CITY OF MCCUNE, KANSAS

For the Year Ended December 31, 2023

Regulatory Basis Financial Statement and
Independent Auditors' Report with
Regulatory-Required Supplemental Information

CITY OF MCCUNE, KANSAS

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Diehl
Banwart
Bolton
Certified Public Accountants PA

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Council
City of McCune, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of McCune, Kansas, (the City) as of and for the year ended December 31, 2023 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, 2023 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, 2023, 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.

Responsibility of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures–actual and budget and individual fund schedules of regulatory basis receipts and expenditures–actual and budget (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.

Prior Year Comparative Numbers

We previously audited, in accordance with auditing standards generally accepted in the United States of America, the basis financial statement of the City as of and for the year ended December 31, 2022 (not presented herein), and have issued our report thereon dated June 29, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and our accompanying report are not presented herein, but are available at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2023 (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 2022 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 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 basic financial statement or to the 2022 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 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, 2022, on the basis of accounting described in Note 1.

Diehl, Banwart, Bolton, CPAs, P.A.

DIEHL, BANWART, BOLTON, CPAs PA

October 31, 2024
Fort Scott, Kansas

CITY OF MCCUNE, KANSAS

Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2023

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Cash Balance December 31, 2023	2022
General Fund	$ 361,389.04	$ 220,187.81	$ 204,697.16	$ 376,879.69	$ -	$ 376,879.69	$ 361,389.04
Special Purpose Fund:							
Special Streets	29,135.37	12,077.54	548.33	40,664.58	-	40,664.58	29,135.37
Business Funds:							
Water Utility	24,041.47	122,200.20	115,660.47	30,581.20	4,904.50	35,485.70	28,160.27
Water & Sewer Bond & Interest	11,441.25	19,237.71	18,926.88	11,752.08	-	11,752.08	11,441.25
Water Reserve	20,569.67	-	-	20,569.67	-	20,569.67	20,569.67
Sewer Utility	67,859.98	44,625.60	8,364.51	104,121.07	-	104,121.07	67,859.98
Trash Collection Utility	12,375.91	39,493.33	38,219.04	13,650.20	3,030.47	16,680.67	15,452.67
Trust Fund:							
Veteran's Memorial	-	4,104.35	400.03	3,704.32	-	3,704.32	-
Total Reporting Entity	$ 526,812.69	$ 461,926.54	$ 386,816.42	$ 601,922.81	$ 7,934.97	$ 609,857.78	$ 534,008.25

Composition of Cash		
Checking account-Unreserved	$ 563,401.24	$ 470,058.71
Checking account-ARPA	10,828.35	32,025.67
Checking account-Veterans Memorial	3,704.32	-
Certificates of Deposit	11,751.78	11,751.78
Certificates of Deposit-Water Reserve	20,022.09	20,022.09
Petty Cash and Cash on hand	150.00	150.00
Total Reporting Entity	$ 609,857.78	$ 534,008.25

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement of the City of McCune, Kansas, has been prepared in accordance with the State of Kansas regulatory basis of accounting for Kansas Municipalities, and is designed to show compliance with the cash basis and budget laws of the State of Kansas. The Kansas Municipal Audit and Accounting Guide (KMAAG), as approved by the director of the Kansas Division of Accounts and Reports, establishes the guidelines for the regulatory basis of accounting in the state of Kansas.

Reporting Entity
The City of McCune, Kansas is a municipal corporation governed by an elected five member City Council. This financial statement represents the City of McCune, Kansas, (the primary government) and its related entity. Related municipal entities may be included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

There are no separate entities related to the City which should be accounted for in the City's financial statement.

Basis of Presentation - Fund Accounting
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 on specific activities or attaining certain objectives in accordance with special regulations, restriction, or limitations.

The following types of funds comprise the financial activities of the City of McCune:

GOVERNMENTAL FUNDS

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

Special Purposes Funds – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting

Regulatory Basis of Accounting and Departures 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 for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the 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.

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, reserve 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 City 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 City did hold a revenue neutral rate hearing this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no budgets amended 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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the Regulatory basis of accounting, in which revenues are recognized when cash is received and the expenditures include disbursements, 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (Continued)
A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose fund:

Water Reserve Fund

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

Compensated Absences
The City's two full-time employees that work over 35 hours a week earn and accumulate vacation leave from 5 to 20 days a year based on the number of years of service with the City. Vacation should be used in the year earned but may be accumulated and carried over to the next year with the approval of the mayor. Vacation is paid upon termination solely at the discretion of the City Council.

The City's two full-time employees earn and accumulate personal leave from the beginning of employment at the rate of one day per month worked. Personal leave may be accumulated up to 240 hours. Personal leave is lost upon termination of employment.

The City accrues a liability for compensated absence which meet the following criteria:

1. The City's obligation relating to employees rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated and is material.

In accordance with the above criteria, the City has not accrued a liability for personal leave or vacation pay, which has been earned but not taken by City employees, since the accrued pay is not payable upon termination.

Pension Plan
Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System, which is a multi-employer statewide pension plan. The City's policy is to fund all pension costs incurred. Such costs to be funded are actuarially determined annually by the State.

Termination and Post Employment Benefits
No termination benefits are provided to City employees when employment with the City ends except as required by Federal or State law.

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 accounting.

Deposits and Investments
Deposits and investments include checking accounts, a money market checking account, and certificates of deposit. Kansas statutes permit investment in checking accounts, savings accounts, certificates of deposit, and, in certain cases, obligations of the U.S. Treasury.

Property Taxes
In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis 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 or the full amount of 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 collected in the year levied prior to January 1st of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31st, such taxes are a lien on the property.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance With Revenue Bond Covenants
The bond ordinance to issue $300,000, Series 1990 Water System Revenue Bonds, contains the following requirements:

The bond ordinance requires the City to fix and establish water rates sufficient to produce a net income after the payment of the operation and maintenance expenses, including depreciation, in an amount equal to 110% of the current year principal and interest requirements of all outstanding water revenue bonds.

Current Year Revenue Debt Service	$ 18,926.88
Net Income Required	$ 20,819.57
Water Utility Fund	
Total Receipts	$ 122,200.20
Operating Expenses	(96,422.76)
Net Income (Loss)	$ 25,777.44

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Compliance With Revenue Bond Covenants (Continued)
The City is required to maintain certain reserve funds as follows:

	REQUIRED AMOUNT	ACTUAL AMOUNT
Principal and Interest Account for the Water System Revenue Bonds - requires transfers monthly of 1/12 of the next maturing principal and 1/6 of the next interest payment.	$ 13,007.75	$ 13,007.75
Reserve Account for the Water System Revenue Bonds - Requires monthly transfers of $161, until a maximum of $19,314 is reached.	19,314.00	19,314.00
Total Reserve Funds	$ 32,321.75	$ 32,321.75

Compliance With Kansas Statutes
This financial statement has been prepared in order to show compliance with the cash basis laws and Statutes of the State of Kansas. The City was in apparent compliance with the cash basis laws and Statutes of the State of Kansas.

3. DEPOSITS AND INVESTMENTS WITH FINANCIAL INSTITUTIONS

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, but has limited the investments to time deposits at the local bank.

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial 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 have any "peak periods" designated. All deposits were legally secured at December 31, 2023.

3. DEPOSITS AND INVESTMENTS WITH FINANCIAL INSTITUTIONS (Continued)

At December 31, 2023, the City's carrying amount of deposits was $609,857.78 and the bank balance was $614,150.48. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $281,773.87 was covered by FDIC insurance and $332,376.61 was covered by bank owned securities totaling $407,089.91 held by the pledging financial institutions' agents in the City's name.

4. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by 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 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 8.43% for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were $6,457.95 for the year ended December 31, 2023.

Net Pension Liability

At December 31, 2023, the City's proportionate share of the collective net pension liability reported by KPERS was $76,469. The total net pension liability as of June 30, 2023 was $10,693,000,939. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. 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 nonemployer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

5. CONCENTRATION OF CREDIT RISK – MAJOR SUPPLIERS

The City purchases water for resale from one major supplier. The cost of water purchased this year was $59,426.50.

The City uses one major supplier for trash collection services. The cost of the trash collection services paid for this year was $36,531.40.

6. 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, employees' health and life, and natural disasters. The City continues to carry commercial insurance for these risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

7. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
Water Utility	Water Bond & Interest	K.S.A. 12-825d	$ 19,237.71

8. SUBSEQUENT EVENTS

Management has evaluated events and transactions occurring subsequent to December 31, 2023 through October 31, 2024, the date of the financial statement. During this period, there were no subsequent events requiring recognition in the financial statement or disclosure in the notes to the financial statement.

9. LONG-TERM OBLIGATIONS

The following pages provide details regarding the City's Long-Term obligations including activity for the year and future maturities.

9. LONG TERM OBLIGATIONS (Continued)

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balances Beginning of Year	Additions / New Debt	Reductions / Principal Paid	Balances End of Year	Interest Paid
Revenue Bonds									
Series 1990	5.75%	3/28/1990	$ 300,000	3/28/2030	$ 121,400	$ -	$ 12,300	$ 109,100	$ 6,627
Total Long Term Obligations					$ 121,400	$ -	$ 12,300	$ 109,100	$ 6,627

9. LONG TERM OBLIGATIONS (Continued)

	2024	2025	2026	2027	2028	2029 2033	Totals
PRINCIPAL							
Revenue Bonds							
Series 1990	$ 13,100	$ 13,800	$ 14,600	$ 15,400	$ 16,300	$ 35,900	$ 109,100
Total Principal	$ 13,100	$ 13,800	$ 14,600	$ 15,400	$ 16,300	$ 35,900	$ 109,100
INTEREST							
Revenue Bonds							
Series 1990	$ 5,897	$ 5,123	$ 4,307	$ 3,444	$ 2,533	$ 2,102	$ 23,405
Total Interest	$ 5,897	$ 5,123	$ 4,307	$ 3,444	$ 2,533	$ 2,102	$ 23,405

CITY OF MCCUNE, KANSAS

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended December 31, 2023

CITY OF MCCUNE, KANSAS

Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund	$ 388,500.00	$ -	$ 388,500.00	$ 204,697.16	$ (183,802.84)
Special Purpose Funds:					
Special Streets	37,563.00	-	37,563.00	548.33	(37,014.67)
Business Funds:					
Water Utility	136,927.00	-	136,927.00	115,660.47	(21,266.53)
Water and Sewer Bond and Interest	19,027.00	-	19,027.00	18,926.88	(100.12)
Sewer Utility	58,000.00	-	58,000.00	8,364.51	(49,635.49)
Trash Collection Utility	44,000.00	-	44,000.00	38,219.04	(5,780.96)
Total Primary Government	$ 684,017.00	$ -	$ 684,017.00	$ 386,416.39	

CITY OF MCCUNE, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
Comparative Actual Amounts for the Year Ended December 31, 2022

	2022 Actual	2023 Actual	2023 Budget	Variance - Over (Under)
Cash Receipts				
Taxes				
Ad valorem property tax	$ 84,867.13	$ 85,876.46	$ 87,819.00	$ (1,942.54)
Delinquent	4,301.17	3,052.59	1,965.00	1,087.59
Motor vehicle	14,957.81	14,937.77	18,977.00	(4,039.23)
Special assessments	0.02	-	-	-
Intergovernmental				
Sales tax	138,050.88	70,280.06	80,000.00	(9,719.94)
Sales tax from sales by the City	324.77	388.29	500.00	(111.71)
Utility franchise taxes	20,359.48	19,940.04	19,000.00	940.04
ARPA Grant	31,437.49	-	-	-
Other Receipts				
Interest	4,510.31	5,535.99	3,000.00	2,535.99
Cemetery sales	3,400.00	5,850.00	2,500.00	3,350.00
Osage township	5,706.74	7,284.19	2,000.00	5,284.19
Donations	1,166.50	1,823.00	-	1,823.00
Dividends	-	2,870.39	-	2,870.39
Other	3,079.59	2,349.03	2,000.00	349.03
Reimbursed expenses	11,793.79	-	1,000.00	(1,000.00)
Total Cash Receipts	323,955.68	220,187.81	$ 218,761.00	$ 1,426.81
Expenditures				
General Government	150,090.91	145,850.85	$ 200,000.00	$ (54,149.15)
Cemetery	6,002.21	7,804.98	10,000.00	(2,195.02)
Sales taxes paid	259.52	322.57	500.00	(177.43)
Grant expenses	30,852.66	21,218.76	-	21,218.76
Capital outlays	19,846.74	29,500.00	178,000.00	(148,500.00)
Total Expenditures	207,052.04	204,697.16	$ 388,500.00	$ (183,802.84)
Receipts Over (Under) Expenditures	116,903.64	15,490.65		
Unencumbered Cash, Beginning	244,485.40	361,389.04		
Unencumbered Cash, Ending	$ 361,389.04	$ 376,879.69		

CITY OF MCCUNE, KANSAS
SPECIAL STREETS FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
Comparative Actual Amounts for the Year Ended December 31, 2022

	2022 Actual	2023 Actual	2023 Budget	Variance - Over (Under)
Cash Receipts				
Intergovernmental				
Gasoline tax from the State	$ 10,603.72	$ 10,115.74	$ 11,450.00	$ (1,334.26)
Gasoline tax from the County	1,490.55	1,714.30	1,480.00	234.30
Other Receipts				
Miscellaneous	460.20	247.50	-	247.50
Total Cash Receipts	12,554.47	12,077.54	$ 12,930.00	$ (852.46)
Expenditures				
Public Streets				
Commodities	2,462.55	548.33	$ 37,563.00	$ (37,014.67)
Capital Outlays	2,849.25	-	-	-
Total Expenditures	5,311.80	548.33	$ 37,563.00	$ (37,014.67)
Receipts Over (Under) Expenditures	7,242.67	11,529.21		
Unencumbered Cash, Beginning	21,892.70	29,135.37		
Unencumbered Cash, Ending	$ 29,135.37	$ 40,664.58		

CITY OF MCCUNE, KANSAS
WATER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
Comparative Actual Amounts for the Year Ended December 31, 2022

	2022 Actual	2023 Actual	2023 Budget	Variance - Over (Under)
Cash Receipts				
Operating Revenues				
Water sales	$ 119,653.89	$ 122,200.20	$ 125,000.00	$ (2,799.80)
Total Cash Receipts	119,653.89	122,200.20	$ 125,000.00	$ (2,799.80)
Expenditures				
Operating Expenditures	90,702.56	96,422.76	$ 110,000.00	$ (13,577.24)
Capital outlay	949.75	-	8,000.00	(8,000.00)
Operating Transfers to Water and Sewer Bond and Interest	19,016.88	19,237.71	18,927.00	310.71
Total Expenditures	110,669.19	115,660.47	$ 136,927.00	$ (21,266.53)
Receipts Over (Under) Expenditures	8,984.70	6,539.73		
Unencumbered Cash, Beginning	15,056.77	24,041.47		
Unencumbered Cash, Ending	$ 24,041.47	$ 30,581.20		

CITY OF MCCUNE, KANSAS
WATER AND SEWER BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
Comparative Actual Amounts for the Year Ended December 31, 2022

	2022 Actual	2023 Actual	2023 Budget	Variance - Over (Under)
Cash Receipts				
Operating Transfers from Water Utility Fund	$ 19,016.88	$ 19,237.71	$ 18,927.00	$ 310.71
Total Cash Receipts	19,016.88	19,237.71	$ 18,927.00	$ 310.71
Expenditures				
Debt Service on General Obligation Bonds				
Principal	11,700.00	12,300.00	$ 12,300.00	$ -
Interest	7,316.88	6,626.88	6,627.00	(0.12)
Other	-	-	100.00	(100.00)
Total Expenditures	19,016.88	18,926.88	$ 19,027.00	$ (100.12)
Receipts Over (Under) Expenditures	-	310.83		
Unencumbered Cash, Beginning	11,441.25	11,441.25		
Unencumbered Cash, Ending	$ 11,441.25	$ 11,752.08		

CITY OF MCCUNE, KANSAS
WATER RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
Comparative Actual Amounts for the Year Ended December 31, 2022

	2022 Actual	2023 Actual
Cash Receipts		
Other Receipts		
Interest	$ -	$ -
Total Cash Receipts	-	-
Expenditures		
Operating Expenditures	-	-
Debt Service	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	20,569.67	20,569.67
Unencumbered Cash, Ending	$ 20,569.67	$ 20,569.67

CITY OF MCCUNE, KANSAS
SEWER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
Comparative Actual Amounts for the Year Ended December 31, 2022

	2022 Actual	2023 Actual	2023 Budget	Variance - Over (Under)
Cash Receipts				
Operating Revenues				
Sewer service charges	$ 44,900.25	$ 44,625.60	$ 45,000.00	$ (374.40)
Total Cash Receipts	44,900.25	44,625.60	$ 45,000.00	$ (374.40)
Expenditures				
Operating Expenditures	18,187.62	8,364.51	$ 15,000.00	$ (6,635.49)
Capital outlay	2,849.25	-	12,000.00	(12,000.00)
Transfer to Utility Reserve	-	-	31,000.00	(31,000.00)
Total Expenditures	21,036.87	8,364.51	$ 58,000.00	$ (49,635.49)
Receipts Over (Under) Expenditures	23,863.38	36,261.09		
Unencumbered Cash, Beginning	43,996.60	67,859.98		
Unencumbered Cash, Ending	$ 67,859.98	$ 104,121.07		

CITY OF MCCUNE, KANSAS
TRASH COLLECTION UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
Comparative Actual Amounts for the Year Ended December 31, 2022

	2022 Actual	2023 Actual	2023 Budget	Variance - Over (Under)
Cash Receipts				
Operating Revenues				
Service charges	$ 35,298.89	$ 39,468.33	$ 36,000.00	$ 3,468.33
Nonoperating Revenues				
Other miscellaneous	-	25.00	-	25.00
Total Cash Receipts	35,298.89	39,493.33	$ 36,000.00	$ 3,468.33
Expenditures				
Operating Expenditures	36,526.25	38,219.04	$ 44,000.00	$ (5,780.96)
Total Expenditures	36,526.25	38,219.04	$ 44,000.00	$ (5,780.96)
Receipts Over (Under) Expenditures	(1,227.36)	1,274.29		
Unencumbered Cash, Beginning	13,603.27	12,375.91		
Unencumbered Cash, Ending	$ 12,375.91	$ 13,650.20		

CITY OF MCCUNE, KANSAS
VETERAN'S MEMORIAL FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023
Comparative Actual Amounts for the Year Ended December 31, 2022

	2022 Actual	2023 Actual
Cash Receipts		
Other Receipts		
Donations	$ -	$ 4,104.35
Total Cash Receipts	-	4,104.35
Expenditures		
Operating Expenditures		
Contractual services	-	5.60
Commodities	-	394.43
Total Expenditures	-	400.03
Receipts Over (Under) Expenditures	-	3,704.32
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$ -	$ 3,704.32