CITY OF NORTON, KANSAS

Norton, Kansas

Financial Statement and Regulatory-Required

Supplementary Information with Independent Auditor's Report

For the Year Ended December 31, 2023

MAPES & MILLER LLP

Certified Public Accountants

Norton, Kansas

CITY OF NORTON, KANSAS
Financial Statement and Regulatory-Required
Supplementary Information with Independent Auditor's Report
For the Year Ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Norton
Norton, Kansas 67654

Adverse and Unmodified Opinions
We have audited the accompanying summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Norton, Norton, Kansas, a Municipal Financial Reporting Entity 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 Norton, Kansas, 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 Norton, Kansas, 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 Norton, 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 basis for our adverse and unmodified opinions.

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

1) Exercise professional judgment and maintain professional skepticism throughout the audit.
2) 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.
3) 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 Norton's internal control. Accordingly, no such opinion is expressed.
4) 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.
5) Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Norton'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 summary of 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 financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Mapes & Miller LLP

Certified Public Accountants

Norton, Kansas
August 7, 2024

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Funds							
General	$ 535,324	0	1,958,323	1,910,174	583,473	50,959	634,432
Special Purpose Funds							
Employee Benefits	0	0	156,163	144,140	12,023	0	12,023
Special Highway	146,438	0	73,217	79,683	139,972	0	139,972
Special Parks	3,648	0	17,782	14,697	6,733	0	6,733
Industrial Development	140,801	0	4,706	63,618	81,889	0	81,889
Tourism and Convention	0	0	52,863	52,863	0	0	0
Library	0	0	112,227	112,227	0	0	0
Library Employee Benefits	0	0	38,039	38,039	0	0	0
Special Health Insurance	26,040	0	552,117	544,560	33,597	0	33,597
Police Donation	176	0	0	0	176	0	176
Animal Pound Donation	62,101	0	0	2,458	59,643	0	59,643
Cemetery Donation	14,058	0	0	0	14,058	0	14,058
Special Pool Sales Tax	606,479	0	509,308	372,186	743,601	0	743,601
Municipalities Fighting Addiction	666	0	7,561	0	8,227	0	8,227
Police Forfeiture	1,661	0	2,334	3,684	311	0	311
City Land Bank	689	0	0	200	489	0	489
Equipment Reserve	113,279	0	0	72,021	41,258	0	41,258
Capital Improvement	156,124	0	0	1,638	154,486	0	154,486
Bond and Interest Funds							
Bond and Interest	40,652	0	51,819	65,340	27,131	0	27,131
Highway 36 Bond	0	0	89,647	75,939	13,708	0	13,708
Water/Wastewater Debt Service	11,554	0	538,608	538,608	11,554	0	11,554
Business Funds							
Electric	979,551	0	3,113,287	3,458,326	634,512	162,432	796,944
Electric Deposits	0	0	23,420	23,420	0	84,397	84,397
Electric Replacement Reserve	462,106	0	104,759	40,010	526,855	0	526,855
Refuse	279,885	0	356,965	579,900	56,950	5,912	62,862
Refuse Replacement Reserve	148,390	0	12,600	132,539	28,451	0	28,451
Water	612,893	0	954,182	1,177,587	389,488	4,073	393,561
Water Deposits	0	0	7,034	7,034	0	25,256	25,256

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

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Business Funds (Continued)							
Water Replacement Reserve	$ 44,386	0	10,200	0	54,586	0	54,586
Sewer Service	89,570	0	589,634	608,189	71,015	524	71,539
Sewer Replacement Reserve	137,747	0	10,200	64,147	83,800	0	83,800
Capital Project Funds							
Highway 36 Project	13,708	0	0	13,708	0	0	0
Trust Funds							
Revolving Loan	73,141	0	4,951	0	78,092	0	78,092
Total Primary Government	4,701,067	0	9,351,946	10,196,935	3,856,078	333,553	4,189,631
Related Municipal Entities:							
Norton Public Library							
General	266,715	0	183,869	188,033	262,551	0	262,551
NWKLS Grant	0	0	5,500	0	5,500	0	5,500
State Grant	0	0	778	0	778	0	778
Friends	1,412	0	0	505	907	0	907
Art Club	6,247	0	7,907	1,260	12,894	0	12,894
Special Project and Donation	48,712	0	50,876	0	99,588	0	99,588
Capital Improvement	20,362	0	16,000	0	36,362	0	36,362
Public Building Commission							
Pool Bond & Interest Reserve	315,235	0	307,115	305,450	316,900	0	316,900
Total Related Municipal Entities	658,683	0	572,045	495,248	735,480	0	735,480
Total Reporting Entity (Excluding Agency Funds)	$ **5,359,750**	**0**	**9,923,991**	**10,692,183**	**4,591,558**	**333,553**	**4,925,111**

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

CITY OF NORTON, KANSAS
Composition of Cash
Regulatory Basis
For the Year Ended December 31, 2023

Primary Government:		
Cash on Hand	$	100
First State Bank, Norton, Kansas		
NOW Accounts		65,851
Money Market Account		78,092
Checking Accounts		2,000
Certificates of Deposit		195,000
Solutions North Bank, Norton, Kansas		
NOW Account		3,450,956
Checking Accounts		47,625
The Bank, Norton, Kansas		
Checking Account		2,000
Certificates of Deposit		400,000
Total Cash and Investments		4,241,624
Less: Agency Funds - Schedule 3		(51,993)
Total Primary Government		4,189,631
Related Municipal Entities:		
Norton Public Library Board		
Solutions North Bank, Norton, Kansas		
NOW Account		180,683
Certificate of Deposit		227,208
First State Bank, Norton, Kansas		
Certificate of Deposit		10,689
Public Building Commission		
First State Bank, Norton, Kansas		
Money Market Account		316,900
Total Related Municipal Entities		735,480
Total Reporting Entity per Statement 1, Page 2	$	**4,925,111**

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

1. **Summary of Significant Accounting Policies**

Municipal Financial Reporting Entity

The City of Norton, Kansas is a municipal corporation governed by an elected seven-member council. It was incorporated on September 12, 1885, and operates as a second-class city in accordance with the laws of the State of Kansas. The City operates under a mayor-council form of government and provides the following services: public safety (police and fire protection), highways and streets, electricity, water, sewer, sanitation, social, culture and recreation, planning and zoning, public improvements, and general administrative services. This financial statement presents the City of Norton, Kansas (the municipality) and its related municipal entities. The related municipal entities are included in the city's reporting entity because they were established to benefit the city and/or its constituents.

Norton Public Library. The Norton Public Library operates a municipal public library for the City of Norton. A seven-member board of trustees is appointed by the City Council to oversee the operation. The City annually levies a tax for the operation of the Library and also provides the facilities. The City can also issue bonded debt for the benefit of the Library. The Library Board must obtain the approval for the acquisition or disposal of real property from the City Council.

Public Building Commission. The City of Norton Public Building Commission Board operates the Public Building Commission for the purpose of providing additional and alternative methods for financing certain public buildings. The City levies taxes for the Public Building Commission. Bond issuances must be approved by the City. Complete financial records for the Public Building Commission may be reviewed at the City offices.

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 regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

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

Agency fund—funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.)

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.

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.)

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 municipality 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 municipality 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, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in 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 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 municipality held a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory 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 this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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 projects funds, trust funds and the following funds:

Special Purpose Funds:
- Special Parks
- Tourism & Convention
- Special Health Insurance
- Special Pool Sales Tax
- Municipalities Fighting Addiction
- Police Donation
- Animal Pound Donation
- Cemetery Donation
- Police Forfeiture
- City Land Bank
- Equipment Reserve
- Capital Improvement

Bond and Interest Funds:
- Highway 36 Bond
- Water/Wastewater Debt Service

Business Funds:
- Electric Replacement Reserve
- Electric Deposits
- Refuse Replacement Reserve
- Water Replacement Reserve
- Water Deposits
- Sewer Replacement Reserve

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**

No statute violations were noted during 2023.

3. **Deposits and Investments**

K.S.A. 9-1401 establishes the depositories which may be used by the City, Library, and Public Building Commission. The statute requires banks eligible to hold the municipality's funds have a main or branch bank in the county in which the municipality 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, Library, and Public Building Commission have no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's, Library's, and Public Building Commission'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, Library, and Public Building Commission have no investment policy that would further limit their investment choices.

Concentration of Credit Risk. State statutes place no limit on the amount the City, the Library, and the Public Building Commission 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, Library's, and Public Building Commission's deposits may not be returned to them. State statutes require the City's, Library's, and Public Building Commission'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, Library, and Public Building Commission have not designated any "peak periods" with eligible depositories. All deposits were legally secured at December 31, 2023.

At December 31, 2023, the City's carrying amount of deposits was $4,241,624 and the bank balance was $4,330,366. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $696,055 was covered by federal depository insurance, and $3,634,311 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

At December 31, 2023, the Library's carrying amount of deposits was $418,580 and the bank balance was $428,333. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $260,689 was covered by federal depository insurance, and $167,644 was collateralized with securities held by the pledging financial institutions' agents in the Library's name.

At December 31, 2023, the Public Building Commission's carrying amount of deposits was $316,900 and the bank balance was $316,900. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance, and $66,900 was collateralized with securities held by the pledging financial institutions' agents in the Commission's name.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Municipality 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. At December 31, 2023, the City, Library and Public Building Commission held no investments except for certificates of deposit which are considered as a component of deposits.

4. **Defined Benefit Pension Plan**

Plan Description The City of Norton 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, Kansas 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 and 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 KPERS for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City of Norton were $156,388 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 $1,748,016. 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 ratio of the city's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in 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. **Other Long-Term Obligations from Operations**

Other Post Employment Benefits. As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level 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.

Death and Disability Other Post Employment Benefits. 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, 2023.

Compensated Absences

City of Norton

Vacation Leave. Each full-time City employee with less than five years of service shall earn eight hours of vacation per month; over five years and less than ten years of service shall earn ten hours of vacation per month; over ten years and less than fifteen years of service shall earn twelve hours of vacation per month; over fifteen years and less than twenty years of service shall earn fourteen hours of vacation per month; and over twenty years of service shall earn sixteen hours of vacation per month. Each employee shall be allowed to carry over a vacation leave balance at the end of the calendar year equal to the annualized accrual for the employee's length of service as of the last day of the year. Annualized accrual shall be determined by multiplying the employee's monthly credit for the last month of the current year times twelve. Upon termination, a full time employee shall be compensated for all accumulated unused vacation leave.

Sick Leave. Full-time City employees earn eight hours of sick leave for each calendar month worked. An employee may accumulate unlimited sick leave. Upon retirement, an employee will be paid a maximum of nine hundred sixty (960) hours sick leave. Other employees terminating voluntarily will be paid for one-half of their unused sick leave up to four hundred eighty (480) hours.

Comp Time. The City's employees eligible to receive overtime have the option to be compensated for overtime by accumulating compensatory time, comp time, at a rate of one and one-half times the overtime worked at the discretion of the department head. Non-exempt public safety officers and non exempt employees may accumulate up to 120 hours of comp time.

Parental Leave. An eligible employee is entitled to up to four weeks of paid maternity leave for women who have given birth or one week of paid parental leave for spouse or committed partner to woman who has given birth, adoption or placement. The employee must have worked for the City at least 12 months prior to the event and a minimum of 1,250 hours during the twelve months preceding the leave and must qualify for FMLA.

Norton Public Library

Vacation. All full time Library employees earn vacation of five days after completion of the first calendar year of employment. After three calendar years, ten days of vacation are earned each year. After ten calendar years, fifteen days of vacation are earned each year. After twenty calendar years, twenty days of vacation are earned. Vacation time is not allowed to accumulate and any unused time is forfeited.

Sick Leave. All full time employees earn sick leave at the rate of one day per month and can accumulate to fifteen days. Unused sick leave at the time of termination of employment due to death, retirement, medical disability or to a family transfer out of the community will be paid at one-fourth of the dollar value of the employee's accumulated sick leave days.

6. Interfund Transactions

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
Electric	Electric Replacement	K.S.A. 12-825d	102,000
Water	Water/Wastewater Debt Service	K.S.A. 12-825d	337,338
Water	Water Replacement	K.S.A. 12-825d	10,200
Sewer	Water/Wastewater Debt Service	K.S.A. 12-825d	176,270
Sewer	Sewer Replacement Reserve	K.S.A. 12-825d	10,200
Refuse	Refuse Replacement	K.S.A. 12-825d	12,600
Special Highway	Highway 36 Bond	K.S.A. 68-416	90,280
Highway 36 Project	Highway 36 Bond	Residual Equity	13,708

7. Risk Management

The City, Library, and Public Building Commission are exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters for which the City, Library and Public Building Commission purchase commercial insurance. During the year ended December 31, 2023 neither the City, the Library, nor the Public Building Commission reduced insurance coverage from levels in place during the prior year. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

8. Claims and Judgments

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, the grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect of any of the individual government funds or the overall financial position of the City. During the ordinary course of its operations the City is a party to various claims, legal actions, and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

9. **Special Items**

Revolving Loan Fund. The City of Norton received a $106,100 grant from the Kansas Small Cities Program Community Development Block Grant in 1988 for the purpose of establishing a Revolving Loan Fund to provide loans to businesses in and around the City of Norton for which the loan proceeds would result in the creation and/or retention of jobs. Norton Development Corporation administers this fund under the supervision of the City Council. The balance of the outstanding loans as of December 31, 2023 was $0.

10. **Subsequent Events**

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

11. **Long-term Debt**

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series 2022 Highway Improvement	4.33%	06/30/22	830,000	10/01/37	830,000	0	40,000	790,000	35,939
Series 2019 Street Improvement	2.5-3.75%	04/24/19	815,000	04/01/34	690,000	0	45,000	645,000	20,340
Series 2021 Water/Wastewater Refunding	.75%-3.00%	01/26/21	5,035,000	08/01/48	4,085,000	0	460,000	3,625,000	78,608
Total General Obligation Bonds					5,605,000	0	545,000	5,060,000	134,887
Finance Leases:									
Pumper Truck	4.48%	08/02/19	340,000	03/01/29	248,578	0	31,022	217,556	11,136
Wastewater Equipment	5.00%	03/02/21	185,307	08/15/25	113,532	0	36,013	77,519	5,677
Water Equipment	5.00%	03/02/21	320,129	08/15/25	196,134	0	62,216	133,918	9,807
Police Body Cameras	0.00%	05/31/23	39,999	05/31/27	0	39,999	16,129	23,870	0
Bobcat Compact Excavator	4.95%	07/07/23	37,706	03/08/28	0	37,706	0	37,706	0
Police Cars	8.84%	06/30/23	92,367	06/30/25	0	92,367	33,431	58,936	0
Total Finance Leases					558,244	170,072	178,811	549,505	26,620
Other									
City Utility Low-Interest Loan	0.25%	3/22/2021	572,741	06/01/24	287,045	0	191,244	95,801	499
Public Building Commission									
Revenue Refunding Bond, Series 2020	1.30-2.75%	5/27/2020	3,410,000	08/01/33	2,960,000	0	240,000	2,720,000	65,450
Total Contractual Indebtedness					**9,410,289**	**170,072**	**1,155,055**	**8,425,306**	**227,456**

12. **Long-term Debt - (Continued)**

Current maturities of long-term debt for the City of Norton, Kansas through maturity are as follows

	2024	2025	2026	2027	2028	2029-2033	2034-2038	2039-2043	2044-2048	Total
PRINCIPAL										
General Obligation Bonds:										
Series 2022 Highway Improvement	45,000	45,000	45,000	50,000	50,000	285,000	270,000	0	0	790,000
Series 2019 Street Improvement	50,000	50,000	50,000	55,000	55,000	315,000	70,000	0	0	645,000
Series 2021 Water/Wastewater Refunding	465,000	470,000	335,000	200,000	140,000	425,000	475,000	545,000	570,000	3,625,000
Total General Obligation Bonds	560,000	565,000	430,000	305,000	245,000	1,025,000	815,000	545,000	570,000	5,060,000
Finance Leases:										
Pumper Truck	32,385	33,863	35,380	36,965	38,611	40,352	0	0	0	217,556
Wastewater Equipment	37,814	39,705	0	0	0	0	0	0	0	77,519
Water Equipment	65,326	68,592	0	0	0	0	0	0	0	133,918
Police Body Cameras	5,968	5,967	5,968	5,967	0	0	0	0	0	23,870
Bobcat Compact Excavator	6,827	7,170	7,525	7,897	8,287	0	0	0	0	37,706
Police Cars	28,221	30,715	0	0	0	0	0	0	0	58,936
Total Finance Leases	176,541	186,012	48,873	50,829	46,898	40,352	0	0	0	549,505
Other										
City Utility Low-Interest Loan	95,801	0	0	0	0	0	0	0	0	95,801
Public Building Commission										
Revenue Refunding Bond, Series 2020	245,000	250,000	255,000	260,000	265,000	1,445,000	0	0	0	2,720,000
TOTAL PRINCIPAL	**1,077,342**	**1,001,012**	**733,873**	**615,829**	**556,898**	**2,510,352**	**815,000**	**545,000**	**570,000**	**8,425,306**
INTEREST										
General Obligation Bonds:										
Series 2022 Highway Improvement	34,207	32,258	30,310	28,362	26,197	96,126	29,661	0	0	277,121
Series 2019 Street Improvement	18,765	17,265	16,015	14,715	13,230	40,175	2,170	0	0	122,335
Series 2021 Water/Wastewater Refunding	74,007	68,892	63,252	58,898	56,098	254,965	204,263	135,038	48,450	963,863
Total General Obligation Bonds	126,979	118,415	109,577	101,975	95,525	391,266	236,094	135,038	48,450	1,363,319
Finance Leases:										
Pumper Truck	9,773	8,296	6,779	5,194	3,547	1,808	0	0	0	35,397
Wastewater Equipment	3,876	1,985	0	0	0	0	0	0	0	5,861
Water Equipment	6,696	3,430	0	0	0	0	0	0	0	10,126
Police Body Cameras	0	0	0	0	0	0	0	0	0	0
Bobcat Compact Excavator	1,872	1,529	1,174	801	411	0	0	0	0	5,787
Police Cars	5,210	2,715	0	0	0	0	0	0	0	7,925
Total Finance Leases	27,427	17,955	7,953	5,995	3,958	1,808	0	0	0	65,096
Other										
City Utility Low-Interest Loan	70	0	0	0	0	0	0	0	0	70
Public Building Commission										
Revenue Refunding Bond, Series 2020	61,610	57,445	52,945	48,100	42,900	116,325	0	0	0	379,325
TOTAL INTEREST	**216,086**	**193,815**	**170,475**	**156,070**	**142,383**	**509,399**	**236,094**	**135,038**	**48,450**	**1,807,810**
TOTAL PRINCIPAL AND INTEREST	**$ 1,293,428**	**1,194,827**	**904,348**	**771,899**	**699,281**	**3,019,751**	**1,051,094**	**680,038**	**618,450**	**10,233,116**

CITY OF NORTON, KANSAS
REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023

CITY OF NORTON, KANSAS SCHEDULE 1

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 Funds					
General	$ 2,056,185	6,495	2,062,680	1,910,174	(152,506)
Special Purpose Funds					
Employee Benefits	165,500	0	165,500	144,140	(21,360)
Special Highway	188,680	0	188,680	79,683	(108,997)
Industrial Development	130,000	0	130,000	63,618	(66,382)
Library	117,530	0	117,530	112,227	(5,303)
Library Employee Benefits	39,662	0	39,662	38,039	(1,623)
Bond and Interest Funds					
Bond and Interest	95,390	0	95,390	65,340	(30,050)
Business Funds					
Electric	4,398,402	71,070	4,469,472	3,458,326	(1,011,146)
Electric Deposits	25,000	0	25,000	23,420	*
Refuse	579,900	0	579,900	579,900	0
Water	1,470,418	0	1,470,418	1,177,587	(292,831)
Water Deposits	31,907	0	31,907	7,034	*
Sewer Service	738,661	0	738,661	608,189	(130,472)

* Exempt from the Budget Law

CITY OF NORTON, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	Budget	Variance Over (Under)
Receipts:				
Taxes:				
Ad Valorem Property	$	615,554	644,017	(28,463)
Delinquent		14,108	0	14,108
Motor Vehicle		103,897	108,395	(4,498)
Recreational Vehicle		2,199	2,308	(109)
16/20M Vehicle		579	1,555	(976)
Watercraft		953	959	(6)
Commerical Vehicle		3,416	2,901	515
In Lieu of Taxes (IRB)		0	7,000	(7,000)
Intergovernmental:				
County/City Sales Tax		624,902	470,000	154,902
Local Alcoholic Liquor Tax		5,105	6,200	(1,095)
Licenses, Fees, Fines and Permits:				
Court Fees and Fines		24,506	47,500	(22,994)
Franchise Fees		219,870	218,900	970
Licenses and Permits		12,230	5,700	6,530
Charges for Services:				
Cemetery		11,350	12,000	(650)
Kennel Charges		0	200	(200)
Swimming Pool		44,338	39,000	5,338
Other:				
Interest on Idle Funds		37,595	6,000	31,595
Rent		29,623	22,000	7,623
Miscellaneous		15,032	2,000	13,032
Refunds		32,055	6,000	26,055
Reimbursed Expenses		30,695	45,000	(14,305)
Photo Copy Receipts		80	100	(20)
County Payment for Inmate Crew		48,162	24,000	24,162
County Payment for Rescue Services		10,000	10,000	0
Sale of City Property		1,274	2,500	(1,226)
Reimbursement from Special Pool Sales Tax		70,800	50,000	20,800
Total Receipts		1,958,323	**1,734,235**	**224,088**

(Continued)

CITY OF NORTON, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
(Continued)			
Expenditures:			
Finance and Administration:			
Personal Services	$ 55,557	55,000	557
Contractual Services	136,490	257,900	(121,410)
Commodities	5,576	10,500	(4,924)
Capital Outlay	497	62,000	(61,503)
Total Finance and Administration	198,120	385,400	(187,280)
Police:			
Personal Services	443,308	561,720	(118,412)
Contractual Services	175,908	179,300	(3,392)
Commodities	23,982	28,500	(4,518)
Capital Outlay	110,168	74,000	36,168
Total Police	753,366	843,520	(90,154)
Fire:			
Personal Services	27,625	28,000	(375)
Contractual Services	18,604	27,700	(9,096)
Commodities	1,992	5,500	(3,508)
Capital Outlay	73,342	74,059	(717)
Total Fire	121,563	135,259	(13,696)
Rescue:			
Personal Services	10,933	15,000	(4,067)
Contractual Services	779	7,430	(6,651)
Commodities	171	400	(229)
Capital Outlay	8,311	8,700	(389)
Total Rescue	20,194	31,530	(11,336)
Street and Alley:			
Personal Services	154,294	133,600	20,694
Contractual Services	45,649	34,000	11,649
Commodities	47,182	45,836	1,346
Capital Outlay	8,213	25,000	(16,787)
Total Street and Alley	255,338	238,436	16,902

(Continued)

CITY OF NORTON, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
(Continued)			
Expenditures:			
Park:			
Personal Services	161,671	157,540	4,131
Contractual Services	36,676	29,900	6,776
Commodities	32,849	28,500	4,349
Capital Outlay	68,246	32,300	35,946
Total Park	299,442	248,240	51,202
Swimming Pool:			
Personal Services	61,262	64,000	(2,738)
Contractual Services	8,184	10,400	(2,216)
Commodities	48,110	42,100	6,010
Capital Outlay	0	2,000	(2,000)
Total Swimming Pool	117,556	118,500	(944)
Civic Building:			
Contractual Services	26,449	43,300	(16,851)
Commodities	5,846	12,000	(6,154)
Total Civic Building	32,295	55,300	(23,005)
Economic Development Appropriations	56,000	0	56,000
Airport Appropriations	56,300	0	56,300
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	0	6,495	(6,495)
Total Expenditures	1,910,174	**2,062,680**	**(152,506)**
Receipts Over (Under) Expenditures	48,149		
Unencumbered Cash, Beginning	535,324		
Unencumbered Cash, Ending	$ **583,473**		

CITY OF NORTON, KANSAS
EMPLOYEE BENEFITS FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	Budget	Variance Over (Under)
Receipts:				
Taxes:				
Ad Valorem Property	$	132,139	138,315	(6,176)
Delinquent		2,682	0	2,682
Motor Vehicle		19,967	21,189	(1,222)
Recreational Vehicle		423	451	(28)
16/20M Vehicle		99	304	(205)
Watercraft		185	188	(3)
Commerical Vehicle		668	567	101
Total Receipts		156,163	**161,014**	**(4,851)**
Expenditures:				
Personal Services		144,140	**165,500**	**(21,360)**
Receipts Over (Under) Expenditures		12,023		
Unencumbered Cash, Beginning		0		
Unencumbered Cash, Ending	$	**12,023**		

CITY OF NORTON, KANSAS
SPECIAL HIGHWAY FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	Budget	Variance Over (Under)
Receipts:				
Intergovernmental:				
State Gas Tax	$	73,217	75,680	(2,463)
Total Receipts		73,217	**75,680**	**(2,463)**
Expenditures:				
Personal Services		0	5,400	(5,400)
Commodities		0	66,000	(66,000)
Contractual		1,591	0	1,591
Capital Outlay		2,153	27,000	(24,847)
Transfer to Highway 36 Bond		75,939	90,280	(14,341)
Total Expenditures		79,683	**188,680**	**(108,997)**
Receipts Over (Under) Expenditures		(6,466)		
Unencumbered Cash, Beginning		146,438		
Unencumbered Cash, Ending	$	**139,972**		

CITY OF NORTON, KANSAS
INDUSTRIAL DEVELOPMENT FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	Budget	Variance Over (Under)
Receipts:				
Taxes:				
Ad Valorem Property	$	3,370	3,534	(164)
Delinquent		168	0	168
Motor Vehicle		520	545	(25)
Recreational Vehicle		11	12	(1)
16/20M Vehicle		3	8	(5)
Watercraft		5	5	0
Commerical Vehicle		17	15	2
Interest on Idle Funds		612	100	512
Total Receipts		4,706	**4,219**	**487**
Expenditures:				
Public Improvements		63,618	**130,000**	**(66,382)**
Receipts Over (Under) Expenditures		(58,912)		
Unencumbered Cash, Beginning		140,801		
Unencumbered Cash, Ending	$	**81,889**		

CITY OF NORTON, KANSAS
LIBRARY FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	Budget	Variance Over (Under)
Receipts:				
Taxes:				
Ad Valorem Property	$	93,687	98,042	(4,355)
Delinquent		2,165	2,000	165
Motor Vehicle		15,321	16,011	(690)
Recreational Vehicle		324	341	(17)
16/20M Vehicle		84	230	(146)
Watercraft		141	142	(1)
Commercial Vehicle		505	428	77
Total Receipts		112,227	**117,194**	**(4,967)**
Expenditures:				
Appropriations		112,227	117,530	(5,303)
Total Expenditures		112,227	**117,530**	**(5,303)**
Receipts Over (Under) Expenditures		0		
Unencumbered Cash, Beginning		0		
Unencumbered Cash, Ending	$	**0**		

CITY OF NORTON, KANSAS
LIBRARY EMPLOYEE BENEFITS FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	Budget	Variance Over (Under)
Receipts:				
Taxes:				
Ad Valorem Property	$	31,657	33,120	(1,463)
Delinquent		721	500	221
Motor Vehicle		5,297	5,556	(259)
Recreational Vehicle		112	118	(6)
16/20M Vehicle		28	80	(52)
Watercraft		49	49	0
Commercial Vehicle		175	149	26
Total Receipts		38,039	**39,572**	**(1,533)**
Expenditures:				
Appropriations		38,039	**39,662**	**(1,623)**
Receipts Over (Under) Expenditures		0		
Unencumbered Cash, Beginning		0		
Unencumbered Cash, Ending	$	**0**		

CITY OF NORTON, KANSAS
BOND AND INTEREST FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	Budget	Variance Over (Under)
Receipts:				
Taxes:				
Ad Valorem Property	$	46,098	48,325	(2,227)
Delinquent		888	0	888
Motor Vehicle		4,519	5,319	(800)
Recreational Vehicle		97	113	(16)
16/20M Vehicle		4	76	(72)
Watercraft		45	47	(2)
Commercial Vehicle		168	142	26
Total Receipts		51,819	**54,022**	**(2,203)**
Expenditures:				
Principal		45,000	45,000	0
Interest		20,340	20,340	0
Commission		0	50	(50)
Cash Basis Reserve		0	30,000	(30,000)
Total Expenditures		65,340	**95,390**	**(30,050)**
Receipts Over (Under) Expenditures		(13,521)		
Unencumbered Cash, Beginning		40,652		
Unencumbered Cash, Ending	$	**27,131**		

CITY OF NORTON, KANSAS
ELECTRIC FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	Budget	Variance Over (Under)
Receipts:				
Charges for Services	$	3,024,454	3,596,500	(572,046)
Miscellaneous		8,553	5,000	3,553
Refunds		0	3,000	(3,000)
Reimbursed Expenses		76,070	5,000	71,070
Sales of City Property		4,210	3,000	1,210
Total Receipts		3,113,287	**3,612,500**	**(499,213)**
Expenditures:				
General and Administrative:				
Personal Services		716,501	654,990	61,511
Contractual Services		165,641	229,100	(63,459)
Commodities		14,956	20,500	(5,544)
Capital Outlay		10,934	45,000	(34,066)
Total General and Administrative		908,032	949,590	(41,558)
Production and Acquisitions:				
Personal Services		67,426	70,580	(3,154)
Contractual Services		19,865	22,700	(2,835)
Commodities		1,570,750	28,250	1,542,500
Capital Outlay		0	2,712,400	(2,712,400)
Total Production and Acquisitions		1,658,041	2,833,930	(1,175,889)
Transmission and Distribution:				
Personal Services		307,505	235,800	71,705
Contractual Services		100,519	42,882	57,637
Commodities		127,992	112,000	15,992
Capital Outlay		254,237	161,000	93,237
Total Transmission and Distribution		790,253	551,682	238,571
Transfers:				
To Electric Replacement Reserve		102,000	50,000	52,000
To Equipment Reserve		0	6,600	(6,600)
To Capital Improvement		0	6,600	(6,600)
Total Transfers		102,000	63,200	38,800
Adjustments for Qualifying Budget Credits:				
Reimbursed Expenses		0	71,070	(71,070)
Total Expenditures		3,458,326	4,469,472	**(1,011,146)**
Receipts Over (Under) Expenditures		(345,039)		
Unencumbered Cash, Beginning		979,551		
Unencumbered Cash, Ending	$	**634,512**		

CITY OF NORTON, KANSAS
ELECTRIC DEPOSITS FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	*Budget	Variance Over (Under)
Receipts:				
Consumer Deposits	$	23,420	**25,000**	**(1,580)**
Expenditures:				
Deposit Refunds		23,420	**25,000**	**(1,580)**
Receipts Over (Under) Expenditures		0		
Unencumbered Cash, Beginning		0		
Unencumbered Cash, Ending	$	**0**		

* Exempt from Budget Law K.S.A. 12-822.

CITY OF NORTON, KANSAS
REFUSE FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	Budget	Variance Over (Under)
Receipts:				
Charges for Services	$	355,751	361,000	(5,249)
Miscellaneous		1,030	1,000	30
Reimbursed Expenses		184	500	(316)
Total Receipts		356,965	**362,500**	**(5,535)**
Expenditures:				
Personal Services		348,772	252,980	95,792
Contractual Services		95,902	105,800	(9,898)
Commodities		9,249	18,000	(8,751)
Capital Outlay		113,377	169,120	(55,743)
Transfers:				
To Refuse Replacement Reserve		12,600	10,000	2,600
To Equipment Reserve		0	12,000	(12,000)
To Capital Improvement		0	12,000	(12,000)
Total Transfers		12,600	34,000	(21,400)
Total Expenditures		579,900	**579,900**	**0**
Receipts Over (Under) Expenditures		(222,935)		
Unencumbered Cash, Beginning		279,885		
Unencumbered Cash, Ending	$	**56,950**		

CITY OF NORTON, KANSAS
WATER FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	Budget	Variance Over (Under)
Receipts:				
Charges for Services	$	938,250	1,133,600	(195,350)
Miscellaneous		7,269	6,000	1,269
Water Tap		7,000	0	7,000
Reimbursed Expenses		1,663	1,000	663
Rent		0	5,954	(5,954)
Total Receipts		954,182	**1,146,554**	**(192,372)**
Expenditures:				
General and Administrative:				
Personal Services		102,664	166,340	(63,676)
Contractual Services		40,326	38,700	1,626
Commodities		860	3,000	(2,140)
Capital Outlay		79,873	258,532	(178,659)
Total General and Administrative		223,723	466,572	(242,849)
Production and Treatment:				
Personal Services		87,546	102,500	(14,954)
Contractual Services		180,794	108,750	72,044
Commodities		120,411	106,450	13,961
Capital Outlay		0	270,046	(270,046)
Total Production and Treatment		388,751	587,746	(198,995)
Transmission and Distribution:				
Personal Services		80,467	131,200	(50,733)
Contractual Services		13,794	30,700	(16,906)
Commodities		17,915	24,200	(6,285)
Capital Outlay		105,399	170,000	(64,601)
Total Transmission and Distribution		217,575	356,100	(138,525)
Transfers:				
To Water Replacement Reserve		10,200	30,000	(19,800)
To Water/Wastewater Debt Service		337,338	15,000	322,338
To Equipment Reserve		0	15,000	(15,000)
Total Transfers		347,538	60,000	287,538
Total Expenditures		1,177,587	**1,470,418**	**(292,831)**
Receipts Over (Under) Expenditures		(223,405)		
Unencumbered Cash, Beginning		612,893		
Unencumbered Cash, Ending	$	**389,488**		

CITY OF NORTON, KANSAS
WATER DEPOSITS FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

		Actual	*Budget	Variance Over (Under)
Receipts:				
Customer Deposits	$	7,034	**8,000**	**(966)**
Expenditures:				
Deposit Refunds		7,034	**31,907**	**(24,873)**
Revenues Over (Under) Expenditures		0		
Unencumbered Cash, Beginning		0		
Unencumbered Cash, Ending	$	**0**		

* Exempt from Budget Law K.S.A. 12-822.

CITY OF NORTON, KANSAS
SEWER SERVICE FUND
Schedule of Receipts and Expenditures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
Receipts:			
Charges for Services	$ 588,445	655,500	(67,055)
Miscellaneous	921	2,000	(1,079)
Reimbursed Expenses	268	500	(232)
Total Receipts	589,634	**658,000**	**(68,366)**
Expenditures:			
General and Administrative:			
Personal Services	68,323	84,060	(15,737)
Contractual Services	6,592	3,900	2,692
Capital Outlay	0	280,076	(280,076)
Total General and Administrative	74,915	368,036	(293,121)
Sewer Plant:			
Personal Services	91,945	91,500	445
Contractual Services	69,567	109,500	(39,933)
Commodities	10,253	15,435	(5,182)
Capital Outlay	54,773	51,690	3,083
Total Sewer Plant	226,538	268,125	(41,587)
Sewer Collections:			
Personal Services	114,110	60,500	53,610
Contractual Services	430	4,000	(3,570)
Commodities	5,726	13,000	(7,274)
Capital Outlay	0	25,000	(25,000)
Total Sewer Collections	120,266	102,500	17,766
Transfers:			
To Sewer Replacement Reserve	10,200	0	10,200
To Water/Wastewater Refunding	176,270	0	176,270
Total Transfers	186,470	0	186,470
Total Expenditures	608,189	**738,661**	**(130,472)**
Receipts Over (Under) Expenditures	(18,555)		
Unencumbered Cash, Beginning	89,570		
Unencumbered Cash, Ending	$ **71,015**		

CITY OF NORTON, KANSAS
Any Nonbudgeted Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023

	Special Parks	Tourism & Convention	Special Health Insurance	Special Pool Sales Tax	Municipalities Fighting Addiction
Receipts:					
Grants	$ 0	0	175	0	7,561
Lliquor Tax	5,106	0	0	0	0
Head Tax	180	0	0	0	0
Transient Guest Tax	0	52,863	0	0	0
Donations	12,496	0	0	0	0
Reimbursed Expenses	0	0	551,942	0	0
Sales Tax	0	0	0	509,308	0
Total Receipts	17,782	52,863	552,117	509,308	7,561
Expenditures:					
Lease Payment	0	0	0	301,386	0
Reimbursement to General	0	0	0	70,800	0
Personal Services	0	0	544,560	0	0
Contractual	11,197	52,863	0	0	0
Capital Outlay	3,500	0	0	0	0
Total Expenditures	14,697	52,863	544,560	372,186	0
Receipts Over (Under) Expenditures	3,085	0	7,557	137,122	7,561
Unencumbered Cash, Beginning	3,648	0	26,040	606,479	666
Unencumbered Cash, Ending	$ **6,733**	**0**	**33,597**	**743,601**	**8,227**

CITY OF NORTON, KANSAS
Any Nonbudgeted Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023

	Police Donation	Animal Pound Donation	Cemetery Donation	Electric Replacement Reserve	Refuse Replacement Reserve
Receipts:					
Interest on Idle Funds	$ 0	0	0	2,759	0
Transfer from Electric	0	0	0	102,000	0
Transfer from Refuse	0	0	0	0	12,600
Total Receipts	0	0	0	104,759	12,600
Expenditures:					
Capital Outlay	0	2,458	0	40,010	132,539
Total Expenditures	0	2,458	0	40,010	132,539
Receipts Over (Under) Expenditures	0	(2,458)	0	64,749	(119,939)
Unencumbered Cash, Beginning	176	62,101	14,058	462,106	148,390
Unencumbered Cash, Ending	$ **176**	**59,643**	**14,058**	**526,855**	**28,451**

CITY OF NORTON, KANSAS
Any Nonbudgeted Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023

	Water Replacement Reserve	Police Forfeiture	Sewer Replacement Reserve	City Land Bank	Highway 36 Bond
Receipts:					
Forfeiture Proceeds	$ 0	2,334	0	0	0
Transfer from Special Highway	0	0	0	0	75,939
Transfer from Water	10,200	0	0	0	0
Transfer from Sewer	0	0	10,200	0	0
Transfer from Highway 36 Project	0	0	0	0	13,708
Total Receipts	10,200	2,334	10,200	0	89,647
Expenditures:					
Contractual	0	0	0	200	0
Capital Outlay	0	3,684	39,147	0	0
Bond Principal	0	0	0	0	40,000
Bond Interest	0	0	0	0	35,939
Transfer to Water/Wastewater Debt Service	0	0	25,000	0	0
Total Expenditures	0	3,684	64,147	200	75,939
Receipts Over (Under) Expenditures	10,200	(1,350)	(53,947)	(200)	13,708
Unencumbered Cash, Beginning	44,386	1,661	137,747	689	0
Unencumbered Cash, Ending	**54,586**	**311**	**83,800**	**489**	**13,708**

CITY OF NORTON, KANSAS
Any Nonbudgeted Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023

	Equipment Reserve	Capital Improvement	Water/ Wastewater Debt Service	Highway 36 Project	Revolving Loan
Receipts:					
Loan Repayments	$ 0	0	0	0	4,410
Interest on Idle Funds	0	0	0	0	541
Transfer from Sewer Replacement Reserve	0	0	25,000	0	0
Transfer from Water	0	0	337,338	0	0
Transfer from Sewer	0	0	176,270	0	0
Total Receipts	0	0	538,608	0	4,951
Expenditures:					
Capital Outlay	72,021	1,638	0	0	0
Bond Principal	0	0	460,000	0	0
Bond Interest	0	0	78,608	0	0
Transfer to Highway 36 Bond	0	0	0	13,708	0
Total Expenditures	72,021	1,638	538,608	13,708	0
Receipts Over (Under) Expenditures	(72,021)	(1,638)	0	(13,708)	4,951
Unencumbered Cash, Beginning	113,279	156,124	11,554	13,708	73,141
Unencumbered Cash, Ending	$ **41,258**	**154,486**	**11,554**	**0**	**78,092**

CITY OF NORTON, KANSAS
Related Municipal Entitie
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023

	Norton Public Library						
	General	**NWKLS Grant**	**State Grant**	**Friends**	**Art Club**	**Special Project and Donation**	**Capital Improvement**
Receipts:							
Appropriation from City	$ 150,265	0	0	0	0	0	0
Memorials and Donations	14,047	0	0	0	7,907	50,876	16,000
Fines and Fees	4,231	0	0	0	0	0	0
Interest on Idle Funds	5,676	0	0	0	0	0	0
Grants	8,940	5,500	0	0	0	0	0
Miscellaneous	487	0	0	0	0	0	0
State Aid	223	0	778	0	0	0	0
Total Receipts	183,869	5,500	778	0	7,907	50,876	16,000
Expenditures							
Personal Services	148,528	0	0	0	0	0	0
Books and Periodicals	12,364	0	0	0	0	0	0
Contractual Services	7,885	0	0	0	0	0	0
Facilities and Equipment	602	0	0	0	0	0	0
Miscellaneous	4,616	0	0	0	0	0	0
Printing & Copying	4,770	0	0	0	0	0	0
Supplies	6,370	0	0	505	1,260	0	0
Technology	1,832	0	0	0	0	0	0
Utilities	1,066	0	0	0	0	0	0
Total Expenditures	188,033	0	0	505	1,260	0	0
Receipts Over (Under) Expenditures	(4,164)	5,500	778	(505)	6,647	50,876	16,000
Unencumbered Cash, Beginning	266,715	0	0	1,412	6,247	48,712	20,362
Unencumbered Cash, Ending	$ **262,551**	**5,500**	**778**	**907**	**12,894**	**99,588**	**36,362**

CITY OF NORTON, KANSAS
Related Municipal Entitie
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023

	PBC
	Pool Bond & Interest
Receipts:	
Lease Income	301,386
Interest on Idle Funds	5,729
Total Receipts	307,115
Expenditures	
Principal	240,000
Interest	65,450
Total Expenditures	305,450
Receipts Over (Under) Expenditures	1,665
Unencumbered Cash, Beginning	315,235
Unencumbered Cash, Ending	**316,900**

CITY OF NORTON, KANSAS SCHEDULE 3

Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2023

	Beginning Cash Balance	Receipts	Disburse-ments	Ending Cash Balance
Payroll Clearing	$ 13,359	2,320,062	2,319,626	13,795
Fire Insurance Proceeds	0	6,150	6,150	0
Court Bonds	0	19,398	0	19,398
Utility Trust	22,205	44,546	47,951	18,800
Total Agency Funds	$ **35,564**	**2,390,156**	**2,373,727**	**51,993**