CITY OF HILLSBORO, KANSAS

Primary Government Financial Statement
With Independent Auditors' Report

For the Year Ended December 31, 2023

CITY OF HILLSBORO, KANSAS
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For the Year Ended December 31, 2023

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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, 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 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, 2023, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting
In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2023, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the 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, 2022 (not presented herein), and have issued our report thereon dated April 18, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits.The 2022 actual column 2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2023 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2022 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2022 basic financial statement or to the 2022 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2022, on the basis of accounting described in Note 1.

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

March 19, 2024

CITY OF HILLSBORO, 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**
Regulatory Basis Fund Types							
General Fund	$ 134,205	4,885	2,485,098	2,430,657	**193,531**	(7,158)	**186,373**
Special Purpose Funds							
Airport Revolving Fund	4,844	-	4,479	7,998	**1,325**	-	**1,325**
D.A.R.E. Fund	345	-	-	-	**345**	-	**345**
Equipment Reserve Fund	82,234	-	152,947	106,825	**128,356**	-	**128,356**
Fire Equipment Replacement Reserve Fund	144,745	-	234,156	261,609	**117,292**	-	**117,292**
Local Sales Tax Fund	519,963	-	554,855	705,263	**369,555**	10,355	**379,910**
Museum Trust Fund	38,660	-	5,858	2,864	**41,654**	-	**41,654**
Industrial Fund	15,108	-	61,959	59,425	**17,642**	72	**17,714**
Library Fund	6,417	-	86,241	86,424	**6,234**	213	**6,447**
Recreation Fund	417	-	21,475	21,580	**312**	-	**312**
Special Highway Fund	58,804	-	73,948	90,696	**42,056**	29,270	**71,326**
Special Law Enforcement Fund	49,410	-	21,951	10,635	**60,726**	598	**61,324**
Special Parks and Recreation Fund	2,495	-	2,146	1,880	**2,761**	-	**2,761**
Capital Improvement Fund	72,595	-	33,025	105,091	**529**	-	**529**
Tree Screening Fund	8,033	-	-	-	**8,033**	-	**8,033**
Bond and Interest Funds							
Bond and Interest Fund	34,832	-	828,254	698,730	**164,356**	-	**164,356**
TIF Fund	375	-	22,775	23,150	**-**	-	**-**
Capital Projects Fund							
Street Improvement Project Fund	56,085	-	-	56,085	**-**	-	**-**
CDBG Project Fund	-	-	637,500	86,482	**551,018**	-	**551,018**
Business Funds							
Electric Operating Fund	589	353	3,494,791	2,898,371	**597,362**	101,980	**699,342**
Refuse Operating Fund	74,226	-	472,442	466,390	**80,278**	380	**80,658**
Sewer Operating Fund	735,667	296	759,017	1,141,764	**353,216**	6,614	**359,830**
Water Operating Fund	248,153	707	1,174,792	1,217,119	**206,533**	3,096	**209,629**
Trust Funds							
Special Law Enforcement Trust Fund	3,768	-	1,545	-	**5,313**	-	**5,313**
Insurance Proceeds Fund	2,250	-	23,175	23,175	**2,250**	-	**2,250**
Total Primary Government	2,294,220	6,241	11,152,429	10,502,213	**2,950,677**	145,420	**3,096,097**
Related Municipal Entities							
Hillsboro Land Bank	1,627	-	55,494	57,057	**64**	17,400	**17,464**
Hillsboro Public Building Commission - Health Care Facilities	213,147	-	64,962	105,588	**172,521**	-	**172,521**
Hillsboro Public Building Commission - Family Aquatic Center	-	-	176,290	176,290	**-**	-	**-**
Total Related Municipal Entities	214,774	-	296,746	338,935	**172,585**	17,400	**189,985**
Total Primary Government (Excluding Agency Funds)	$ 2,508,994	6,241	11,449,175	10,841,148	**3,123,262**	162,820	**3,286,082**

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, 2023

Composition of Cash	
Checking Accounts	$ **1,720,113**
Petty Cash	**500**
Certificates of Deposit	**1,500,000**
Total Primary Government	**3,220,613**
Total Related Municipal Entities	**189,985**
Agency Funds per Schedule 3	**(124,516)**
Total Primary Government (Excluding Agency Funds)	$ **3,286,082**

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, 2023.

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 adoption of the final budget has been adjusted to on or before September 20th. The City did hold a revenue neutral rate hearing this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 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 Equipment Reserve Fund, Local Sales Tax Fund, Sewer Operating Fund, Refuse Operating Fund, and Water Operating 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, Fire Equipment Replacement Reserve Fund, Museum Trust 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, 2023.

At December 31, 2023, the City's carrying amount of deposits was $3,220,613 and the bank balance was $3,245,673. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, $602,045 was covered by federal depository insurance and $2,643,628 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

At December 31, 2023, the Hillsboro Public Building Commission's carrying amount of deposits was $172,521 and the bank balance was $173,583. 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, 2023, the Hillsboro Land Bank's carrying amount of deposits was $17,459 and the bank balance was $30,469. 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, 2023.

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, 2023 were as follows:

From	To	Regulatory Authority	Amount
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	$ 29,250
General Fund	Fire Equipment Replacement Reserve Fund	K.S.A. 12-1,117	32,000
Township Fire Equipment Fund	Fire Equipment Replacement Reserve Fund	K.S.A. 12-1,117	10,336
Water Operating Fund	Equipment Reserve Fund	K.S.A. 12-1,117	7,500
Water Operating Fund	Bond and Interest Fund	K.S.A. 12-825d	100,000
Water Operating Fund	General Fund	K.S.A. 12-825d	75,000
Electric Operating Fund	General Fund	K.S.A. 12-825d	465,000
Electric Operating Fund	Industrial Fund	K.S.A. 12-825d	40,000
Electric Operating Fund	Equipment Reserve Fund	K.S.A. 12-1,117	7,500
Refuse Operating Fund	General Fund	K.S.A. 12-825d	27,500
Refuse Operating Fund	Equipment Reserve Fund	K.S.A. 12-1,117	7,500
Street Improvement Project Fund	Bond and Interest Fund	Closed Fund	56,085
Local Sales Tax Fund	Bond and Interest Fund	Ordinance	250,000
Sewer Operating Fund	Bond and Interest Fund	K.S.A. 12-825d	150,000
Sewer Operating Fund	Equipment Reserve Fund	K.S.A. 12-1,117	7,500
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	$ 115,579
CDBG Childcare Building	2,368,050	86,482

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 177 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 2023, the City contributed $34,894 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.

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 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The City was not properly bonded for a project that exceeded $100,000, which is in violation of K.S.A. 60-1111.

NOTE 10 – 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 $5,826 to the 401(a) plan for the year ended December 31, 2023.

NOTE 11 – 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 8.43% for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were $139,372 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 $1,546,177. 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 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 12 – 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, 2023.

NOTE 13 – 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 $98,973 for the year ended December 31, 2023.

NOTE 14 – 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.

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, 2023 was $8,975 for the City. This is reflected in the financial statement.

NOTE 15 – HILLSBORO PUBLIC BUILDING COMMISSION

Lease Receivable

Hillsboro Public Building Commission entered into two separate lease agreements with **City of Hillsboro, Kansas** for the lease of the aquatic center and 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
2024	$	91,900
2025		90,150
2026		93,400
2027		91,200
2028		89,000
2029-2033		453,425
2034-2038		455,350
Total	$	**1,364,425**

Long-Term Debt

The Commission issued Revenue Bonds, Series 2011 dated April 18, 2011 with an original issue amount of $2,140,000. The bonds have varying maturities with annual payments. Interest rates range from 3.00%-4.00% depending on the maturity date. These bonds were callable on October 1, 2017.

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 16 – 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, 2023 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 amount of the bonds was $5,983,459. The outstanding balance of the bonds as of December 31, 2023 was unavailable.

NOTE 17 – 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.

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 a lease agreement with Hillsboro Public Building Commission – Family Aquatic Center

on April 18, 2011 in which the City is the lessee. The basic term ends on October 1, 2025, subject to prior termination or renewal as specified in the lease. The term of the lease may be extended for two consecutive five-year terms, each such five-year renewal period referred to as an "additional term".

The terms of the lease provide 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 2011 refunding bonds which are due. The basic rent payment dates are April 1 and October 1, commencing October 1, 2011, 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 revenues received from a one-half cent sales tax, approved by the voters of the City on April 5, 2005, and from the operation of the project under the provisions of the lease, 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 2011 refunding 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. The bonds were paid off as of December 31, 2023.

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
2024	$	66,000
2025		66,000
2026		66,000
2027		66,000
2028		66,000
2029-2033		330,000
2034-2038		1,051,200
2039		524,800
Total	$	**2,236,000**

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, 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 2018	3.45%	9/12/2018	$ 105,000	2038	$ 85,000	-	(5,000)	**80,000**	2,933
Series 2019A	3.00-4.00%	8/1/2019	4,055,000	2039	3,635,000	-	(160,000)	**3,475,000**	138,400
Series 2019B Refunding	3.00-3.50%	10/10/2019	5,195,000	2042	5,195,000	-	-	**5,195,000**	169,263
Series 2021A	1.15%	10/28/2021	957,000	2026	769,000	-	(196,000)	**573,000**	8,280
Revolving Debt									
KDHE Revolving Loan	3.77%	7/11/2006	146,352	2026	34,081	-	(9,287)	**24,794**	1,198
KDOT Revolving Loan	3.79%	10/17/2006	531,535	2025	92,692	-	(36,642)	**56,050**	3,513
KDHE Revolving Loan - Waterlines	2.15%	12/13/2017	3,107,750	2039	2,202,818	-	(108,605)	**2,094,213**	46,780
KDHE Revolving Loan - Pilot Study *	2.20%	2/20/2023	1,100,000	2025	-	115,579	(115,579)	**-**	69
Finance Leases									
HPBC - Family Aquatic Center	3.00 - 4.00%	4/18/2011	2,140,000	2025	170,000	-	(170,000)	**-**	6,290
HPBC - Hospital	2.00 - 4.50%	12/30/2015	1,325,000	2038	1,030,000	-	(45,000)	**985,000**	43,475
Case Loader	2.91%	3/17/2017	154,050	2023	14,038	-	(14,038)	**-**	-
Freightliner Electric Pole Digger Truck	3.07%	10/7/2019	249,045	2026	148,034	-	(35,349)	**112,685**	4,265
Peterbilt Trash Truck	3.57%	4/17/2019	319,406	2024	58,790	-	(35,682)	**23,108**	1,611
Case 580 Loader Backhoe	3.80%	7/20/2022	115,000	2027	115,000	-	(21,278)	**93,722**	4,197
Vacuum Excavation Trailer	3.80%	7/20/2022	89,570	2027	89,570	-	(16,571)	**72,999**	3,269
2022 Police Car	2.25%	1/14/2022	32,710	2025	27,408	-	(10,776)	**16,632**	560
2020 Police Car	2.78%	9/9/2020	29,925	2025	15,304	-	(5,995)	**9,309**	383
2019 Electric Bucket Truck	2.78%	2/28/2020	130,909	2025	67,471	-	(26,433)	**41,038**	1,690
Mower and Trash Truck	5.53%	5/1/2023	203,682	2028	-	203,682	(24,441)	**179,241**	6,637
Dump Truck, Brush Truck and Sprayer	5.78%	8/15/2023	279,249	2028	-	279,249	(16,205)	**263,044**	5,280
Total for City of Hillsboro					13,749,206	598,510	(1,052,881)	**13,294,835**	448,093
Hillsboro Public Building Commission									
Series 2011	3.00 - 4.00%	4/18/2011	2,140,000	2025	170,000	-	(170,000)	**-**	6,290
Series 2015	2.00 - 4.50%	12/30/2015	1,325,000	2038	1,030,000	-	(45,000)	**985,000**	43,475
Total for Hillsboro Public Building Commission					1,200,000	-	(215,000)	**985,000**	49,765
Total Contractual Indebtedness					$ 14,949,206	598,510	(1,267,881)	**14,279,835**	497,858

* 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	2024	2025	2026	2027	2028	2029 - 2033	2034 - 2038	2039 - 2042	**Total**
Principal									
General Obligation Bonds	$ 515,000	591,000	577,000	410,000	425,000	2,345,000	2,790,000	1,670,000	**9,323,000**
Revolving Debt	158,625	141,377	120,946	118,304	120,861	644,640	717,389	152,915	**2,175,057**
Finance Leases	231,373	194,407	179,932	148,654	57,412	-	-	-	**811,778**
Finance Lease - HPBC	50,000	50,000	55,000	55,000	55,000	320,000	400,000	-	**985,000**
Total Principal	**954,998**	**976,784**	**932,878**	**731,958**	**658,273**	**3,309,640**	**3,907,389**	**1,822,915**	**13,294,835**
Interest									
General Obligation Bonds	310,037	296,665	281,011	265,555	251,433	1,044,094	610,263	134,188	**3,193,246**
Revolving Debt	47,401	43,195	39,681	37,081	34,524	132,283	59,534	2,470	**396,169**
Finance Leases	33,899	24,519	16,057	7,779	1,097	-	-	-	**83,351**
Finance Lease - HPBC	41,900	40,150	38,400	36,200	34,000	133,425	55,350	-	**379,425**
Total Interest	**433,237**	**404,529**	**375,149**	**346,615**	**321,054**	**1,309,802**	**725,147**	**136,658**	**4,052,191**
Total City Principal and Interest	**$ 1,388,235**	**1,381,313**	**1,308,027**	**1,078,573**	**979,327**	**4,619,442**	**4,632,536**	**1,959,573**	**17,347,026**
Hillsboro Public Building Commission									
Principal									
Taxable Revenue Bonds	$ 50,000	50,000	55,000	55,000	55,000	320,000	400,000	-	**985,000**
Interest									
Taxable Revenue Bonds	41,900	40,150	38,400	36,200	34,000	133,425	55,350	-	**379,425**
Total Hillsboro Public Building Commission	**$ 91,900**	**90,150**	**93,400**	**91,200**	**89,000**	**453,425**	**455,350**	**-**	**1,364,425**

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, 2023

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	$ 2,440,871	-	2,440,871	**2,430,657**	(10,214)
Special Purpose Funds					
Airport Revolving Fund	8,500	-	8,500	**7,998**	(502)
Equipment Reserve Fund	128,000	-	128,000	**106,825**	(21,175)
Local Sales Tax Fund	751,290	-	751,290	**705,263**	(46,027)
Industrial Fund	85,140	-	85,140	**59,425**	(25,715)
Library Fund	93,430	-	93,430	**86,424**	(7,006)
Recreation Fund	21,580	-	21,580	**21,580**	-
Special Highway Fund	125,000	-	125,000	**90,696**	(34,304)
Special Law Enforcement Fund	22,700	-	22,700	**10,635**	(12,065)
Special Parks and Recreation Fund	3,500	-	3,500	**1,880**	(1,620)
Capital Improvement Fund	250,000	-	250,000	**105,091**	(144,909)
Bond and Interest Funds					
Bond and Interest Fund	754,582	-	754,582	**698,730**	(55,852)
TIF Fund	31,230	-	31,230	**23,150**	(8,080)
Business Funds					
Electric Operating Fund	3,313,436	-	3,313,436	**2,898,371**	(415,065)
Refuse Operating Fund	520,417	-	520,417	**466,390**	(54,027)
Sewer Operating Fund	1,246,656	-	1,246,656	**1,141,764**	(104,892)
Water Operating Fund	1,359,211	-	1,359,211	**1,217,119**	(142,092)
Agency Fund					
Utility Sales Tax Fund	90,000	-	90,000	**10,336**	(79,664)

CITY OF HILLSBORO, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 583,435	**606,459**	622,827	(16,368)
Delinquent Tax	2,724	**-**	6,000	(6,000)
Motor Vehicle Tax	71,922	**65,534**	65,531	3
Recreational Vehicle Tax	1,118	**1,128**	1,143	(15)
16/20M Vehicle Tax	326	**394**	418	(24)
Local Sales/Use Tax	498,018	**483,612**	450,000	33,612
Local Alcoholic Liquor Tax	1,925	**2,146**	2,200	(54)
In Lieu of Tax	8,949	**-**	-	-
Highway Connecting Links	314	**314**	315	(1)
Transient Guest Tax	15,500	**15,169**	14,000	1,169
Rental Excise Tax	-	**33**	-	33
Commercial Vehicle Tax	-	**4,686**	3,719	967
Watercraft Tax	-	**340**	356	(16)
Neighborhood Revitalization	(793)	**(577)**	(578)	1
Franchise Taxes	134,712	**157,096**	150,000	7,096
Licenses, Permits, and Fees	7,568	**6,385**	10,900	(4,515)
Building Permits	34,957	**11,443**	20,000	(8,557)
Interest Income	43,787	**110,235**	7,000	103,235
Rent Income	41,183	**32,923**	27,000	5,923
Court Fines and Bonds	16,194	**8,400**	20,000	(11,600)
Reimbursements	178,237	**14,949**	10,000	4,949
Museum Income	310	**524**	1,000	(476)
Swimming Pool Receipts	41,676	**35,754**	40,000	(4,246)
Sports Complex Income	6,634	**6,750**	7,500	(750)
Golf Course Receipts	-	**92,058**	15,000	77,058
Miscellaneous	47,096	**79,543**	60,000	19,543
Donations	58,486	**17,300**	40,000	(22,700)
Sale of Lots	4,350	**15,000**	-	15,000
Transfers In	641,231	**717,500**	800,000	(82,500)
Total Receipts	2,439,859	**2,485,098**	2,374,331	110,767
Expenditures				
Legislative				
Personal Services	12,862	**13,542**	13,000	542
Contractual Services	74,656	**79,746**	88,500	(8,754)
Commodities	25,870	**22,056**	19,000	3,056
Total Legislative	$ 113,388	**115,344**	120,500	(5,156)

CITY OF HILLSBORO, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Expenditures (continued)				
Administrative				
Personal Services	$ 400,423	**359,284**	365,803	(6,519)
Contractual Services	42,637	**39,565**	39,150	415
Commodities	67,080	**76,111**	60,000	16,111
Capital Outlay	20,692	**-**	5,000	(5,000)
Miscellaneous	150	**-**	-	-
Total Administrative	530,982	**474,960**	469,953	5,007
Police				
Personal Services	477,237	**488,915**	508,058	(19,143)
Contractual Services	29,509	**18,733**	46,150	(27,417)
Commodities	32,810	**31,588**	32,000	(412)
Capital Outlay	17,740	**17,337**	9,000	8,337
Total Police	557,296	**556,573**	595,208	(38,635)
Fire				
Personal Services	60,458	**61,517**	58,500	3,017
Contractual Services	36,907	**24,098**	22,700	1,398
Commodities	33,901	**55,356**	37,000	18,356
Capital Outlay	9,540	**4,207**	6,500	(2,293)
Total Fire	140,806	**145,178**	124,700	20,478
Street				
Personal Services	224,705	**217,775**	277,595	(59,820)
Contractual Services	40,828	**22,477**	33,000	(10,523)
Commodities	51,822	**68,829**	73,500	(4,671)
Capital Outlay	30,981	**-**	10,000	(10,000)
Total Street	348,336	**309,081**	394,095	(85,014)
Parks and Recreation				
Personal Services	1,005	**582**	10,500	(9,918)
Contractual Services	13,315	**33,063**	10,500	22,563
Commodities	6,217	**9,154**	7,500	1,654
Capital Outlay	2,177	**19,383**	-	19,383
Total Parks and Recreation	$ 22,714	**62,182**	28,500	33,682

CITY OF HILLSBORO, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year Actual	Current Year Budget	Variance Over (Under)
Expenditures (continued)				
Museum				
Personal Services	$ 20,566	**74,210**	31,400	42,810
Contractual Services	22,201	**24,047**	19,500	4,547
Commodities	7,377	**8,903**	8,000	903
Total Museum	50,144	**107,160**	58,900	48,260
Swimming Pool				
Personal Services	66,082	**65,830**	76,000	(10,170)
Contractual Services	18,355	**14,618**	17,500	(2,882)
Commodities	31,850	**36,052**	37,000	(948)
Capital Outlay	-	**4,300**	-	4,300
Total Swimming Pool	116,287	**120,800**	130,500	(9,700)
Golf				
Personal Services	84,545	**140,528**	83,505	57,023
Contractual Services	-	**18,599**	-	18,599
Commodities	11,017	**56,295**	2,000	54,295
Total Golf	95,562	**215,422**	85,505	129,917
Public Safety				
Commodities	-	**129**	-	129
Planning				
Personal Services	76,937	**84,439**	80,300	4,139
Contractual Services	1,496	**6,853**	1,500	5,353
Commodities	8,401	**1,752**	5,000	(3,248)
Total Planning	86,834	**93,044**	86,800	6,244
Tourism				
Appropriation	13,992	**15,500**	14,000	1,500
Sports Complex				
Personal Services	78,317	**73,316**	88,000	(14,684)
Contractual Services	2,024	**6,468**	3,400	3,068
Commodities	22,539	**19,202**	13,800	5,402
Capital Outlay	-	**16,250**	-	16,250
Total Sports Complex	$ 102,880	**115,236**	105,200	10,036

CITY OF HILLSBORO, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	Current Year **Actual**	Current Year Budget	Current Year Variance Over (Under)
Expenditures (continued)				
Court				
Contractual	$ -	**9,749**	1,600	8,149
Other Expenditures				
Miscellaneous	35,515	**29,049**	185,880	(156,831)
Transfers Out	197,743	**61,250**	39,500	21,750
Total Other Expenditures	233,258	**90,299**	225,380	(135,081)
Total Expenditures	2,412,479	**2,430,657**	2,440,841	(10,184)
Receipts Over (Under) Expenditures	27,380	**54,441**		
Unencumbered Cash - Beginning	106,825	**134,205**		
Prior Year Cancelled Encumbrance	-	**4,885**		
Unencumbered Cash - Ending	$ 134,205	**193,531**		

CITY OF HILLSBORO, KANSAS
Airport Revolving Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Fuel Sales	$ 3,000	**2,016**	3,000	(984)
Rent	5,872	**2,463**	6,000	(3,537)
Reimbursements	2,055	**-**	-	-
Total Receipts	10,927	**4,479**	9,000	(4,521)
Expenditures				
Fuel	2,294	**2,019**	2,000	19
Commodities	2,563	**2,951**	500	2,451
Contractual	2,198	**3,028**	6,000	(2,972)
Total Expenditures	7,055	**7,998**	8,500	(502)
Receipts Over (Under) Expenditures	3,872	**(3,519)**		
Unencumbered Cash - Beginning	972	**4,844**		
Unencumbered Cash - Ending	$ 4,844	**1,325**		

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, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

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

Schedule 2-4

CITY OF HILLSBORO, KANSAS
Equipment Reserve Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Sale of Equipment	$ 101,510	**122,947**	-	122,947
Lease Proceeds	204,570	**-**	118,000	(118,000)
Transfers In	7,500	**30,000**	37,500	(7,500)
Total Receipts	313,580	**152,947**	155,500	(2,553)
Expenditures				
Capital Outlay	215,286	**79,750**	80,000	(250)
Contractual Services	-	**605**	20,000	(19,395)
Lease Payments	28,170	**26,470**	28,000	(1,530)
Total Expenditures	243,456	**106,825**	128,000	(21,175)
Receipts Over (Under) Expenditures	70,124	**46,122**		
Unencumbered Cash - Beginning	12,110	**82,234**		
Unencumbered Cash - Ending	$ 82,234	**128,356**		

CITY OF HILLSBORO, KANSAS
Fire Equipment Replacement Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Prior Year Actual	**Current Year Actual**
Receipts			
Lease Proceeds	$	-	**118,155**
Township Reimbursements		-	**48,771**
Reimbursed Expenses		-	**24,894**
Transfers In		28,968	**42,336**
Total Receipts		28,968	**234,156**
Expenditures			
Lease Payment		-	**9,100**
Capital Outlay		17,418	**252,509**
Total Expenditures		17,418	**261,609**
Receipts Over (Under) Expenditures		11,550	**(27,453)**
Unencumbered Cash - Beginning		133,195	**144,745**
Unencumbered Cash - Ending	$	144,745	**117,292**

CITY OF HILLSBORO, KANSAS
Local Sales Tax Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Local Sales/Use Tax	$ 380,078	**350,329**	350,000	(350,000)
Lease Proceeds	-	**204,526**	204,526	(204,526)
Total Receipts	380,078	**554,855**	554,526	(554,526)
Expenditures				
Rent to Hillsboro Public Building Commission - Family Aquatic Center	172,210	**176,290**	176,290	-
Capital Outlay	35,892	**278,973**	325,000	(46,027)
Transfers Out	50,000	**250,000**	250,000	-
Total Expenditures	258,102	**705,263**	751,290	(46,027)
Receipts Over (Under) Expenditures	121,976	**(150,408)**		
Unencumbered Cash - Beginning	397,987	**519,963**		
Unencumbered Cash - Ending	$ 519,963	**369,555**		

CITY OF HILLSBORO, KANSAS
Museum Trust Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Prior Year Actual	**Current Year Actual**
Receipts			
Interest Income	$	11	**498**
Donations		1,540	**5,360**
Total Receipts		1,551	**5,858**
Expenditures			
Contractual		1,290	**2,864**
Receipts Over (Under) Expenditures		261	**2,994**
Unencumbered Cash - Beginning		38,399	**38,660**
Unencumbered Cash - Ending	$	38,660	**41,654**

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, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 18,674	**19,301**	19,840	(539)
Delinquent Tax	81	**-**	220	(220)
Motor Vehicle Tax	2,090	**2,063**	2,099	(36)
Recreational Vehicle Tax	32	**36**	37	(1)
16/20M Vehicle Tax	10	**11**	13	(2)
Commercial Vehicle Tax	-	**150**	119	31
Watercraft Tax	-	**11**	11	-
Neighborhood Revitalization	(25)	**(18)**	(18)	-
Reimbursed Expense	-	**405**	-	405
Miscellaneous	200	**-**	-	-
Transfers In	35,000	**40,000**	35,000	5,000
Total Receipts	56,062	**61,959**	57,321	4,638
Expenditures				
Personal Services	78,148	**49,469**	15,000	34,469
Commodities	3,928	**3,706**	2,140	1,566
Capital Outlay	-	**6,250**	-	6,250
Contractual	193	**-**	68,000	(68,000)
Total Expenditures	82,269	**59,425**	85,140	(25,715)
Receipts Over (Under) Expenditures	(26,207)	**2,534**		
Unencumbered Cash - Beginning	41,315	**15,108**		
Unencumbered Cash - Ending	$ 15,108	**17,642**		

CITY OF HILLSBORO, KANSAS
Library Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 74,752	**77,223**	79,338	(2,115)
Delinquent Tax	322	**-**	820	(820)
Motor Vehicle Tax	8,349	**8,259**	8,398	(139)
Recreational Vehicle Tax	130	**143**	147	(4)
16/20M Vehicle Tax	39	**46**	54	(8)
Commercial Vehicle Tax	-	**600**	477	123
Watercraft Tax	-	**44**	46	(2)
Neighborhood Revitalization	(102)	**(74)**	(74)	-
Total Receipts	83,490	**86,241**	89,206	(2,965)
Expenditures				
Appropriation to Public Library	90,766	**86,424**	93,430	(7,006)
Receipts Over (Under) Expenditures	(7,276)	**(183)**		
Unencumbered Cash - Beginning	13,693	**6,417**		
Unencumbered Cash - Ending	$ 6,417	**6,234**		

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, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 18,637	**19,301**	19,833	(532)
Delinquent Tax	81	**-**	220	(220)
Motor Vehicle Tax	2,090	**2,060**	2,094	(34)
Recreational Vehicle Tax	32	**36**	37	(1)
16/20M Vehicle Tax	10	**11**	13	(2)
Commercial Vehicle Tax	-	**150**	119	31
Watercraft Tax	-	**11**	11	-
Neighborhood Revitalization	(428)	**(94)**	(18)	(76)
Reimbursed Expense	12,518	**-**	-	-
Total Receipts	32,940	**21,475**	22,309	(834)
Expenditures				
Appropriations	34,019	**21,580**	21,580	-
Receipts Over (Under) Expenditures	(1,079)	**(105)**		
Unencumbered Cash - Beginning	1,496	**417**		
Unencumbered Cash - Ending	$ 417	**312**		

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, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
State Payments	$ 74,393	**73,948**	78,290	(4,342)
Expenditures				
Commodities	-	**15,564**	-	15,564
Contractual	-	**75,132**	125,000	(49,868)
Capital Outlay	22,328	**-**	-	-
Total Expenditures	22,328	**90,696**	125,000	(34,304)
Receipts Over (Under) Expenditures	52,065	**(16,748)**		
Unencumbered Cash - Beginning	6,739	**58,804**		
Unencumbered Cash - Ending	$ 58,804	**42,056**		

CITY OF HILLSBORO, KANSAS
Special Law Enforcement Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 18,693	**19,301**	19,831	(530)
Delinquent Tax	81	**-**	190	(190)
Motor Vehicle Tax	2,090	**2,065**	2,100	(35)
Recreational Vehicle Tax	32	**36**	37	(1)
16/20M Vehicle Tax	10	**11**	13	(2)
Commercial Vehicle Tax	-	**150**	119	31
Watercraft Tax	-	**11**	11	-
Neighborhood Revitalization	(25)	**(18)**	(18)	-
Miscellaneous	125	**395**	500	(105)
Total Receipts	21,006	**21,951**	22,783	(832)
Expenditures				
Capital Outlay	450	**10,635**	22,700	(12,065)
Receipts Over (Under) Expenditures	20,556	**11,316**		
Unencumbered Cash - Beginning	28,854	**49,410**		
Unencumbered Cash - Ending	$ 49,410	**60,726**		

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, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Liquor Tax	$ 1,925	**2,146**	1,900	246
Expenditures				
Commodities	-	**1,880**	3,500	(1,620)
Receipts Over (Under) Expenditures	1,925	**266**		
Unencumbered Cash - Beginning	570	**2,495**		
Unencumbered Cash - Ending	$ 2,495	**2,761**		

CITY OF HILLSBORO, KANSAS
Hillsboro 150th Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	**Current Year Actual**
Receipts	$ -	**-**
Expenditures		
Transfers Out	1,548	**-**
Receipts Over (Under) Expenditures	(1,548)	**-**
Unencumbered Cash - Beginning	1,548	**-**
Unencumbered Cash - Ending	$ -	**-**

CITY OF HILLSBORO, KANSAS
Capital Improvement Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
State Aid	$ -	**-**	3,500	(3,500)
Reimbursements	-	**3,775**	3,500	275
Transfers In	194,743	**29,250**	-	29,250
Total Receipts	194,743	**33,025**	7,000	26,025
Expenditures				
Capital Outlay	56,019	**4,805**	250,000	(245,195)
AMPI Property	63,707	**23,849**	-	23,849
School/Adobe House/Mill	279	**-**	-	-
Willow Glen Additions	2,520	**-**	-	-
Splash Pad	-	**75,597**	-	75,597
Planning and Zoning	-	**650**	-	650
Miscellaneous	8,038	**190**	-	190
Total Expenditures	130,563	**105,091**	250,000	(144,909)
Receipts Over (Under) Expenditures	64,180	**(72,066)**		
Unencumbered Cash - Beginning	8,415	**72,595**		
Unencumbered Cash - Ending	$ 72,595	**529**		

CITY OF HILLSBORO, KANSAS
Tree Screening Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Prior Year Actual	**Current Year Actual**
Receipts	$	-	**-**
Expenditures			
Capital Outlay		8,000	**-**
Receipts Over (Under) Expenditures		(8,000)	**-**
Unencumbered Cash - Beginning		16,033	**8,033**
Unencumbered Cash - Ending	$	8,033	**8,033**

CITY OF HILLSBORO, KANSAS
ARPA Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	**Current Year Actual**
Receipts		
Federal Aid	$ 214,874	-
Expenditures		
Splash Pad	290,138	-
Reimbursed Expenses	139,610	-
Total Expenditures	429,748	-
Receipts Over (Under) Expenditures	(214,874)	-
Unencumbered Cash - Beginning	214,874	-
Unencumbered Cash - Ending	$ -	-

CITY OF HILLSBORO, KANSAS
Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	$ 97,669	**101,336**	104,134	(2,798)
Delinquent Tax	401	**11**	1,100	(1,089)
Motor Vehicle Tax	10,045	**10,597**	11,651	(1,054)
Recreational Vehicle Tax	155	**183**	191	(8)
16/20M Vehicle Tax	58	**53**	70	(17)
Local Retailer Sales Tax	150,000	**150,000**	150,000	-
Commercial Vehicle Tax	-	**784**	-	784
Watercraft Tax	-	**57**	-	57
Neighborhood Revitalization	(133)	**(97)**	(97)	-
Special Assessments	15,156	**9,245**	15,000	(5,755)
Transfers In	368,937	**556,085**	450,000	106,085
Total Receipts	642,288	**828,254**	732,049	96,205
Expenditures				
Debt Service Principal	318,000	**340,713**	361,000	(20,287)
Debt Service Interest	325,222	**317,857**	318,876	(1,019)
KDOT Revolving Loan	40,156	**40,156**	40,156	-
Miscellaneous	4	**4**	-	4
Cash Basis Reserve	-	**-**	34,550	(34,550)
Total Expenditures	683,382	**698,730**	754,582	(55,852)
Receipts Over (Under) Expenditures	(41,094)	**129,524**		
Unencumbered Cash - Beginning	75,926	**34,832**		
Unencumbered Cash - Ending	$ 34,832	**164,356**		

CITY OF HILLSBORO, KANSAS
TIF Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Ad Valorem Property Tax	$ 24,624	**22,775**	25,000	(2,225)
Transfers In	3,000	**-**	5,000	(5,000)
Total Receipts	27,624	**22,775**	30,000	(7,225)
Expenditures				
Principal Payments	25,000	**20,287**	25,000	(4,713)
Interest Payments	1,186	**1,018**	4,230	(3,212)
Contractual Services	1,674	**1,845**	2,000	(155)
Total Expenditures	27,860	**23,150**	31,230	(8,080)
Receipts Over (Under) Expenditures	(236)	**(375)**		
Unencumbered Cash - Beginning	611	**375**		
Unencumbered Cash - Ending	$ 375	**-**		

CITY OF HILLSBORO, KANSAS
Street Improvement Project Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Prior Year Actual	**Current Year Actual**
Receipts	$	-	**-**
Expenditures			
Transfers Out		-	**56,085**
Receipts Over (Under) Expenditures		-	**(56,085)**
Unencumbered Cash - Beginning		56,085	**56,085**
Unencumbered Cash - Ending	$	56,085	**-**

CITY OF HILLSBORO, KANSAS
CDBG Project Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Prior Year Actual	**Current Year Actual**
Receipts			
Federal Aid	$	-	**637,500**
Expenditures			
Capital Outlay		-	**86,482**
Receipts Over (Under) Expenditures		-	**551,018**
Unencumbered Cash - Beginning		-	**-**
Unencumbered Cash - Ending	$	-	**551,018**

CITY OF HILLSBORO, KANSAS
Electric Operating Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Collections	$ 3,211,512	**3,444,288**	3,320,000	124,288
Connection Fees	9,350	**9,350**	-	9,350
Reimbursements	558	**20,439**	-	20,439
Miscellaneous	38,349	**20,714**	-	20,714
Total Receipts	3,259,769	**3,494,791**	3,320,000	174,791
Expenditures				
Personal Services	238,833	**270,949**	255,700	15,249
Contractual Services	79,336	**86,326**	84,500	1,826
Commodities	178,475	**121,231**	140,000	(18,769)
Capital Outlay	-	**4,190**	-	4,190
Electric Purchases	2,595,661	**1,832,456**	2,200,000	(367,544)
Lease Payments	67,736	**67,736**	67,736	-
Use Tax	3,464	**2,983**	4,000	(1,017)
Transfers Out	375,837	**512,500**	561,500	(49,000)
Total Expenditures	3,539,342	**2,898,371**	3,313,436	(415,065)
Receipts Over (Under) Expenditures	(279,573)	**596,420**		
Unencumbered Cash - Beginning	260,162	**589**		
Prior Year Cancelled Encumbrance	20,000	**353**		
Unencumbered Cash - Ending	$ 589	**597,362**		

CITY OF HILLSBORO, KANSAS
Refuse Operating Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Collections	$ 316,051	**391,229**	381,000	10,229
Reimbursements	619	**1,085**	600	485
Lease Proceeds	-	**80,128**	80,128	-
Miscellaneous	1,640	**-**	-	-
Total Receipts	318,310	**472,442**	461,728	10,714
Expenditures				
Personal Services	119,325	**131,917**	138,667	(6,750)
Contractual Services	58,580	**62,514**	62,000	514
Commodities	46,266	**67,897**	60,000	7,897
Capital Outlay	37,293	**79,750**	79,750	-
Recycling	19,129	**20,941**	25,000	(4,059)
Lease Payment	-	**68,371**	70,000	(1,629)
Transfers Out	27,500	**35,000**	35,000	-
Contingency	-	**-**	50,000	(50,000)
Total Expenditures	308,093	**466,390**	520,417	(54,027)
Receipts Over (Under) Expenditures	10,217	**6,052**		
Unencumbered Cash - Beginning	64,009	**74,226**		
Unencumbered Cash - Ending	$ 74,226	**80,278**		

CITY OF HILLSBORO, KANSAS
Sewer Operating Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Collections	$ 682,279	**718,256**	698,000	20,256
Reimbursements	19,468	**40,761**	45,000	(4,239)
Total Receipts	701,747	**759,017**	743,000	16,017
Expenditures				
Personal Services	141,816	**136,781**	151,000	(14,219)
Contractual Services	90,148	**123,170**	125,000	(1,830)
Commodities	66,371	**86,035**	100,000	(13,965)
Capital Outlay	35,794	**462,803**	480,000	(17,197)
Lease Payment	-	**25,475**	33,156	(7,681)
Transfers Out	376,437	**307,500**	357,500	(50,000)
Total Expenditures	710,566	**1,141,764**	1,246,656	(104,892)
Receipts Over (Under) Expenditures	(8,819)	**(382,747)**		
Unencumbered Cash - Beginning	744,486	**735,667**		
Prior Year Cancelled Encumbrance	-	**296**		
Unencumbered Cash - Ending	$ 735,667	**353,216**		

Schedule 2-25

CITY OF HILLSBORO, KANSAS
Water Operating Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Current Year		
	Prior Year Actual	**Actual**	Budget	Variance Over (Under)
Receipts				
Collections	$ 1,044,954	**1,058,653**	1,100,000	(41,347)
Reimbursements	16,523	**560**	1,000	(440)
KDHE Forgivable Loan	-	**115,579**	150,000	(34,421)
Miscellaneous	951	**-**	1,500	(1,500)
Total Receipts	1,062,428	**1,174,792**	1,252,500	(77,708)
Expenditures				
Personnel Services	310,189	**274,401**	300,000	(25,599)
Contractual Services	126,860	**117,960**	136,000	(18,040)
Commodities	248,220	**277,170**	260,000	17,170
Capital Outlay	47,398	**-**	-	-
Water Purchases	71,265	**76,188**	70,000	6,188
Revolving Loan Payments	165,870	**185,711**	185,711	-
KDHE Pilot Study	11,009	**103,189**	150,000	(46,811)
Transfers Out	165,000	**182,500**	257,500	(75,000)
Total Expenditures	1,145,811	**1,217,119**	1,359,211	(142,092)
Receipts Over (Under) Expenditures	(83,383)	**(42,327)**		
Unencumbered Cash - Beginning	331,536	**248,153**		
Prior Year Cancelled Encumbrances	-	**707**		
Unencumbered Cash - Ending	$ 248,153	**206,533**		

CITY OF HILLSBORO, KANSAS
Special Law Enforcement Trust Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Prior Year Actual	**Current Year Actual**
Receipts			
Asset Seizures	$	-	**1,067**
Drug Tax		-	**478**
Total Receipts		-	**1,545**
Expenditures			
Contractual		724	**-**
Receipts Over (Under) Expenditures		(724)	**1,545**
Unencumbered Cash - Beginning		4,492	**3,768**
Unencumbered Cash - Ending	$	3,768	**5,313**

CITY OF HILLSBORO, KANSAS
Insurance Proceeds Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

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

CITY OF HILLSBORO, KANSAS
Hillsboro Land Bank
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		Prior Year Actual	**Current Year Actual**
Receipts			
Rent Income	$	-	**20,224**
Miscellaneous		66	**20**
Sale of Assets		-	**35,250**
Total Receipts		66	**55,494**
Expenditures			
Commodities		775	**16,760**
Contractual Services		-	**36,182**
Utilities		-	**4,115**
Total Expenditures		775	**57,057**
Receipts Over (Under) Expenditures		(709)	**(1,563)**
Unencumbered Cash - Beginning		2,336	**1,627**
Unencumbered Cash - Ending	$	1,627	**64**

CITY OF HILLSBORO, KANSAS
Hillsboro Public Building Commission - Health Care Facilities
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	**Current Year Actual**
Receipts		
Interest Income	$ 589	**4,462**
Lease Payment From Hospital	66,000	**60,500**
Miscellaneous	24,166	**-**
Transfers In	936	**-**
Total Receipts	91,691	**64,962**
Expenditures		
Contractual	2,632	**17,113**
Debt Service Principal	45,000	**45,000**
Debt Service Interest	45,050	**43,475**
Total Expenditures	92,682	**105,588**
Receipts Over (Under) Expenditures	(991)	**(40,626)**
Unencumbered Cash - Beginning	214,138	**213,147**
Unencumbered Cash - Ending	$ 213,147	**172,521**

CITY OF HILLSBORO, KANSAS
Hillsboro Public Building Commission - Family Aquatic Center
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	Prior Year Actual	**Current Year Actual**
Receipts		
Rent Income From City of Hillsboro	$ 172,210	**176,290**
Expenditures		
Debt Service Principal	160,000	**170,000**
Debt Service Interest	12,210	**6,290**
Transfers Out	936	**-**
Total Expenditures	173,146	**176,290**
Receipts Over (Under) Expenditures	(936)	**-**
Unencumbered Cash - Beginning	936	**-**
Unencumbered Cash - Ending	$ -	**-**

Schedule 3

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

Funds	Beginning Cash Balance	Receipts	Disbursements	**Ending Cash Balance**
Payroll Withholding Fund	$ 9,657	7,651	9,122	**8,186**
Health Reimbursement Fund	112,386	88,632	98,973	**102,045**
Utility Sales Tax Fund	11,964	107,701	106,783	**12,882**
Municipal Court Fund	1,365	12,150	12,112	**1,403**
Township Fire Equipment Fund	-	10,336	10,336	**-**
Total	$ 135,372	226,470	237,326	**124,516**