipts	$ 62,165
EXPENDITURES	
Contractual	$ 268,373
Receipts Over (Under) Expenditures	$ (206,208)
Unencumbered Cash - Beginning	608,534
Unencumbered Cash - Ending	$ 402,326

CITY OF MARYSVILLE, KANSAS
CEMETERY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2021

Receipts	
Miscellaneous	$ -
EXPENDITURES	
Miscellaneous	$ -
Receipts Over (Under) Expenditures	$ -
Unencumbered Cash - Beginning	37,482
Unencumbered Cash - Ending	$ 37,482

CITY OF MARYSVILLE, KANSAS
AGENCY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
Regulatory Basis
For the Year Ended December 31, 2021

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Municipal Court	$ 2,858	$ 51,136	$ 44,823	$ 9,171
Total Agency Funds	$ 2,858	$ 51,136	$ 44,823	$ 9,171

CITY OF MARYSVILLE, KANSAS
MARYSVILLE PUBLIC LIBRARY
SUMMARY STATEMENT OF RECEIPTS AND EXPENDITURES
Regulatory Basis
For the Year Ended December 31, 2021

	General Fund	Improvement Fund	Gift Fund	Current Year Total
Receipts				
Appropriations	$ 251,510	$ -	$ -	$ 251,510
Charges for services	3,114	-	-	3,114
Interest on Idle Funds	337	-	82	419
Reimbursements and grants	7,559	-	25,043	32,602
Donations	-	-	3,574	3,574
Transfers in	-	20,000	-	20,000
Total Receipts	$ 262,520	$ 20,000	$ 28,699	$ 311,219
Expenditures				
Personnel	$ 207,180	$ -	$ -	$ 207,180
Contractual	34,385	5,123	24,952	64,460
Commodities	24,252	-	5,924	30,176
Transfers out	20,000	-	-	20,000
Total Expenditures	$ 285,817	$ 5,123	$ 30,876	$ 321,816
Excess (Deficit) Revenues Over Expenditures	$ (23,297)	$ 14,877	$ (2,177)	$ (10,597)
Unencumbered Cash - Beginning	101,852	132,920	74,143	308,915
Unencumbered Cash - Ending	$ 78,555	$ 147,797	$ 71,966	$ 298,318

VARNEY
& ASSOCIATES, CPAs, LLC

July 27, 2022

Mayor and Council Members
City of Marysville, Kansas

Indpendent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement, Summary Statement of Receipts, Expenditures, and Unencumbered Cash of the City of Marysville, Kansas (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statement, which collectively comprise the City's basic financial statement, and have issued our report thereon dated July 27, 2022.

Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the City's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statement will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the City's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

VARNEY
& ASSOCIATES, CPAs, LLC

July 27, 2022

Mayor and Council Members
City of Marysville, Kansas

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance With The Uniform Guidance

Report on Compliance for Each Major Federal Program

We have audited the compliance of the City of Marysville, Kansas (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the District's major federal programs for the year ended December 31, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Managemen's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal Program

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. According, this report is not suitable for any other purpose.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

CITY OF MARYSVILLE, KANSAS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2021

	Federal AL Number	Identifying Number	Federal Award Expenditures	Subrecipient Expenditures
U.S. Department of Housing & Urban Development				
Passed through Kansas Department of Commerce				
Neighborhood Stablization Program				
CDBG - CV	14.228	20-CV-097	$ 40,000	$ -
CDBG - Fire Station	14.228	20-PF-008	489,000	-
Total U.S. Department of Housing & Urban Develoment			$ 529,000	$ -
U.S. Department of Justice				
Passed through Kansas Department of Administration				
Edward Byrne Memorial Justice Assistance Grant	16.738	N/A	$ 26,362	$ -
Total U.S. Department of Justice			$ 26,362	$ -
U.S. Department of Transportation				
Airport Improvement Program	20.106	N/A	$ 523,434	$ -
Total U.S. Department of Transportation			$ 523,434	$ -
TOTAL FEDERAL ASSISTANCE			$ 1,078,796	$ -

CITY OF MARYSVILLE, KANSAS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2021

Note 1: Basis of Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Marysville, Kansas (the City) and is presented on the statutory basis of accounting. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statement.

Note 2: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City, and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statement. The City elected not to use the 10% de minimis indirect cost rate.

Note 3: Additional Audits

Grantor agencies reserve the right to conduct additional audits of the City's grant programs for economy and efficiency and program results that may result in disallowed costs to the City. However, management does not believe such audits would result in any disallowed costs that would be material to the District’s financial position at December 31, 2021.

Note 4: Outstanding Loans

The City did not have any outstanding loans under any federal grants at December 31, 2021.

Note 5: Sub-recipient Grants

No federal awards were passed through to subrecipients

CITY OF MARYSVILLE, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2021

Section I - Summary of Auditor's Results

Financial Statements		
Type of auditors' report issued:	Unmodified	
Internal control over financial reporting:		
Material weaknesses identified?	Yes	X None
Significant deficiencies identified not considered to be material weaknesses?	Yes	X None reported
Noncompliance material to financial statements noted?	Yes	X None
Federal Awards		
Internal controls over major programs:		
Material weaknesses identified?	Yes	X No
Significant deficiencies identified not considered to be material weaknesses?	Yes	X None reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200.516(a)	Yes	X No

Identification of major programs:

Name of Federal Program	CFDA Number
Airport Improvement Program	20.106

Dollar threshold used to distinguish between Type A and Type B programs: 750000

Auditee qualified as a low-risk auditee?	Yes	X No

NOTE: Beginning with the year ended June 30, 2016, the criteria for determination of low-risk auditee status changed by the U.S. Office of Management and Budget (OMB). Specifically, the auditee status changed by the U.S. Office of Management and Budget (OMB). Specifically, the regulatory basis of accounting prescribed by the State of Kansas does not meet the criteria established by OMB in the Uniform Grant Guidance (UGG). The District continues, however, to meet each of the other criteria for low-risk auditee status.

Section II - Financial Statement Findings

No matters were reported

Section III - Federal Award Findings and Questioned Costs

No matters were reported