CITY OF HILLSBORO, KANSAS

Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2024

CITY OF HILLSBORO, KANSAS
Primary Government Financial Statement With Independent Auditors' Report
For the Year Ended December 31, 2024

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of Hillsboro, Kansas
Hillsboro, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of **City of Hillsboro, Kansas**, as of and for the year ended December 31, 2024 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matters discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2024, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2024, 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 Auditors' Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statement

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

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

Auditors' Responsibilities for the Audit of the Financial Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, and summary of regulatory basis receipts and disbursements – 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 as of and for the year ended December 31, 2023 (not presented herein), and have issued our report thereon dated March 19, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 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/accounts-reports/local-government/municipal-services/municipal-audits.The 2023 actual column 2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2024 (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 2023 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 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 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 2023 basic financial statement or to the 2023 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 2023 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, 2023, on the basis of accounting described in Note 1.

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

April 1, 2025

CITY OF HILLSBORO, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	**Ending Unencumbered Cash Balance**	Add Encumbrances and Accounts Payable	**Ending Cash Balance**
Regulatory Basis Fund Types							
General Fund	$ 193,531	-	2,617,092	2,689,607	**121,016**	116	**121,132**
Special Purpose Funds							
Airport Revolving Fund	1,325	-	3,069	2,451	**1,943**	-	**1,943**
D.A.R.E. Fund	345	-	-	-	**345**	-	**345**
Equipment Reserve Fund	128,356	-	106,293	171,745	**62,904**	6,475	**69,379**
Fire Equipment Replacement Reserve Fund	117,292	-	73,884	27,300	**163,876**	-	**163,876**
Local Sales Tax Fund	369,555	-	366,207	394,320	**341,442**	7,600	**349,042**
Museum Trust Fund	41,654	-	3,698	2,371	**42,981**	-	**42,981**
Industrial Fund	17,642	-	78,676	65,381	**30,937**	1,553	**32,490**
Library Fund	6,234	-	94,743	90,652	**10,325**	-	**10,325**
Recreation Fund	312	-	23,264	23,263	**313**	-	**313**
Special Highway Fund	42,056	-	73,597	30,000	**85,653**	1,832	**87,485**
Special Law Enforcement Fund	60,726	-	47,027	22,116	**85,637**	5,516	**91,153**
Special Parks and Recreation Fund	2,761	-	1,780	-	**4,541**	-	**4,541**
Capital Improvement Fund	529	-	34,250	22,219	**12,560**	-	**12,560**
Tree Screening Fund	8,033	-	-	3,600	**4,433**	-	**4,433**
Bowling Alley Fund	-	-	43,742	10,379	**33,363**	-	**33,363**
Bond and Interest Funds							
Bond and Interest Fund	164,356	-	769,586	845,172	**88,770**	-	**88,770**
TIF Fund	-	-	20,025	20,025	**-**	-	**-**
Capital Projects Fund							
Street Improvement Project Fund	-	-	1,889,724	1,271,657	**618,067**	573,569	**1,191,636**
CDBG Project Fund	551,018	-	1,865,850	2,546,704	**(129,836)**	162,945	**33,109**
Business Funds							
Electric Operating Fund	597,362	-	3,534,970	3,557,736	**574,596**	285,741	**860,337**
Refuse Operating Fund	80,278	-	393,583	439,820	**34,041**	2,068	**36,109**
Sewer Operating Fund	353,216	-	762,766	790,691	**325,291**	105,291	**430,582**
Water Operating Fund	206,533	-	1,125,474	1,189,466	**142,541**	102,742	**245,283**
Trust Funds							
Special Law Enforcement Trust Fund	5,313	-	3,450	1,375	**7,388**	-	**7,388**
Insurance Proceeds Fund	2,250	-	-	2,250	**-**	-	**-**
Total Primary Government	2,950,677	-	13,932,750	14,220,300	**2,663,127**	1,255,448	**3,918,575**
Related Municipal Entities							
Hillsboro Land Bank	64	-	34,357	23,376	**11,045**	-	**11,045**
Hillsboro Public Building Commission - Health Care Facilities	172,521	-	77,037	103,389	**146,169**	-	**146,169**
Total Related Municipal Entities	172,585	-	111,394	126,765	**157,214**	-	**157,214**
Total Reporting Entity (Excluding Agency Funds)	$ 3,123,262	-	14,044,144	14,347,065	**2,820,341**	1,255,448	**4,075,789**

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

CITY OF HILLSBORO, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2024

Composition of Cash	
Checking Accounts	$ **2,547,845**
Petty Cash	**500**
Certificates of Deposit	**1,500,000**
Total Primary Government	**4,048,345**
Total Related Municipal Entities	**157,214**
Agency Funds per Schedule 3	**(129,770)**
Total Reporting Entity (Excluding Agency Funds)	$ **4,075,789**

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

The City is a municipal corporation governed by an elected five-member council. This financial statement presents the City (the municipality) and its related municipal entities, Hillsboro Public Building Commission and Land Bank, shown below. The related municipal entities are included in the City's reporting entity because they were established to benefit the City and/or its constituents. This financial statement does not include the related municipal entities, Hillsboro Public Library, Recreation Commission, Convention and Visitors Bureau, and Housing Authority of City of Hillsboro, Kansas, shown below.

Hillsboro Public Building Commission

The City's Public Building Commission was formed March 17, 1998, under K.S.A 12-1757 to 12-1768. The commission can sue and be sued, and can buy, sell, or lease real property. The commission can issue revenue bonds without City approval for the purpose of providing funds to acquire, erect, equip, repair, maintain, and operate buildings or other facilities maintained and operated by the City, as amended by Charter Ordinance No. 14.

Hillsboro Land Bank

The Hillsboro Land Bank is formed under the authority of K.S.A. 12-5901 *et seq*. The land bank develops, acquires and holds certain vacant, unused and abandoned properties within City limits. The land bank can sue and be sued, and can buy, sell, or lease real property.

Hillsboro Public Library

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

Hillsboro Recreation Commission

The City's Recreation Commission oversees recreational activities. The recreation commission operates as a separate governing body but the City levies the taxes for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A. 12-1928. Unaudited financial statements can be obtained by contacting the Recreation Commission.

Hillsboro Convention and Visitors Bureau

The Convention and Visitors Bureau operates as a separate governing body but the City levies the taxes for the convention and visitors bureau. Acquisition or disposition of real property by the Bureau must be approved by the City. Bond issuances must also be approved by the City. Unaudited financial statements can be obtained by contacting the Convention and Visitors Bureau.

Housing Authority of City of Hillsboro, Kansas

The City's Housing Authority operates the City's housing projects. The housing authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Audited financial statements can be obtained by contacting the housing authority's office.

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

The following types of funds comprise the financial activities of the City for the year ended December 31, 2024.

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 the acquisition or construction of major capital facilities or equipment.

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

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

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

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

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

NOTE 2 – BUDGETARY INFORMATION

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

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

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

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

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

If the City is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The City did hold 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 revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were budget amendments for this year for the Electric Operating Fund, CDBG Project Fund, Bowling Alley Fund, and Health Reimbursement Fund (an agency fund).

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

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

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose fund: D.A.R.E. Fund, Equipment Reserve Fund, Fire Equipment Replacement Reserve Fund, Museum Trust Fund, Capital Improvement Fund, and Tree Screening Fund.

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

body.

NOTE 3 – DEPOSITS AND INVESTMENTS

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

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

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

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

Custodial Credit Risk – Deposits
Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were legally secured at December 31, 2024.

At December 31, 2024, the City's carrying amount of deposits was $4,048,345 and the bank balance was $4,124,505. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $605,079 was covered by federal depository insurance and $3,519,426 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

At December 31, 2024, the Hillsboro Public Building Commission's carrying amount of deposits was $146,169 and the bank balance was $146,898. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, the entire balance was covered by federal depository insurance.

At December 31, 2024, the Hillsboro Land Bank's carrying amount of deposits was $11,045 and the bank balance was $23,552. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, the entire balance was covered by federal depository insurance.

Custodial Credit Risk – Investments
For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments at December 31, 2024.

NOTE 4 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of Hillsboro, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2024 were as follows:

From	To	Regulatory Authority	Amount
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	$ 34,250
Water Operating Fund	Equipment Reserve Fund	K.S.A. 12-1,117	10,000
Water Operating Fund	General Fund	K.S.A. 12-825d	150,000
Electric Operating Fund	General Fund	K.S.A. 12-825d	552,510
Electric Operating Fund	Industrial Fund	K.S.A. 12-825d	50,000
Electric Operating Fund	Equipment Reserve Fund	K.S.A. 12-1,117	20,000
Refuse Operating Fund	General Fund	K.S.A. 12-825d	10,000
Local Sales Tax Fund	Bond and Interest Fund	Ordinance	300,000
Sewer Operating Fund	Bond and Interest Fund	K.S.A. 12-825d	190,000
Sewer Operating Fund	General Fund	K.S.A. 12-825d	150,000

NOTE 5 – CAPITAL PROJECTS

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

	Project Authorization	Expenditures to Date
KDHE Water Project	$ 1,100,000	$ 156,935
CDBG Childcare Building Projects	2,824,057	2,824,057
Street Improvement Project	1,197,204	1,197,204

NOTE 6 – LITIGATION

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

NOTE 7 – RISK MANAGEMENT

City of Hillsboro, Kansas is exposed to various risks or loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City has been unable to obtain workers' compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for 175 participating members.

The City pays an annual premium to Kansas Municipal Insurance Trust (KMIT) for its workers' compensation insurance coverage. The agreement to participate provides that the Kansas Municipal Insurance Trust will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $500,000 for each insured event. During 2024, the City contributed

$30,202 to the fund for this insurance coverage. Additional premiums may be due if total claims for the pool are different than what has been anticipated by Kansas Municipal Insurance Trust management.

Commercial insurance coverage is purchased for claims arising from such matters other than related to employee health benefits. Settled claims resulting from these risks have not exceeded commercial coverage in any of the three preceding years. There have not been significant reductions in coverage from prior years.

As part on the City's participation in KMIT, the City joined together with other cities in the State to participate in KMIT Association Health Plan, a public entity risk pool currently operating in partnership with Blue Cross Blue Shield to bring affordable and stable health insurance premiums to the City's employees.

NOTE 8 – GRANTS AND SHARED REVENUES

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

NOTE 9 – DEFERRED COMPENSATION PLAN

City of Hillsboro, Kansas sponsors a deferred compensation plan under Internal Revenue Code Section 457(b) and 401(a). Permanent and part-time employees are eligible to participate under the 457(b) plan. The employee is responsible for the amount of deferred compensation to be contributed. The City is not required to make any contributions for either plan except as outlined in employment contracts. The City contributed $6,110 to the 401(a) plan for the year ended December 31, 2024.

NOTE 10 – DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan Description
City of Hillsboro, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Annual Comprehensive Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603) or by calling 1-888-275-5737.

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

Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.26% for the fiscal year ended December 31, 2024. Contributions to the pension plan from the City were $168,286 for the year ended December 31, 2024.

Net Pension Liability

At December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $1,604,494. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

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

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

As provided by K.S.A.74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2024.

NOTE 12 – HEALTH REIMBURSEMENT ARRANGEMENT

City of Hillsboro, Kansas entered into a Health Reimbursement Arrangement (HRA) starting in 2021. The full-time employee benefit is an HRA as defined by Section 105 of the Internal Revenue Code. The HRA plan is funded solely by the employer. The HRA plan allows for reimbursement of certain out-of-pocket medical and prescription drug costs incurred by the employee, their spouse or their dependents. The maximum allowance per year through BCBS is $7,000 for employee only, $14,000 for employee and spouse, employee and children and employee and family. Of this amount the employee is responsible for $4,000 for employee only and $8,000 for employee and spouse, employee and children and employee and family. The City is responsible for the difference. The amount the City paid in HRA reimbursements was $100,613 for the year ended December 31, 2024.

NOTE 13 – COMPENSATED ABSENCES

Vacation

City of Hillsboro, Kansas' policy regarding vacation for full-time employees is as follows:

Years Worked	Amount Earned
0-9	80 hours/year
10 and over	120 hours/year

The Public Library's policy regarding vacation for full-time employees is as follows:

Years Worked	Minutes Earned per Hour Worked	Maximum
0-4	1.5	45 hours/year
5-9	2.0	60 hours/year
10 and over	2.5	76 hours/year

Part-time employees who work at least 30 hours per week shall earn vacation at the rate of 4 hours each month of employment. Seasonal and temporary employees do not earn vacation. Training employees terminated prior to attaining full-time status are not paid for accrued vacation. Eligible employees shall be paid for all accumulated unused vacation upon termination.

Vacation may not be taken until the employee completes one full year of service. The maximum accrual for vacation at the date of the employee's employment anniversary shall be no more than 160 hours for employees with 1-9 years of service and 240 hours for employees with 10 years of service. Upon termination any unused vacation will be paid to the employee.

Sick Leave

The City's policy for sick leave permits a full-time employee to earn sick leave at the rate of 8 hours per calendar month up to a maximum of 480 hours. Twenty-four hour shift full-time employees shall earn sick leave at a rate of 4 hours per calendar month up to a maximum of 480 hours. Part-time employees who work at least 30 hours per week shall earn sick leave at the rate of 4 hours per month. Employees will complete a 90 days probationary period before earning sick leave. Seasonal and temporary employees do not earn sick leave. Sick leave will be paid for absences resulting from personal illness, injuries, accidents or other physical incapacities, occurring either on or off the job. Upon termination of employment an employee shall not be paid for accumulated sick leave.

Personal Day Leave

Each full time employee earns one 8 hours personal holiday each year. Date is determined by employee with supervisor approval.

Comp Time

Comp time is earned at the rate of 1½ hours per every hour worked over 40 hours during a one week period. At the discretion of the department head and with the agreement of the employee, an employee may be given compensatory time off in lieu of cash payments for the overtime worked. It must be taken as time off within two pay periods following the period in which it was earned. Upon termination any unused compensatory time will be paid to the employee. The liability for comp time at December 31, 2024 was $9,760 for the City. This is reflected in the financial statement.

NOTE 14 – HILLSBORO PUBLIC BUILDING COMMISSION

Lease Receivable

Hillsboro Public Building Commission entered into lease agreement with **City of Hillsboro, Kansas** for

the lease of hospital project. The City is obligated to make payments to the Commission equivalent to the debt that the Commission has assumed and to pay its outstanding revenue bonds. The Commission covenants that, unless the City is in default under the lease obligation, it will not, without the City's written consent unless required by law, sell or otherwise part with or encumber its fee or other ownership interest in the project at any time during the life of the lease obligation. The City covenants and agrees that it will, during the term of the lease obligation, keep and maintain the property and all parts thereof in good condition and repair, including but not limited to the furnishing of all parts, mechanisms and devices required to keep the machinery, equipment and personal property constituting a part of the project in good mechanical and working order, and that during said period of time it will keep the project and all parts thereof free from filth, nuisance or conditions unreasonably increasing the danger of fire. Total payments receivable are as follows:

Years Ending December 31		Total
2025	$	90,150
2026		93,400
2027		91,200
2028		89,000
2029		91,800
2030-2034		454,625
2035-2038		362,350
Total	$	**1,272,525**

Long-Term Debt
The Commission issued Taxable Revenue Bonds, Series 2015 dated December 30, 2015 with an original issue amount of $1,325,000. The bonds have varying maturities with annual payments. Interest rates range from 2.00%-4.50% depending on the maturity date.

NOTE 15 – CONDUIT DEBT

City of Hillsboro, Kansas has issued education facilities revenue bonds to provide financial assistance to a College for the purpose of financing the costs of certain education facilities and refinancing of certain bonds issued for the benefit of the College. The bonds are generally payable from and secured by the project financed and if needed, additional assets or revenues of the College serviced by the bond issuance. Upon repayment of the bonds, ownership of the acquired facilities transfers to the College served by the bond issuance. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The original amount of the bonds was $7,000,000. The outstanding balance of the bonds as of December 31, 2024 was unavailable.

City of Hillsboro, Kansas has issued health care facilities revenue bonds to provide financial assistance to a Retirement Facility for the purpose of financing the costs of certain health care facilities and refinancing of certain bonds issued for the benefit of the Retirement Facility. The bonds are generally payable from and secured by the project financed and if needed, additional assets or revenues of the Retirement Facility serviced by the bond issuance. Upon repayment of the bonds, ownership of the acquired facilities transfers to the Retirement Facility served by the bond issuance. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The original bonds were refunded in 2024 to the amount of $5,983,459. The outstanding balance of the bonds as of December 31, 2024 was unavailable.

NOTE 16 – LONG-TERM DEBT

City of Hillsboro, Kansas has the following types of long-term debt.

General Obligation Bonds

On September 12, 2018, the City issued $105,000 in Series 2018 bonds for the purpose of financing the construction of sanitary sewer improvements. The entire cost of the project will be levied and assessed to the landowners.

On August 1, 2019, the City issued $4,055,000 in Series 2019A bonds for the purpose of providing funds to pay off the Series 2018 General Obligation Temporary Notes and for financing construction improvements to multiple streets.

On October 10, 2019, the City issued $5,195,000 in Series 2019B Refunding Bonds for the purpose of refunding the Series 2009A General Obligation Bonds and Series 2006A General Obligation Water Bonds.

On October 28, 2021, the City issued $957,000 in Series 2021A Refunding Bonds for the purpose of refunding the Series 2007 General Obligation Bond, Series 2011A General Obligation Bond, and Series 2011B General Obligation Bond.

On July 9, 2024, the City issued $1,560,000 in Series 2024 bond for the purpose of providing funds to pay construction improvements to multiple streets.

KDHE and KDOT Revolving Loans

On July 11, 2006, the City entered into a $146,352 revolving loan agreement with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance the construction of Lincoln Street. The City will use proceeds generated by the City for loan repayment, which began August 1, 2006.

On October 17, 2006, the City entered into a $531,535 revolving loan agreement with the Kansas Department of Transportation acting on behalf of the State of Kansas to finance the construction on Adams Street. The City will use proceeds generated by the City for loan repayment, which began on August 1, 2007.

On December 13, 2017, the City entered into a $3,107,750 revolving loan agreement with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance the construction and engineering for the replacement of waterlines. The City will use proceeds generated by the City for loan repayment, which began on August 1, 2007.

On February 20, 2023, the City entered into a $1,100,000 forgivable loan agreement with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance a pilot study for water treatment plant improvements.

Lease Obligations

The City entered into a lease agreement with Hillsboro Public Building Commission – Hospital on December 30, 2015 in which the City is the lessee. The basic term ends on September 1, 2038. The City then entered into a sublease agreement with CAH Acquisition Company #5, LLC on December 30, 2015. The basic term of the sublease ends the same date as the original lease.

The original terms of the lease provided for basic rent to be paid on each basic rent payment date in an amount sufficient to pay on the next succeeding payment date, the principal of, redemption premium, if any, and interest on the Series 2015 taxable revenue bonds which are due. The basic rent payment dates are the first of the month commencing February 1, 2016, and continuing through the basic term of the

lease. The lease agreement also provides for the payment of additional rent, in addition to basic rent, in amounts pursuant to the terms of the lease. The City intends that these rent payments will be used to make the City's payments to the Commission under the lease, which payments will in turn, be used to pay debt service on the Series 2015 taxable revenue bonds. To the extent that the payments of basic rent and additional rent are not adequate to provide the Commission with funds sufficient to pay the principal and interest on the bonds as they become due and payable, the City shall be obligated to pay, as additional rent, further sums of money as may be required for such purposes.

In March 2019, the Hillsboro Community Hospital declared Chapter 11 bankruptcy. The City was named a party of the case that was filed with the District Court of Marion County, Kansas, where the City was a defendant. On November 19, 2019, a settlement was reached which included amending the original lease agreement with a new rental payment schedule.

Year		Basic Rental Payment
2025	$	66,000
2026		66,000
2027		66,000
2028		66,000
2029		66,000
2030-2034		330,000
2035-2039		1,510,000
Total	$	**2,170,000**

The City has entered into lease agreements for equipment. The leases contain a fiscal funding clause.

Changes in long-term liabilities for the City for the year ended December 31, 2024, 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 2018		3.45%	9/12/2018	$ 105,000	2038	$ 80,000	-	(5,000)	**75,000**	2,760
Series 2019A		3.00-4.00%	8/1/2019	4,055,000	2039	3,475,000	-	(160,000)	**3,315,000**	132,000
Series 2019B Refunding		3.00-3.50%	10/10/2019	5,195,000	2042	5,195,000	-	(150,000)	**5,045,000**	169,263
Series 2021A		1.15%	10/28/2021	957,000	2026	573,000	-	(200,000)	**373,000**	6,015
Series 2024		4.00-5.00%	7/9/2024	1,560,000	2034	-	1,560,000	-	**1,560,000**	-
Revolving Debt										
KDHE Revolving Loan		3.77%	7/11/2006	146,352	2026	24,794	-	(9,641)	**15,153**	845
KDOT Revolving Loan		3.79%	10/17/2006	531,535	2025	56,050	-	(38,032)	**18,018**	2,124
KDHE Revolving Loan - Waterlines		2.15%	12/13/2017	3,107,750	2039	2,094,213	-	(110,952)	**1,983,261**	44,432
KDHE Revolving Loan - Pilot Study	*	2.20%	2/20/2023	1,100,000	2025	-	35,943	(35,943)	**-**	178
Finance Leases										
HPBC - Hospital		2.00 - 4.50%	12/30/2015	1,325,000	2038	985,000	-	(50,000)	**935,000**	41,900
Freightliner Electric Pole Digger Truck		3.07%	10/7/2019	249,045	2026	112,685	-	(36,422)	**76,263**	3,192
Peterbilt Trash Truck		3.57%	4/17/2019	319,406	2024	23,108	-	(23,108)	**-**	327
Case 580 Loader Backhoe		3.80%	7/20/2022	115,000	2027	93,722	-	(22,091)	**71,631**	3,384
Vacuum Excavation Trailer		3.80%	7/20/2022	89,570	2027	72,999	-	(17,205)	**55,794**	2,636
2022 Police Car		2.25%	1/14/2022	32,710	2025	16,632	-	(11,025)	**5,607**	312
2020 Police Car		2.78%	9/9/2020	29,925	2025	9,309	-	(6,162)	**3,147**	216
2019 Electric Bucket Truck		2.78%	2/28/2020	130,909	2025	41,038	-	(27,165)	**13,873**	957
Mower and Trash Truck		5.53%	5/1/2023	203,682	2028	179,241	-	(37,600)	**141,641**	9,017
Dump Truck, Brush Truck and Sprayer		5.78%	8/15/2023	279,249	2028	263,044	-	(50,497)	**212,547**	13,956
Enterprise Fleet Management		Various	12/31/2024	477,492	2029	-	477,492	(11,882)	**465,610**	2,881
Total for City of Hillsboro						13,294,835	2,073,435	(1,002,725)	**14,365,545**	436,395
Hillsboro Public Building Commission										
Series 2015		2.00 - 4.50%	12/30/2015	1,325,000	2038	985,000	-	(50,000)	**935,000**	41,900
Total Contractual Indebtedness						$ **14,279,835**	**2,073,435**	**(1,052,725)**	**15,300,545**	**478,295**

* This Loan is a pilot study and 100% forgivable

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

	YEAR								
City	2025	2026	2027	2028	2029	2030 - 2034	2035 - 2039	2040-2042	**Total**
Principal									
General Obligation Bonds	$ 591,000	577,000	575,000	595,000	620,000	3,470,000	2,885,000	1,055,000	**10,368,000**
Revolving Debt	141,377	120,946	118,304	120,861	123,474	658,575	732,895	-	**2,016,432**
Finance Leases	337,335	312,022	242,321	114,688	39,747	-	-	-	**1,046,113**
Finance Lease - HPBC	50,000	55,000	55,000	55,000	60,000	335,000	325,000	-	**935,000**
Total Principal	**1,119,712**	**1,064,968**	**990,625**	**885,549**	**843,221**	**4,463,575**	**3,942,895**	**1,055,000**	**14,365,545**
Interest									
General Obligation Bonds	378,435	352,461	337,005	314,633	293,360	1,101,506	508,553	74,725	**3,360,678**
Revolving Debt	43,195	39,681	37,081	34,524	31,911	118,349	44,027	-	**348,768**
Finance Leases	59,089	47,742	29,740	14,817	10,125	-	-	-	**161,513**
Finance Lease - HPBC	40,150	38,400	36,200	34,000	31,800	119,625	37,350	-	**337,525**
Total Interest	**520,869**	**478,284**	**440,026**	**397,974**	**367,196**	**1,339,480**	**589,930**	**74,725**	**4,208,484**
Total City Principal and Interest	**$ 1,640,581**	**1,543,252**	**1,430,651**	**1,283,523**	**1,210,417**	**5,803,055**	**4,532,825**	**1,129,725**	**18,574,029**
Hillsboro Public Building Commission									
Principal									
Taxable Revenue Bonds	$ 50,000	55,000	55,000	55,000	60,000	335,000	325,000	-	**935,000**
Interest									
Taxable Revenue Bonds	40,150	38,400	36,200	34,000	31,800	119,625	37,350	-	**337,525**
Total Hillsboro Public Building Commission	$ **90,150**	**93,400**	**91,200**	**89,000**	**91,800**	**454,625**	**362,350**	**-**	**1,272,525**

CITY OF HILLSBORO, KANSAS

Regulatory-Required Supplementary Information

Schedule 1

CITY OF HILLSBORO, KANSAS
Summary of Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	**Expenditures Chargeable to Current Year**	Variance Over (Under)
Regulatory Basis Fund Types					
General Fund	$ 3,119,168	-	3,119,168	**2,689,607**	(429,561)
Special Purpose Funds					
Airport Revolving Fund	14,500	-	14,500	**2,451**	(12,049)
Local Sales Tax Fund	700,000	-	700,000	**394,320**	(305,680)
Industrial Fund	79,030	-	79,030	**65,381**	(13,649)
Library Fund	93,570	-	93,570	**90,652**	(2,918)
Recreation Fund	24,130	-	24,130	**23,263**	(867)
Special Highway Fund	150,000	-	150,000	**30,000**	(120,000)
Special Law Enforcement Fund	71,200	-	71,200	**22,116**	(49,084)
Special Parks and Recreation Fund	3,400	-	3,400	**-**	(3,400)
Bowling Alley Fund	26,000	-	26,000	**10,379**	(15,621)
Bond and Interest Funds					
Bond and Interest Fund	921,321	-	921,321	**845,172**	(76,149)
TIF Fund	27,700	-	27,700	**20,025**	(7,675)
Capital Project Funds					
CDBG Fund	3,300,000	-	3,300,000	**2,546,704**	(753,296)
Business Funds					
Electric Operating Fund	3,557,736	-	3,557,736	**3,557,736**	-
Refuse Operating Fund	487,178	-	487,178	**439,820**	(47,358)
Sewer Operating Fund	1,244,750	-	1,244,750	**790,691**	(454,059)
Water Operating Fund	2,270,070	-	2,270,070	**1,189,466**	(1,080,604)
Agency Fund					
Utility Sales Tax Fund	110,000	-	110,000	**104,964**	(5,036)
Health Reimbursement Fund	120,000	-	120,000	**100,613**	(19,387)

CITY OF HILLSBORO, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 606,459	**647,719**	651,909	(4,190)
Delinquent Tax	-	**-**	2,000	(2,000)
Motor Vehicle Tax	65,534	**63,563**	60,570	2,993
Recreational Vehicle Tax	1,128	**960**	1,025	(65)
16/20M Vehicle Tax	394	**424**	350	74
Local Sales/Use Tax	483,612	**449,944**	500,000	(50,056)
Local Alcoholic Liquor Tax	2,146	**1,780**	2,300	(520)
In Lieu of Tax	-	**4,467**	90,000	(85,533)
Highway Connecting Links	314	**314**	300	14
Transient Guest Tax	15,169	**14,211**	15,000	(789)
Rental Excise Tax	33	**89**	-	89
Commercial Vehicle Tax	4,686	**3,983**	4,660	(677)
Watercraft Tax	340	**368**	305	63
Neighborhood Revitalization	(577)	**-**	-	-
Franchise Taxes	157,096	**150,820**	190,000	(39,180)
Licenses, Permits, and Fees	6,385	**6,875**	10,000	(3,125)
Building Permits	11,443	**11,160**	8,000	3,160
Interest Income	110,235	**142,690**	120,000	22,690
Rent Income	32,923	**18,785**	40,000	(21,215)
Court Fines and Bonds	8,400	**11,805**	10,000	1,805
Reimbursements	14,949	**11,281**	5,000	6,281
Museum Income	524	**1,363**	2,000	(637)
Swimming Pool Receipts	35,754	**32,210**	43,000	(10,790)
Sports Complex Income	6,750	**10,172**	15,000	(4,828)
Golf Course Receipts	92,058	**108,095**	120,000	(11,905)
Miscellaneous	79,543	**33,844**	50,000	(16,156)
Donations	17,300	**2,660**	30,000	(27,340)
Opioid Settlement	-	**-**	2,300	(2,300)
Grant Proceeds	-	**25,000**	-	25,000
Sale of Lots	15,000	**-**	15,000	(15,000)
Transfers In	717,500	**862,510**	800,000	62,510
Total Receipts	2,485,098	**2,617,092**	2,788,719	(171,627)
Expenditures				
Legislative				
Personal Services	13,542	**12,960**	13,000	(40)
Contractual Services	79,746	**79,379**	89,500	(10,121)
Commodities	22,056	**16,738**	20,000	(3,262)
Total Legislative	$ 115,344	**109,077**	122,500	(13,423)

CITY OF HILLSBORO, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Expenditures (continued)				
Administrative				
Personal Services	$ 359,284	**376,388**	320,000	56,388
Contractual Services	39,565	**45,157**	38,750	6,407
Commodities	76,111	**89,308**	55,000	34,308
Capital Outlay	-	**23,312**	5,000	18,312
Miscellaneous	-	**150**	-	150
Total Administrative	474,960	**534,315**	418,750	115,565
Police				
Personal Services	488,915	**517,316**	516,665	651
Contractual Services	18,733	**34,270**	49,000	(14,730)
Commodities	31,588	**23,495**	32,000	(8,505)
Capital Outlay	17,337	**14,791**	21,800	(7,009)
Total Police	556,573	**589,872**	619,465	(29,593)
Fire				
Personal Services	61,517	**64,239**	70,500	(6,261)
Contractual Services	24,098	**14,003**	20,900	(6,897)
Commodities	55,356	**32,933**	36,500	(3,567)
Capital Outlay	4,207	**-**	18,000	(18,000)
Total Fire	145,178	**111,175**	145,900	(34,725)
Street				
Personal Services	217,775	**268,607**	285,165	(16,558)
Contractual Services	22,477	**41,863**	33,400	8,463
Commodities	68,829	**117,933**	76,500	41,433
Capital Outlay	-	**6,375**	1,000	5,375
Total Street	309,081	**434,778**	396,065	38,713
Parks and Recreation				
Personal Services	582	**1,345**	10,000	(8,655)
Contractual Services	33,063	**39,813**	20,000	19,813
Commodities	9,154	**15,982**	7,000	8,982
Capital Outlay	19,383	**3,828**	5,000	(1,172)
Total Parks and Recreation	$ 62,182	**60,968**	42,000	18,968

CITY OF HILLSBORO, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Expenditures (continued)				
Museum				
Personal Services	$ 74,210	**31,354**	46,501	(15,147)
Contractual Services	24,047	**27,238**	22,500	4,738
Commodities	8,903	**6,274**	8,000	(1,726)
Total Museum	107,160	**64,866**	77,001	(12,135)
Swimming Pool				
Personal Services	65,830	**103,816**	79,300	24,516
Contractual Services	14,618	**17,274**	13,500	3,774
Commodities	36,052	**43,912**	32,000	11,912
Capital Outlay	4,300	**2,800**	-	2,800
Total Swimming Pool	120,800	**167,802**	124,800	43,002
Golf				
Personal Services	140,528	**147,967**	178,904	(30,937)
Contractual Services	18,599	**31,597**	17,200	14,397
Capital Outlay	-	**-**	10,000	(10,000)
Commodities	56,295	**90,149**	69,000	21,149
Total Golf	215,422	**269,713**	275,104	(5,391)
Public Safety				
Commodities	129	**634**	6,000	(5,366)
Planning				
Personal Services	84,439	**86,988**	84,580	2,408
Contractual Services	6,853	**2,055**	2,100	(45)
Commodities	1,752	**4,245**	2,000	2,245
Total Planning	93,044	**93,288**	88,680	4,608
Tourism				
Appropriation	15,500	**15,169**	16,000	(831)
Sports Complex				
Personal Services	73,316	**108,118**	89,403	18,715
Contractual Services	6,468	**10,237**	4,400	5,837
Commodities	19,202	**35,845**	15,500	20,345
Capital Outlay	16,250	**1,971**	15,000	(13,029)
Total Sports Complex	$ 115,236	**156,171**	124,303	31,868

CITY OF HILLSBORO, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Expenditures (continued)				
Court				
Contractual	$ 9,749	**11,121**	9,400	1,721
Other Expenditures				
Miscellaneous	29,049	**36,408**	150,000	(113,592)
City Improvement Project	-	**-**	20,000	(20,000)
Senior Center	-	**-**	10,000	(10,000)
Sign Rent	-	**-**	1,200	(1,200)
Cash Forward	-	**-**	312,000	(312,000)
Transfers Out	61,250	**34,250**	160,000	(125,750)
Total Other Expenditures	90,299	**70,658**	653,200	(582,542)
Total Expenditures	2,430,657	**2,689,607**	3,119,168	(429,561)
Receipts Over (Under) Expenditures	54,441	**(72,515)**		
Unencumbered Cash - Beginning	134,205	**193,531**		
Prior Year Cancelled Encumbrance	4,885	**-**		
Unencumbered Cash - Ending	$ 193,531	**121,016**		

Schedule 2-2

CITY OF HILLSBORO, KANSAS
Airport Revolving Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Fuel Sales	$ 2,016	**1,959**	3,000	(1,041)
Rent	2,463	**1,110**	5,500	(4,390)
Reimbursements	-	**-**	1,000	(1,000)
Total Receipts	4,479	**3,069**	9,500	(6,431)
Expenditures				
Fuel	2,019	**1,974**	2,500	(526)
Commodities	2,951	**-**	10,000	(10,000)
Contractual	3,028	**477**	2,000	(1,523)
Total Expenditures	7,998	**2,451**	14,500	(12,049)
Receipts Over (Under) Expenditures	(3,519)	**618**		
Unencumbered Cash - Beginning	4,844	**1,325**		
Unencumbered Cash - Ending	$ 1,325	**1,943**		

Schedule 2-3

CITY OF HILLSBORO, KANSAS
D.A.R.E. Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Prior Year Actual	**Current Year Actual**
Receipts	$	-	**-**
Expenditures		-	**-**
Receipts Over (Under) Expenditures		-	**-**
Unencumbered Cash - Beginning		345	**345**
Unencumbered Cash - Ending	$	345	**345**

CITY OF HILLSBORO, KANSAS
Equipment Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Prior Year Actual	**Current Year Actual**
Receipts			
Sale of Equipment	$	122,947	**76,293**
Transfers In		30,000	**30,000**
Total Receipts		152,947	**106,293**
Expenditures			
Capital Outlay		79,750	**126,323**
Contractual Services		605	**8,269**
Lease Payments		26,470	**37,153**
Total Expenditures		106,825	**171,745**
Receipts Over (Under) Expenditures		46,122	**(65,452)**
Unencumbered Cash - Beginning		82,234	**128,356**
Unencumbered Cash - Ending	$	128,356	**62,904**

CITY OF HILLSBORO, KANSAS
Fire Equipment Replacement Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Prior Year Actual	**Current Year Actual**
Receipts			
Lease Proceeds	$	118,155	**-**
Township Reimbursements		48,771	**73,884**
Reimbursed Expenses		24,894	**-**
Transfers In		42,336	**-**
Total Receipts		234,156	**73,884**
Expenditures			
Lease Payment		9,100	**27,300**
Capital Outlay		252,509	**-**
Total Expenditures		261,609	**27,300**
Receipts Over (Under) Expenditures		(27,453)	**46,584**
Unencumbered Cash - Beginning		144,745	**117,292**
Unencumbered Cash - Ending	$	117,292	**163,876**

Schedule 2-6

CITY OF HILLSBORO, KANSAS
Local Sales Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Local Sales/Use Tax	$ 350,329	**346,207**	380,000	(33,793)
Donations	-	**20,000**	-	20,000
Lease Proceeds	204,526	**-**	-	-
Total Receipts	554,855	**366,207**	380,000	(13,793)
Expenditures				
Rent to Hillsboro Public Building Commission - Family Aquatic Center	176,290	**-**	-	-
Capital Outlay	278,973	**94,320**	400,000	(305,680)
Transfers Out	250,000	**300,000**	300,000	-
Total Expenditures	705,263	**394,320**	700,000	(305,680)
Receipts Over (Under) Expenditures	(150,408)	**(28,113)**		
Unencumbered Cash - Beginning	519,963	**369,555**		
Unencumbered Cash - Ending	$ 369,555	**341,442**		

Schedule 2-7

CITY OF HILLSBORO, KANSAS
Museum Trust Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Prior Year Actual	**Current Year Actual**
Receipts			
Interest Income	$	498	**867**
Reimbursed Expense		-	**31**
Donations		5,360	**2,800**
Total Receipts		5,858	**3,698**
Expenditures			
Contractual		2,864	**2,371**
Receipts Over (Under) Expenditures		2,994	**1,327**
Unencumbered Cash - Beginning		38,660	**41,654**
Unencumbered Cash - Ending	$	41,654	**42,981**

Schedule 2-8

CITY OF HILLSBORO, KANSAS
Industrial Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 19,301	**21,467**	21,635	(168)
Delinquent Tax	-	**-**	150	(150)
Motor Vehicle Tax	2,063	**2,025**	1,929	96
Recreational Vehicle Tax	36	**31**	33	(2)
16/20M Vehicle Tax	11	**14**	11	3
Commercial Vehicle Tax	150	**127**	148	(21)
Watercraft Tax	11	**12**	10	2
Neighborhood Revitalization	(18)	**-**	-	-
Reimbursed Expense	405	**-**	-	-
Grant Proceeds	-	**5,000**	-	5,000
Transfers In	40,000	**50,000**	50,000	-
Total Receipts	61,959	**78,676**	73,916	4,760
Expenditures				
Personal Services	49,469	**44,820**	23,000	21,820
Commodities	3,706	**20,561**	3,000	17,561
Capital Outlay	6,250	**-**	-	-
Contingency	-	**-**	15,030	(15,030)
Contractual	-	**-**	38,000	(38,000)
Total Expenditures	59,425	**65,381**	79,030	(13,649)
Receipts Over (Under) Expenditures	2,534	**13,295**		
Unencumbered Cash - Beginning	15,108	**17,642**		
Unencumbered Cash - Ending	$ 17,642	**30,937**		

Schedule 2-9

CITY OF HILLSBORO, KANSAS
Library Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 77,223	**85,910**	86,526	(616)
Delinquent Tax	-	**-**	400	(400)
Motor Vehicle Tax	8,259	**8,103**	7,716	387
Recreational Vehicle Tax	143	**122**	131	(9)
16/20M Vehicle Tax	46	**54**	44	10
Commercial Vehicle Tax	600	**507**	594	(87)
Watercraft Tax	44	**47**	39	8
Neighborhood Revitalization	(74)	**-**	-	-
Total Receipts	86,241	**94,743**	95,450	(707)
Expenditures				
Appropriation to Public Library	86,424	**90,652**	93,570	(2,918)
Receipts Over (Under) Expenditures	(183)	**4,091**		
Unencumbered Cash - Beginning	6,417	**6,234**		
Unencumbered Cash - Ending	$ 6,234	**10,325**		

Schedule 2-10

CITY OF HILLSBORO, KANSAS
Recreation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 19,301	**21,466**	21,631	(165)
Delinquent Tax	-	**-**	120	(120)
Motor Vehicle Tax	2,060	**2,025**	1,929	96
Recreational Vehicle Tax	36	**31**	33	(2)
16/20M Vehicle Tax	11	**14**	11	3
Commercial Vehicle Tax	150	**127**	148	(21)
Watercraft Tax	11	**12**	10	2
Neighborhood Revitalization	(94)	**(411)**	-	(411)
Total Receipts	21,475	**23,264**	23,882	(618)
Expenditures				
Appropriations	21,580	**23,263**	24,130	(867)
Receipts Over (Under) Expenditures	(105)	**1**		
Unencumbered Cash - Beginning	417	**312**		
Unencumbered Cash - Ending	$ 312	**313**		

Schedule 2-11

CITY OF HILLSBORO, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
State Payments	$ 73,948	**73,597**	76,200	(2,603)
Expenditures				
Commodities	15,564	**30,000**	-	30,000
Contractual	75,132	**-**	150,000	(150,000)
Total Expenditures	90,696	**30,000**	150,000	(120,000)
Receipts Over (Under) Expenditures	(16,748)	**43,597**		
Unencumbered Cash - Beginning	58,804	**42,056**		
Unencumbered Cash - Ending	$ 42,056	**85,653**		

Schedule 2-12

CITY OF HILLSBORO, KANSAS
Special Law Enforcement Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 19,301	**21,488**	21,639	(151)
Delinquent Tax	-	**-**	100	(100)
Motor Vehicle Tax	2,065	**2,025**	1,929	96
Recreational Vehicle Tax	36	**31**	33	(2)
16/20M Vehicle Tax	11	**14**	11	3
Commercial Vehicle Tax	150	**127**	148	(21)
Watercraft Tax	11	**12**	10	2
Neighborhood Revitalization	(18)	**-**	-	-
Miscellaneous	395	**23,330**	100	23,230
Total Receipts	21,951	**47,027**	23,970	23,057
Expenditures				
Capital Outlay	10,635	**22,116**	71,200	(49,084)
Receipts Over (Under) Expenditures	11,316	**24,911**		
Unencumbered Cash - Beginning	49,410	**60,726**		
Unencumbered Cash - Ending	$ 60,726	**85,637**		

Schedule 2-13

CITY OF HILLSBORO, KANSAS
Special Parks and Recreation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Liquor Tax	$ 2,146	**1,780**	2,500	(720)
Expenditures				
Commodities	1,880	**-**	3,400	(3,400)
Receipts Over (Under) Expenditures	266	**1,780**		
Unencumbered Cash - Beginning	2,495	**2,761**		
Unencumbered Cash - Ending	$ 2,761	**4,541**		

CITY OF HILLSBORO, KANSAS
Capital Improvement Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Prior Year Actual	**Current Year Actual**
Receipts			
Reimbursements	$	3,775	**-**
Transfers In		29,250	**34,250**
Total Receipts		33,025	**34,250**
Expenditures			
Capital Outlay		4,805	**570**
AMPI Property		23,849	**19,171**
Sports Complex		-	**2,388**
Splash Pad		75,597	**-**
Planning and Zoning		650	**-**
Miscellaneous		190	**90**
Total Expenditures		105,091	**22,219**
Receipts Over (Under) Expenditures		(72,066)	**12,031**
Unencumbered Cash - Beginning		72,595	**529**
Unencumbered Cash - Ending	$	529	**12,560**

CITY OF HILLSBORO, KANSAS
Tree Screening Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Prior Year Actual	**Current Year Actual**
Receipts	$	-	**-**
Expenditures			
Capital Outlay		-	**3,600**
Receipts Over (Under) Expenditures		-	**(3,600)**
Unencumbered Cash - Beginning		8,033	**8,033**
Unencumbered Cash - Ending	$	8,033	**4,433**

Schedule 2-16

CITY OF HILLSBORO, KANSAS
Bowling Alley Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Sales	$ -	**13,360**	10,000	3,360
Miscellaneous	-	**30,382**	-	30,382
Total Receipts	-	**43,742**	10,000	33,742
Expenditures				
Personnel Services	-	**5,661**	6,000	(339)
Contractuals	-	**1,572**	5,000	(3,428)
Commodities	-	**3,146**	5,000	(1,854)
Capital Outlay	-	**-**	10,000	(10,000)
Total Expenditures	-	**10,379**	26,000	(15,621)
Receipts Over (Under) Expenditures	-	**33,363**		
Unencumbered Cash - Beginning	-	**-**		
Unencumbered Cash - Ending	$ -	**33,363**		

Schedule 2-17

CITY OF HILLSBORO, KANSAS
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 101,336	**107,467**	108,156	(689)
Delinquent Tax	11	**-**	-	-
Motor Vehicle Tax	10,597	**10,628**	10,127	501
Recreational Vehicle Tax	183	**160**	171	(11)
16/20M Vehicle Tax	53	**71**	58	13
Local Retailer Sales Tax	150,000	**150,000**	150,000	-
Commercial Vehicle Tax	784	**666**	779	(113)
Watercraft Tax	57	**61**	51	10
Neighborhood Revitalization	(97)	**-**	-	-
Special Assessments	9,245	**10,533**	15,000	(4,467)
Bond Proceeds	-	**-**	56,085	(56,085)
Transfers In	556,085	**490,000**	535,000	(45,000)
Total Receipts	828,254	**769,586**	875,427	(105,841)
Expenditures				
Debt Service Principal	340,713	**495,114**	515,000	(19,886)
Debt Service Interest	317,857	**309,898**	310,000	(102)
KDOT Revolving Loan	40,156	**40,156**	40,156	-
Miscellaneous	4	**4**	-	4
Cash Basis Reserve	-	**-**	56,165	(56,165)
Total Expenditures	698,730	**845,172**	921,321	(76,149)
Receipts Over (Under) Expenditures	129,524	**(75,586)**		
Unencumbered Cash - Beginning	34,832	**164,356**		
Unencumbered Cash - Ending	$ 164,356	**88,770**		

Schedule 2-18

CITY OF HILLSBORO, KANSAS
TIF Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Ad Valorem Property Tax	$ 22,775	**20,009**	24,600	(4,591)
Miscellaneous	-	**16**	-	16
Transfers In	-	**-**	3,000	(3,000)
Total Receipts	22,775	**20,025**	27,600	(7,575)
Expenditures				
Principal Payments	20,287	**19,886**	25,000	(5,114)
Interest Payments	1,018	**139**	1,200	(1,061)
Contractual Services	1,845	**-**	1,500	(1,500)
Total Expenditures	23,150	**20,025**	27,700	(7,675)
Receipts Over (Under) Expenditures	(375)	**-**		
Unencumbered Cash - Beginning	375	**-**		
Unencumbered Cash - Ending	$ -	**-**		

CITY OF HILLSBORO, KANSAS
Street Improvement Project Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	Prior Year Actual	**Current Year Actual**
Receipts		
Bond Proceeds	$ -	**1,614,170**
KDOT Reimbursement	**-**	**275,554**
Total Receipts	-	**1,889,724**
Expenditures		
Bond Fees	-	**52,823**
Capital Outlay	-	**1,130,090**
Contractual	-	**88,744**
Transfers Out	56,085	**-**
Total Expenditures	56,085	**1,271,657**
Receipts Over (Under) Expenditures	(56,085)	**618,067**
Unencumbered Cash - Beginning	56,085	**-**
Unencumbered Cash - Ending	$ -	**618,067**

CITY OF HILLSBORO, KANSAS
CDBG Project Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Federal Aid	$ 637,500	**484,346**	3,300,000	(2,815,654)
Local Match	-	**1,379,682**	-	1,379,682
Miscellaneous	-	**1,822**	-	1,822
Total Receipts	637,500	**1,865,850**	3,300,000	(1,434,150)
Expenditures				
Capital Outlay	86,482	**2,546,704**	3,300,000	(753,296)
Receipts Over (Under) Expenditures	551,018	**(680,854)**		
Unencumbered Cash - Beginning	-	**551,018**		
Unencumbered Cash - Ending	$ 551,018	**(129,836)**		

Schedule 2-21

CITY OF HILLSBORO, KANSAS
Electric Operating Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Collections	$ 3,444,288	**3,378,647**	3,450,000	(71,353)
Connection Fees	9,350	**6,600**	5,500	1,100
Reimbursements	20,439	**6,986**	7,000	(14)
Federal Aid	-	**141,793**	141,000	793
Miscellaneous	20,714	**944**	-	944
Total Receipts	3,494,791	**3,534,970**	3,603,500	(68,530)
Expenditures				
Personal Services	270,949	**371,074**	385,000	(13,926)
Contractual Services	86,326	**94,838**	90,000	4,838
Commodities	121,231	**143,445**	130,000	13,445
Capital Outlay	4,190	**334,324**	250,000	84,324
Electric Purchases	1,832,456	**1,919,456**	1,760,000	159,456
Lease Payments	67,736	**67,736**	67,736	-
Use Tax	2,983	**4,353**	-	4,353
Transfers Out	512,500	**622,510**	875,000	(252,490)
Total Expenditures	2,898,371	**3,557,736**	3,557,736	-
Receipts Over (Under) Expenditures	596,420	**(22,766)**		
Unencumbered Cash - Beginning	589	**597,362**		
Prior Year Cancelled Encumbrance	353	**-**		
Unencumbered Cash - Ending	$ 597,362	**574,596**		

Schedule 2-22

CITY OF HILLSBORO, KANSAS
Refuse Operating Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Collections	$ 391,229	**390,639**	400,000	(9,361)
Reimbursements	1,085	**2,904**	100	2,804
Miscellaneous	80,128	**40**	1,500	(1,460)
Total Receipts	472,442	**393,583**	401,600	(8,017)
Expenditures				
Personal Services	131,917	**177,091**	162,000	15,091
Contractual Services	62,514	**111,979**	109,000	2,979
Commodities	67,897	**54,535**	41,000	13,535
Capital Outlay	79,750	**-**	-	-
Recycling	20,941	**20,961**	25,000	(4,039)
Lease Payment	68,371	**65,254**	65,178	76
Transfers Out	35,000	**10,000**	35,000	(25,000)
Contingency	-	**-**	50,000	(50,000)
Total Expenditures	466,390	**439,820**	487,178	(47,358)
Receipts Over (Under) Expenditures	6,052	**(46,237)**		
Unencumbered Cash - Beginning	74,226	**80,278**		
Unencumbered Cash - Ending	$ 80,278	**34,041**		

CITY OF HILLSBORO, KANSAS
Sewer Operating Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Collections	$ 718,256	**730,926**	730,000	926
Reimbursements	40,761	**31,840**	40,000	(8,160)
Total Receipts	759,017	**762,766**	770,000	(7,234)
Expenditures				
Personal Services	136,781	**153,390**	152,750	640
Contractual Services	123,170	**122,868**	94,000	28,868
Commodities	86,035	**50,202**	63,000	(12,798)
Capital Outlay	462,803	**98,756**	275,000	(176,244)
Contingency Repairs	-	**-**	350,000	(350,000)
Lease Payment	25,475	**25,475**	-	25,475
Transfers Out	307,500	**340,000**	310,000	30,000
Total Expenditures	1,141,764	**790,691**	1,244,750	(454,059)
Receipts Over (Under) Expenditures	(382,747)	**(27,925)**		
Unencumbered Cash - Beginning	735,667	**353,216**		
Prior Year Cancelled Encumbrance	296	**-**		
Unencumbered Cash - Ending	$ 353,216	**325,291**		

Schedule 2-24

CITY OF HILLSBORO, KANSAS
Water Operating Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Collections	$ 1,058,653	**1,088,047**	1,200,000	(111,953)
Reimbursements	560	**1,484**	10,000	(8,516)
KDHE Forgivable Loan	115,579	**35,943**	1,000,000	(964,057)
Miscellaneous	-	**-**	2,000	(2,000)
Total Receipts	1,174,792	**1,125,474**	2,212,000	(1,086,526)
Expenditures				
Personnel Services	274,401	**285,514**	305,500	(19,986)
Contractual Services	117,960	**148,177**	140,800	7,377
Commodities	277,170	**250,578**	305,700	(55,122)
Capital Outlay	-	**38,328**	1,015,000	(976,672)
Water Purchases	76,188	**80,710**	77,200	3,510
Revolving Loan Payments	185,711	**185,711**	165,870	19,841
KDHE Pilot Study	103,189	**40,448**	-	40,448
Transfers Out	182,500	**160,000**	260,000	(100,000)
Total Expenditures	1,217,119	**1,189,466**	2,270,070	(1,080,604)
Receipts Over (Under) Expenditures	(42,327)	**(63,992)**		
Unencumbered Cash - Beginning	248,153	**206,533**		
Prior Year Cancelled Encumbrances	707	**-**		
Unencumbered Cash - Ending	$ 206,533	**142,541**		

CITY OF HILLSBORO, KANSAS
Special Law Enforcement Trust Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Prior Year Actual	**Current Year Actual**
Receipts			
Asset Seizures	$	1,067	**3,450**
Drug Tax		478	**-**
Total Receipts		1,545	**3,450**
Expenditures			
Contractual		-	**1,375**
Receipts Over (Under) Expenditures		1,545	**2,075**
Unencumbered Cash - Beginning		3,768	**5,313**
Unencumbered Cash - Ending	$	5,313	**7,388**

CITY OF HILLSBORO, KANSAS
Insurance Proceeds Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Prior Year Actual	**Current Year Actual**
Receipts			
Insurance Proceeds	$	23,175	**-**
Expenditures			
Insurance Payout		23,175	**2,250**
Receipts Over (Under) Expenditures		-	**(2,250)**
Unencumbered Cash - Beginning		2,250	**2,250**
Unencumbered Cash - Ending	$	2,250	**-**

CITY OF HILLSBORO, KANSAS
Hillsboro Land Bank
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Prior Year Actual	**Current Year Actual**
Receipts			
Rent Income	$	20,224	**26,475**
Miscellaneous		20	**-**
Interest Income		-	**80**
Sale of Assets		35,250	**7,802**
Total Receipts		55,494	**34,357**
Expenditures			
Commodities		16,760	**12,737**
Contractual Services		36,182	**10,639**
Utilities		4,115	**-**
Total Expenditures		57,057	**23,376**
Receipts Over (Under) Expenditures		(1,563)	**10,981**
Unencumbered Cash - Beginning		1,627	**64**
Unencumbered Cash - Ending	$	64	**11,045**

CITY OF HILLSBORO, KANSAS
Hillsboro Public Building Commission - Health Care Facilities
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	Prior Year Actual	**Current Year Actual**
Receipts		
Interest Income	$ 4,462	**5,537**
Lease Payment From Hospital	60,500	**71,500**
Total Receipts	64,962	**77,037**
Expenditures		
Contractual	17,113	**11,489**
Debt Service Principal	45,000	**50,000**
Debt Service Interest	43,475	**41,900**
Total Expenditures	105,588	**103,389**
Receipts Over (Under) Expenditures	(40,626)	**(26,352)**
Unencumbered Cash - Beginning	213,147	**172,521**
Unencumbered Cash - Ending	$ 172,521	**146,169**

CITY OF HILLSBORO, KANSAS
Hillsboro Public Building Commission - Family Aquatic Center
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		Prior Year Actual	**Current Year Actual**
Receipts			
Rent Income From City of Hillsboro	$	176,290	-
Expenditures			
Debt Service Principal		170,000	-
Debt Service Interest		6,290	-
Total Expenditures		176,290	-
Receipts Over (Under) Expenditures		-	-
Unencumbered Cash - Beginning		-	-
Unencumbered Cash - Ending	$	-	-

Schedule 3

CITY OF HILLSBORO, KANSAS
Agency Funds
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Beginning Cash Balance	Receipts	Disbursements	**Ending Cash Balance**
Payroll Withholding Fund	$ 8,186	-	-	**8,186**
Health Reimbursement Fund	-	205,691	100,613	**105,078**
Utility Sales Tax Fund	12,882	106,993	104,964	**14,911**
Municipal Court Fund	1,403	12,555	12,363	**1,595**
Total	$ 22,471	325,239	217,940	**129,770**