City of Palco

Financial Statements

December 31, 2023

ATC Accounting

City of Palco
Financial Statements
December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Palco
Palco, Kansas 67657

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 Palco, Kansas, 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 of Palco 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 of Palco 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 of Palco, 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 of Palco on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.
In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Palco'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 of Palco'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 of Palco'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, 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 a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Palco, Kansas as of and for the year ended December 31, 2023 (not presented herein), and have issued our report thereon dated December 20, 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 in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accountsreports/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, 2022 (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.

ATC Accounting
ATC Accounting

September 13, 2024

City of Palco, Kansas
Summary of Cash Receipts, Expenditures, and Encumbered Cash
For the Year Ended December 31, 2023

Funds	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances And Accounts Payable	Ending Cash Balance
GENERAL	$ 160,323	$ 217,995	$ 302,764	$ 75,554	$ -	$ 75,554
SPECIAL PURPOSE FUNDS:						
Library	2,579	5,517	6,347	1,749	-	1,749
Employee Benefits	-	32,788	25,366	7,422	5,992	13,414
Special Highway	19,200	5,610	-	24,810	-	24,810
BOND AND INTEREST FUND:						
Bond and Interest	1,415	8,823	10,238	-	-	-
CAPITAL PROJECT FUNDS:						
Water Reserve	9,568	-	-	9,568	-	9,568
Special Equipment Reserve	-	-	-	-	-	-
Capital Improvements	120,169	78,051	119,370	78,850	67,563	146,413
BUSINESS FUNDS:						
Ambulance	-	-	-	-	-	-
Fire	5,734	12,000	5,028	12,706	-	12,706
Water	103,829	82,552	60,007	126,374	167	126,541
Sewer	24,614	35,330	32,931	27,013	-	27,013
Solid Waste	40,067	55,166	53,653	41,580	-	41,580
TRUST FUNDS:						
Expendable Trust	23,334	-	-	23,334	-	23,334
McKenna	294,041	128,070	172,282	249,829	4,941	254,770
Customer Deposits	6,546	1,499	252	7,793	-	7,793
Total Reporting Entity	$ 811,419	$ 663,401	$ 788,238	$ 686,582	$ 78,663	$ 765,245

Cash on Hand	$ 36
NOW and Money Market Accounts	510,440
Demand Accounts	35,513
Certificates of Deposit	219,256
Total Reporting Entity	$ 765,245

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Financial Reporting Entity

The City of Palco is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of Palco (the municipality).

The related municipal entity is not included in the City's reporting entity even though it was established to benefit the City and/or its constituents.

> Library Board - The Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. Complete financial records for the Library Board may be reviewed at their administrative offices.

(b) Regulatory Basis Fund Types

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.
Special Purpose fund – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.
Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.
Capital Project fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.
Business fund – funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, electric fund, etc.).
Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).
Agency fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.).

(c) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.
The City has approved a resolution that is in compliance with K.S.A. 75-1120a, waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

(d) **Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted fro 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.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year 2023.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project Funds and Agency Funds.

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The City is not aware of any non-compliance with Kansas Statutes.

3. DEPOSITS AND INVESTMENTS

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

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

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutes to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2023.

At December 31, 2023, the City's carrying amount of deposits was $765,209 and the bank balance was $780,297. The bank balances were held by 1 bank resulting in a concentration of credit risk. Of the bank balance $287,067 was covered by federal depository insurance and remaining balance was covered by pledged securities.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. LONG-TERM DEBT

Changes in long-term liabilities for the year ended December 31, 2023, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning Balance 01/01/2023	Additions	Reductions/ Payments	Ending Balance 12/31/2023	Interest/ Service Fees Pd
General Obligation Bonds:									
Series 2020			$ 135,000		$ 105,000	$ -	$ 15,000	$ 90,000	$ 2,100
KDHE Loan:									
Wastewater Loan	2.86%	05/02/2003	$ 224,307	09/01/2026	26,254	-	12,941	13,313	659
Kansas Public Water Supply	2.49%	04/17/2023	$2,118,353	08/01/2055	-	66,185	-	66,185	-
Capital Lease:									
Trash Truck	4.99%	06/14/2018	$ 109,353	06/14/2025	42,127	-	16,819	25,308	1,720
Total Contractual Indebtedness					$ 173,381	$ 66,185	$ 44,760	$ 194,806	$ 4,479

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

Year	General Obligation Bond Principal	General Obligation Bond Interest	KDHE Loan Principal	KDHE Loan Interest	Capital Lease Principal	Capital Lease Interest	Total Principal	Total Interest
2024	$ 15,000	$ 1,800	$ 13,313	$ 293	$ 17,678	$ 862	$ 45,991	$ 2,955
2025	15,000	1,500	-	-	7,630	95	22,630	1,595
2026	15,000	1,200	-	-	-	-	15,000	1,200
2027	15,000	900	-	-	-	-	15,000	900
2028	15,000	600	-	-	-	-	15,000	600
2029-2030	15,000	300	-	-	-	-	15,000	300
	$ 90,000	$ 6,300	$ 13,313	$ 293	$ 25,308	$ 957	$ 128,621	$ 7,550

The Kansas Public Water Supply loan advances of $66,185 are to be included in a total loan of $2,118,353 that is estimated to be fully funded in 2026 when the project is completed. No future maturities have been included in the chart above. These payments will be included when the total loan funding is completed and payments commence.

5. DEFINED BENEFIT PENSION PLAN

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report (only one is issued) that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-419 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depend on whether the employee is a Tier 1, Tier 2, or Tier 3 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009 and Tier 3 members were first employed in a covered position on or after January 1, 2015. Kansas law establishes the KPERS member-employee contribution rate at 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members through December 31, 2014. On January 1, 2015, Kansas law increased the KPERS member-employee contribution rate to 6% of covered salary for Tier 1 members. On that date, the Tier 2 member-employee contribution rate remained at 6% of covered salary, and the Tier 3-member contribution rate was established at 6% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for Tier 1 and Tier 2 be determined annually based on the results of an annual actuarial valuation. Tier 3 Employer credits are established by statute and are based on the member employee's years of service. Tier 1 and Tier 2 is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rate (not including the 0.85% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.46%, for the fiscal year ended December 31, 2023. Contributions to the pension plan from the city were $6,618 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 $59,203. The net pension liability was measured as of June 30, 2023, and 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 ration of the city's contributions to KPERS, relative to the total employer and non-employer contributions of the local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees

because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

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

(b) Compensated Absences

Vacation – Full-time employees and the city clerk are entitled to paid vacation. After 6 months employment and up to 5 years of continuous employment employees at entitled to 10 working days of paid vacation. Employment between five years to 10 years of service the employee is entitled to 12 working days of paid vacation. After ten years of employment employees are entitled to fifteen days of paid vacation. Part-time employees that work at least 30 hours of more per week shall earn vacation credit at the rate of ½ day for each month of employment. Seasonal and temporary employees shall not earn vacation leave. Vacation time is paid at the employee's regular rate. Unused vacation pay will be paid to employees upon termination, if proper notice of resignation is given. Vacation leave does not accumulate and must be used by December 31. Therefore, accumulated vacation at year end was zero.

The cost of accumulated vacation leave is $0 and will be recorded as expenditures at the time the vacation leave is utilized, as normal personal service expenditures.

Sick Leave – Full-time employees shall earn 1 day of sick leave for each full month of service. Part-time employees who are employed to work not less than 20 hours per week shall receive ½ day of sick leave for each month of employment. Employees may accumulate up to 720 hours of sick leave. Any unused accumulated sick leave may be used by an employee during their employment with the City and if employment is terminated, the unused accumulated amount is not paid to the employee. Therefore, accumulated sick leave has not been accrued.

7. INTERFUND TRANSFERS

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
General	Fire	K.S.A. 12-1,118	12,000

8. SUBSEQUENT EVENTS

Management has evaluated the effects of the financial statement of subsequent events occurring through the date of the report which is the date at which the financial statement was available to be issued.

CITY OF PALCO, KANSAS

REGULATORY-REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2023

City of Palco, Kansas
Summary of Expenditures – Actual and Budget
For the Year Ended December 31, 2023

Description	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable To Current Year Budget	Variance Over (Under)
GENERAL	$ 337,978	$ -	$ 337,978	$ 302,764	$ (35,214)
SPECIAL PURPOSE FUNDS:					
Library	8,000	-	8,000	6,347	(1,653)
Employee Benefits	35,637	-	35,637	25,366	(10,271)
Special Highway	20,562	-	20,562	-	(20,562)
BOND AND INTEREST FUNDS:					
Bond and Interest	12,200	-	12,200	10,238	(1,962)
BUSINESS FUNDS:					
Ambulance	-	-	-	-	-
Fire	15,930	-	15,930	5,028	(10,902)
Water	158,993	-	158,993	60,007	(98,986)
Sewer	32,931	-	32,931	32,931	-
Solid Waste	95,378	-	95,378	53,653	(41,725)

City of Palco, Kansas
General Fund
Statement of Cash Receipts and Expenditures – Actual and Budget
For the Year End December 31, 2023

	2022	2023		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 86,998	$ 87,279	$ 99,901	$ (12,622)
Delinquent Tax	3,595	3,773	-	3,773
Motor Vehicle Tax	11,099	12,472	10,940	1,532
Recreational Vehicle Tax	312	358	406	(48)
16/20M Vehicle Tax	472	539	562	(23)
Commercial Truck Tax	1,817	470	393	77
Watercraft Tax	49	45	60	(15)
Sales Tax	50,116	55,854	53,000	2,854
Franchise Fee	14,064	13,540	15,250	(1,710)
Licenses and Permits	223	120	500	(380)
Interest on Idle Funds	603	1,360	445	915
Donations/Grants	5,000	-	-	-
ARPA Funds	20,373	-	-	-
Reimbursements	-	30,054	-	30,054
Miscellaneous	16,771	1,945	-	1,945
Sale of Assets	-	12,500	-	12,500
Neighborhood Revitalization Program	(2,880)	(2,314)	-	(2,314)
Total Receipts	208,612	217,995	$ 181,457	$ 36,538
Expenditures				
Personal Services	23,701	47,237	$ 24,139	$ 23,098
General Administration	26,046	53,839	15,770	38,069
Shop	8,908	9,985	4,800	5,185
Street Lights	10,465	8,469	15,000	(6,531)
Fees	-	-	19,500	(19,500)
Park	9,904	23,698	-	23,698
Building Repair	7,689	2,203	1,500	703
Equipment Repair	2,466	7,689	9,700	(2,011)
Donations	3,637	2,575	3,000	(425)
Insurance	27,945	33,092	26,000	7,092
Legal Fees	3,079	1,153	-	1,153
Street Maintenance	3,320	4,297	-	4,297
Public Transportation	2,095	2,377	-	2,377
Capital Outlay	73,679	87,287	206,569	(119,282)
Debt Service - Principal	-	6,863	-	6,863
Transfer to Fire	12,000	12,000	12,000	-
Total Expenditures	214,934	302,764	$ 337,978	$ (35,214)
Receipts Over (Under) Expenditures	(6,322)	(84,769)		
Unencumbered Cash , January 1	166,645	160,323		
Unencumbered Cash, December 31	$ 160,323	$ 75,554		

City of Palco, Kansas
Library Fund
Statement of Cash Receipts and Expenditures – Actual and Budget
For the Year End December 31, 2023

	2022	2023		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 4,891	$ 4,668	$ 5,352	$ (684)
Delinquent Tax	188	200	-	200
Motor Vehicle Tax	585	696	580	116
Recreational Vehicle Tax	17	20	22	(2)
16/20M Vehicle Tax	23	29	30	(1)
Commercial Truck Tax	98	26	21	5
Watercraft Tax	3	2	3	(1)
Neighborhood Revitalization Program	(162)	(124)	-	(124)
Total Receipts	5,643	5,517	$ 6,008	$ (491)
Expenditures				
Appropriation to Palco Public Library	5,643	5,517	$ 7,300	$ (1,783)
Commodities	113	830	700	130
Total Expenditures	5,756	6,347	$ 8,000	$ (1,653)
Receipts Over (Under) Expenditures	(113)	(830)		
Unencumbered Cash , January 1	2,692	2,579		
Unencumbered Cash, December 31	$ 2,579	$ 1,749		

City of Palco, Kansas
Employee Benefits Fund
Statement of Cash Receipts and Expenditures – Actual and Budget
For the Year End December 31, 2023

	2022	2023		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 20,520	$ 29,034	$ 32,884	$ (3,850)
Delinquent Tax	1,050	870	-	870
Motor Vehicle Tax	3,341	3,232	2,435	797
Recreational Vehicle Tax	104	92	91	1
16/20M Vehicle Tax	77	191	125	66
Commercial Truck Tax	636	111	88	23
Watercraft Tax	17	10	14	(4)
Reimbursements	-	10	-	10
Neighborhood Revitalization Program	(679)	(762)	-	(762)
Total Receipts	25,066	32,788	$ 35,637	$ (2,849)
Expenditures				
Unemployment Insurance	67	96	$ 73	$ 23
Social Security/Medicare	5,189	7,912	5,352	2,560
KPERS	5,768	7,103	6,048	1,055
Medical Insurance	17,895	10,255	24,164	(13,909)
Worker's Compensation Insurance	-	-	-	-
Total Expenditures	28,919	25,366	$ 35,637	$ (10,271)
Receipts Over (Under) Expenditures	(3,853)	7,422		
Unencumbered Cash, January 1	3,853	-		
Unencumbered Cash, December 31	$ -	$ 7,422		

City of Palco, Kansas
Special Highway Fund
Statement of Cash Receipts and Expenditures – Actual and Budget
For the Year End December 31, 2023

	2022	2023		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Special Highway Tax	$ 6,368	$ 5,610	$ 7,420	$ (1,810)
Expenditures				
Capital Outlay	-	-	$ 20,562	$ (20,562)
Commodities	-	-	-	-
Total Expenditures	-	-	$ 20,562	$ (20,562)
Receipts Over (Under) Expenditures	6,368	5,610		
Unencumbered Cash, January 1	12,832	19,200		
Unencumbered Cash, December 31	$ 19,200	$ 24,810		

City of Palco, Kansas
Bond and Interest Fund
Statement of Cash Receipts and Expenditures – Actual and Budget
For the Year End December 31, 2023

	2022	2023		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	$ 11,512	$ 7,149	$ 8,364	$ (1,215)
Delinquent Tax	159	289	-	289
Motor Vehicle Tax	507	1,443	1,366	77
Recreational Vehicle Tax	15	42	51	(9)
16/20M Vehicle Tax	19	26	70	(44)
Commercial Truck Tax	87	62	49	13
Watercraft Tax	2	6	8	(2)
Neighborhood Revitalization Program	(381)	(194)	-	(194)
Total Receipts	11,920	8,823	$ 9,908	$ (1,085)
Expenditures				
Principal	10,000	9,188	$ 10,000	$ (812)
Interest	2,301	1,050	2,200	(1,150)
Total Expenditures	12,301	10,238	$ 12,200	$ (1,962)
Receipts Over (Under) Expenditures	(381)	(1,415)		
Unencumbered Cash, January 1	1,796	1,415		
Unencumbered Cash, December 31	$ 1,415	$ -		

SCHEDULE 2-6

City of Palco, Kansas
Water Utility Reserve Fund
Statement of Cash Receipts and Expenditures – Actual
For the Year End December 31, 2023

	2022 Actual	2023 Actual
Receipts		
Transfer from General	$ -	$ -
Expenditures		
Capital Outlay	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, January 1	9,568	9,568
Unencumbered Cash, December 31	$ 9,568	$ 9,568

SCHEDULE 2-7

City of Palco, Kansas
Special Equipment Reserve Fund
Statement of Cash Receipts and Expenditures – Actual
For the Year End December 31, 2023

	2022 Actual	2023 Actual
Receipts		
Transfer from General	$ -	$ -
Transfer from Expendable Trust	-	-
Total Receipts	-	-
Expenditures		
Capital Outlay	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, January 1	-	-
Unencumbered Cash, December 31	$ -	$ -

SCHEDULE 2-8

City of Palco, Kansas
Capital Improvements Fund
Statement of Cash Receipts and Expenditures – Actual
For the Year End December 31, 2023

	2022 Actual	2023 Actual
Receipts		
Bond Proceeds	$ -	$ -
Grants	79,000	78,051
Transfer from General	-	-
Total Receipts	79,000	78,051
Expenditures		
Capital Outlay	8,592	119,370
Receipts Over (Under) Expenditures	70,408	(41,319)
Unencumbered Cash, January 1	49,761	120,169
Unencumbered Cash, December 31	$ 120,169	$ 78,850

City of Palco, Kansas
Ambulance Fund
Statement of Cash Receipts and Expenditures – Actual and Budget
For the Year End December 31, 2023

	2022	2023		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Charges for Services	$ -	$ -	$ -	$ -
County Subsidy	-	-	-	-
Total Receipts	-	-	$ -	$ -
Expenditures				
Personal Services	-	-	$ -	$ -
Contractual Services	-	-	-	-
Transfer to General	-	-	-	-
Total Expenditures	-	-	$ -	$ -
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, January 1	-	-		
Unencumbered Cash, December 31	$ -	$ -		

City of Palco, Kansas
Fire Fund
Statement of Cash Receipts and Expenditures – Actual and Budget
For the Year End December 31, 2023

	2022	2023		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Transfer from General	$ 12,000	$ 12,000	$ 12,000	$ -
State of Kansas Grant	-	-	-	-
Miscellaneous	-	-	-	-
Total Receipts	12,000	12,000	$ 12,000	$ -
Expenditures				
Personal Services	1,800	1,800	$ 2,900	$ (1,100)
Contractual Services	-	-	-	-
Commodities	4,466	3,228	13,030	(9,802)
Capital Outlay	-	-	-	-
Total Expenditures	6,266	5,028	$ 15,930	$ (10,902)
Receipts Over (Under) Expenditures	5,734	6,972		
Unencumbered Cash, January 1	-	5,734		
Unencumbered Cash, December 31	$ 5,734	$ 12,706		

City of Palco, Kansas
Water Utility Fund
Statement of Cash Receipts and Expenditures – Actual and Budget
For the Year End December 31, 2023

	2022	2023		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Charges for Services	$ 55,220	$ 82,552	$ 48,768	$ 33,784
Transfer from Customer Deposit	-	-	-	-
Total Receipts	55,220	82,552	$ 48,768	$ 33,784
Expenditures				
Personal Services	15,311	22,962	$ 16,625	$ 6,337
Contractual Services	-	-	-	-
Commodities	9,261	12,359	12,676	(317)
Capital Outlay	15,959	24,686	129,692	(105,006)
Transfer to Water Reserve	-	-	-	-
Total Expenditures	40,531	60,007	$ 158,993	$ (98,986)
Receipts Over (Under) Expenditures	14,689	22,545		
Unencumbered Cash, January 1	89,140	103,829		
Unencumbered Cash, December 31	$ 103,829	$ 126,374		

City of Palco, Kansas
Sewer Utility Fund
Statement of Cash Receipts and Expenditures – Actual and Budget
For the Year End December 31, 2023

	2022	2023		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Charges to Customers	$ 36,107	$ 35,330	$ 39,425	$ (4,095)
Transfer from Customer Deposit	-	-	-	-
	36,107	35,330	$ 39,425	$ (4,095)
Expenditures				
Personal Services	15,311	12,671	$ 16,131	$ (3,460)
Contractual Services	-	-	-	-
Commodities	2,235	2,274	3,200	(926)
Capital Outlay	-	4,444	-	4,444
KDHE Loan Payment	13,511	13,542	13,600	(58)
Total Expenditures	31,057	32,931	$ 32,931	$ -
Receipts Over (Under) Expenditures	5,050	2,399		
Unencumbered Cash, January 1	19,564	24,614		
Unencumbered Cash, December 31	$ 24,614	$ 27,013		

City of Palco, Kansas
Solid Waste Fund
Statement of Cash Receipts and Expenditures – Actual and Budget
For the Year End December 31, 2023

	2022	2023		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Charges to Customers	$ 52,201	$ 55,166	$ 53,571	$ 1,595
Transfer from Customer Deposits	-	-	-	-
Total Receipts	52,201	55,166	$ 53,571	$ 1,595
Expenditures				
Personal Services	15,311	22,962	$ 16,131	$ 6,831
Contractual Services	5,863	8,174	6,000	2,174
Commodities	6,427	5,522	6,000	(478)
Capital Outlay	18,540	16,995	67,247	(50,252)
Total Expenditures	46,141	53,653	$ 95,378	$ (41,725)
Receipts Over (Under) Expenditures	6,060	1,513		
Unencumbered Cash, January 1	34,007	40,067		
Unencumbered Cash, December 31	$ 40,067	$ 41,580		

City of Palco, Kansas
Expendable Trust Fund
Statement of Cash Receipts and Expenditures – Actual
For the Year End December 31, 2023

	2022 Actual	2023 Actual
Receipts		
McKenna Fund Reimbursement	$ -	$ -
Expenditures		
Personal Services	-	-
Contractual	-	-
Reimbursements	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, January 1	23,334	23,334
Unencumbered Cash, December 31	$ 23,334	$ 23,334

City of Palco, Kansas
McKenna Fund
Statement of Cash Receipts and Expenditures – Actual
For the Year End December 31, 2023

	2022 Actual	2023 Actual
Receipts		
Membership Sales	$ 27,955	$ 29,411
Oil Income	4,042	5,460
Farmland Income	79,200	88,274
Interest on Idle Funds	2,883	4,925
	114,080	128,070
Expenditures		
Personal Services	35,419	37,519
Contractual	48,001	44,337
Commodities	27,968	43,053
Capital Outlay	566	47,373
Reimbursements	-	-
Total Expenditures	111,954	172,282
Receipts Over (Under) Expenditures	2,126	(44,212)
Unencumbered Cash, January 1	291,915	294,041
Unencumbered Cash, December 31	$ 294,041	$ 249,829

City of Palco, Kansas
Customer Deposits Fund
Statement of Cash Receipts and Expenditures – Actual
For the Year End December 31, 2023

	2022 Actual	2023 Actual
Receipts		
Customer Deposits	$ 2,487	$ 1,406
Interest on Idle Funds	-	18
Reimbursements	-	75
Total Receipts	2,496	1,499
Expenditures		
Customer Refunds	1,080	252
Transfer to Water	-	-
Transfer to Sewer	-	-
Transfer to Solid Waste	-	-
Total Expenditures	1,080	252
Receipts Over (Under) Expenditures	1,416	1,247
Unencumbered Cash, January 1	5,130	6,546
Unencumbered Cash, December 31	$ 6,546	$ 7,793