CITY OF HERINGTON, KANSAS

DECEMBER 31, 2024



CITY OF HERINGTON, KANSAS

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INDEPENDENT AUDITORS' REPORT

The Mayor and City Commission
City of Herington, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying regulatory basis summary statement of receipts, expenditures, and unencumbered cash balances of City of Herington, Kansas (the City), 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 on U.S. Generally Accepted Accounting Principles" 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 the 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—Summary of Significant Accounting Policies.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the regulatory basis reporting provisions in the *Kansas Municipal Audit and Accounting Guide*, as described in Note 1—Summary of Significant Accounting Policies, to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for 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 generally accepted auditing standards (GAAS) will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with generally accepted auditing standards, 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 receipts, expenditures, and unencumbered cash balances – regulatory basis (basic financial statement) as a whole. The summary of expenditures – regulatory basis – actual and budget, the individual fund schedules of receipts and expenditures – regulatory basis – actual and budget, and the schedule of receipts and expenditures – regulatory basis – related municipal entity (Schedules 1 through 3, as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement; however, they are required to be presented under the provisions in the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and the supplementary information 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 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—Summary of Significant Accounting Policies.



Certified Public Accountants

Hutchinson, Kansas
November 6, 2025

CITY OF HERINGTON, KANSAS
Herington, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH - REGULATORY BASIS
For Year Ended December 31, 2024

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUND	$ 282,446	$ 2,310,279	$ 2,322,777	$ 269,948	$ -	$ 269,948
SPECIAL PURPOSE FUNDS						
Library	-	73,645	72,398	1,247	-	1,247
Employee Benefits	99,850	442,981	514,547	28,284	-	28,284
Special Highway	11,041	80,053	14,731	76,363	-	76,363
Park, Recreation, and Improvements	3,283	7,705	10,988	-	-	-
Guest Tax	14,776	10,181	22,250	2,707	-	2,707
2006 Sales Tax	239,496	176,214	217,765	197,945	-	197,945
Storm Water Drainage	25,000	50,584	61,287	14,297	-	14,297
Police Diversion	6,641	9,138	-	15,779	-	15,779
Capital Improvement	69,634	28,158	39,806	57,986	-	57,986
Equipment Reserve	77,395	80,236	64,000	93,631	-	93,631
Donations	15,146	-	15,146	-	-	-
Hilltop Deposits	2,336	898	-	3,234	24,738	27,972
UPTICC Grant	-	15,000	15,000	-	-	-
American Rescue Plan	151,293	-	151,293	-	-	-
Fire Insurance Premiums	-	11,565	6,885	4,680	-	4,680
BOND AND INTEREST FUND						
Bond and Interest	1,090	184,050	185,140	-	-	-
TRUST FUND						
Cemetery Perpetual	152,994	2,622	-	155,616	-	155,616
BUSINESS FUNDS						
Airport	253,301	288,084	237,149	304,236	-	304,236
Water	372,949	4,978,047	4,950,383	400,613	-	400,613
Light	2,180,130	2,957,466	3,026,462	2,111,134	-	2,111,134
Sewer	43,652	402,739	445,630	761	-	761
Solid Waste	17,338	243,629	245,346	15,621	-	15,621
TOTAL PRIMARY GOVERNMENT	4,019,791	12,353,274	12,618,983	3,754,082	24,738	3,778,820
RELATED MUNICIPAL ENTITIES						
Herington Public Library	214,976	82,549	100,655	196,870	-	196,870
Herington Land Bank	-	9,870	-	9,870	-	9,870
TOTAL REPORTING ENTITIES	$ 4,234,767	$ 12,445,693	$ 12,719,638	$ 3,960,822	$ 24,738	$ 3,985,560

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

CITY OF HERINGTON, KANSAS
Herington, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH - REGULATORY BASIS
For Year Ended December 31, 2024

COMPOSITION OF CASH	
Checking accounts	
Central National Bank	$ 3,281,403
Certificates of deposit and savings accounts	
Central National Bank	157,969
First National Bank of Hope	300,000
Cash and cash items	49,318
Related municipal entity	
Herington Public Library	196,870
TOTAL REPORTING ENTITIES	$ 3,985,560

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

CITY OF HERINGTON, KANSAS
Herington, Kansas

NOTES TO THE FINANCIAL STATEMENT
December 31, 2024

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Herington, Kansas (the City) is a municipal corporation governed by an elected mayor and five-member commission. The financial statement presents the City (the municipality) and certain related municipal entities, described below, which are included in the City's reporting entity because of their operational or financial relationship with the City. Related municipal entities are entities for which the City is considered to be financially accountable. The blended related municipal entity, although a legally separate entity is, in substance, part of the City's operations. Data from this related municipal entity is combined with data from the City. The discretely presented related municipal entities are reported in a separate line in the financial statement to emphasize that it is legally separate from the City.

Discretely Presented Related Municipal Entity

The Herington Public Library (the Library) is governed by a board, which is appointed by the City. The Library is not a separate taxing entity under Kansas statutes, and the City levies taxes for the Library operation, which represents a significant portion of its total revenues. Acquisition or disposition of real property by the Library Board must be approved by the City. Bond issuances must also be approved by the City.

The Herington Land Bank is governed by a board of trustees that is appointed by the City. The Land Bank is authorized to acquire, manage, and sell real property to provide for the effective reutilization of the property. The City may advance operating funds to the Land Bank for its operating expenses and may also dissolve the Land Bank.

Fund Accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or objectives in accordance with special regulations, restrictions, or limitations.

Kansas Municipal Audit and Accounting Guide Regulatory Basis of Presentation Fund Definitions

The following types of funds comprise the financial activities of the City for the year of 2024:

General Fund

To account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Funds

To account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are intended for specified purposes.

Bond and Interest Fund

To account for the accumulation of resources for the payment of interest and principal on long-term debt.

Business Funds

Funds financed in whole or in part by fees charged to users of the goods and services.

Trust Funds

Funds used to report assets held in trust for the benefit of the municipal financial reporting entity.

Regulatory Basis of Accounting and Departures from Accounting Principles Generally Accepted in the United States of America

The regulatory basis of accounting provisions in the *Kansas Municipal Audit and Accounting Guide* (KMAAG) 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 reporting the 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. 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 municipality to use the regulatory basis of accounting.

Compensated Absences

The City's policies regarding vacation and sick leave permit employees to accumulate a maximum of 60 days' vacation and 120 days sick leave. Policies prohibit payment of vacation time in lieu of time off and all accumulated vacation pay is payable upon employment termination. The liability for accrued vacation leave at December 31, 2024, was $141,722. Retiring employees, who are age 62, or with twenty years' service with the City, or that are KPERS eligible, are paid for accumulated sick leave at the ratio of one day per four days of accrued sick leave.

Use of Estimates

The process of preparing financial statements requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates relate primarily to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Temporary Notes

Upon authorization for the issuance of general obligation bonds for certain improvements, Kansas law permits the temporary financing of such improvements by the issuance of temporary notes. Temporary notes issued may not exceed the aggregate amount of bonds authorized, are interest bearing and have a maturity date not later than four years from the date of issuance of such temporary notes. Temporary notes outstanding are retired from the proceeds of the sale of general obligation bonds or from other City funds.

Special Assessments

Projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the Bond and Interest Fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the Bond and Interest Fund.

Interest Income

Unless specifically designated, all investment income is credited to the General Fund.

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

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:

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

2. Publication of proposed budget on or before August 5 of each year.

3. Public hearing on or before August 15 of each year, but at least ten days after publication of notice of hearing.

4. Adoption of final budget on or before August 25 of each year.

If the City is holding a revenue rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City did not hold a revenue neutral rate hearing as a part of the process for adoption of the 2024 budget.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. There were no such amended budgets for the year ended December 31, 2024.

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

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

Original appropriations are modified by supplemental appropriations and transfers among budget categories. The City Commission approves all significant changes.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds: Equipment Reserve Fund, Capital Improvement Fund, Hilltop Deposits Fund, Donations Fund, UPTICC Grant, and American Rescue Plan.

Taxes levied to finance the budget become a lien against all property November 1. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20 and May 10. These taxes are made available to the City after January 1 and are distributed by the County Treasurer generally in the months of January and June. Delinquent tax collections are distributed throughout the year.

NOTE 2—STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Expenditures of the following funds exceeded their adopted budgets by the respective amounts, a violation of K.S.A. 79-2935, the budget law:

Funds	Amount
Employee Benefits	$ 38,547
Storm Water Drainage	6,287
Sewer	55,975

Management was not aware of any other material statutory violations.

NOTE 3—DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the summary statement of receipts, expenditures, and unencumbered cash. In addition, investments are held separately by some of the City's Funds. The cash balances of certain funds are restricted as to their use.

K.S.A. 9-1401 established 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 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 Federal Deposit Insurance Corporation (FDIC) insurance 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 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 FDIC 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.

Deposits

At year end, the carrying amount of the City's deposits were $3,739,372. The bank balance was $3,982,522. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $750,000 was covered by FDIC insurance and $3,232,522 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name.

At year end, the carrying amount of the Herington Public Library's deposits were $196,870 and the bank balance was $199,477. The differences between the carrying amounts and the bank balances are outstanding checks and deposits in transit. The bank balances of the Herington Public Library were entirely covered by FDIC insurance.

NOTE 4—LONG-TERM DEBT

Terms for long-term debt for the City for the year ended December 31, 2024, were as follows:

Issue	Interest Rates	Date of Issue	Interest Due	Principal Due	Amount of Issue	Date of Final Maturity
General Obligation Bonds						
Series 2014	1.00% to 2.80%	08/28/14	03-01,09-01	03-01	$ 945,000	03/01/25
Series 2017	3.00%	09/20/17	04-01,10-01	10-01	725,000	10/01/28
Series 2024A	2.75%	07/26/24	07-26	07-26	2,728,625	07/26/64
Series 2024B	1.25%	07/26/24	07-26	07-26	1,387,000	07/26/64
Finance leases						
Street sweeper	4.52%	06/01/19	12-01	12-01	185,000	12/01/25
Fire equipment	3.19%	08/15/21	08-15	08-15	242,649	08/15/31
Command unit and compressor station	4.54%	08/01/22	08-01	08-01	110,000	08/01/32
Other debt						
KWPCRF no. C20 1203 01	2.58%	09/12/03	03-01,09-01	03-01,09-01	605,000	09/01/25
KWPCRF no. C20 2040 01	1.34%	11/05/20	03-01,09-01	03-01,09-01	704,639	03/01/42
KPWSLF no. 2357	3.68%	03/01/04	02-01,08-01	02-01,08-01	1,206,038	08/01/26

Changes in long-term debt for the City for the year ended December 31, 2024, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
Series 2014	$ 205,000	$ -	$ 100,000	$ 105,000	$ 4,340
Series 2017	360,000	-	70,000	290,000	10,800
Series 2024A	-	2,728,625	-	2,728,625	-
Series 2024B	-	1,387,000	-	1,387,000	-
Finance leases					
Street sweeper	57,568	-	28,147	29,421	2,602
Fire equipment	197,438	-	23,694	173,744	6,306
Command unit and compressor station	101,067	-	9,339	91,728	4,592
Other debt					
KWPCRF no. C20 1203 01	57,925	-	38,345	19,580	1,370
KWPCRF no. C20 2040 01	637,235	-	37,919	599,316	8,386
KPWSLF no. 2357	244,268	-	78,472	165,796	8,274
KPWSLF no. 2927	4,901,769	-	4,901,769	-	78,080
Total bonded indebtedness	$ 6,762,270	$ 4,115,625	$ 5,287,685	$ 5,590,210	$ 124,750

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

	Principal		
	General Obligation Bonds	Finance Leases	Other Debt
2025	$ 240,260	$ 63,634	$ 131,571
2026	136,651	35,439	115,425
2027	143,074	36,709	31,433
2028	144,532	38,025	31,855
2029	71,025	34,640	32,284
2030-2034	378,796	86,446	168,047
2035-2039	421,889	-	179,651
2040-2044	470,477	-	94,426
2045-2049	525,310	-	-
2050-2054	587,243	-	-
2055-2059	657,251	-	-
2060-2064	734,117	-	-
	$ 4,510,625	$ 294,893	$ 784,692

	Interest		
	General Obligation Bonds	Finance Leases	Other Debt
2025	$ 102,545	$ 11,047	$ 13,565
2026	97,584	8,493	9,854
2027	94,061	7,223	7,100
2028	90,353	5,907	6,678
2029	86,611	4,542	6,249
2030-2034	409,379	5,849	24,618
2035-2039	366,286	-	13,013
2040-2044	317,698	-	1,906
2045-2049	262,865	-	-
2050-2054	200,932	-	-
2055-2059	130,923	-	-
2060-2064	51,725	-	-
	$ 2,210,962	$ 43,061	$ 82,983

NOTE 5—TRANSFERS

Interfund transfers for the year ended December 31, 2024, were as follows:

Amount	From Fund	To Fund	Statutory Authority
$ 111,000	Light	Bond and Interest	K.S.A. 12-825d
280,000	Light	General	K.S.A. 12-825d
200,000	2006 Sales Tax	General	K.S.A. 79-2958
25,000	General	Equipment Reserve	K.S.A. 12-1,117
25,250	General	Capital Improvement	K.S.A. 12-1,118
130,000	General	Sewer	K.S.A. 12-101a
15,000	General	UPTICC	K.S.A. 12-101a
9,545	General	Bond and Interest	K.S.A. 12-101a
518	General	Parks and Recreation Improvement	K.S.A. 12-101a

NOTE 6—DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to substantially all government employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

NOTE 7—DEFINED BENEFIT PENSION PLAN

Plan Description

The City participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are part of 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 and KP&F issue a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in the Comprehensive Annual Financial Report, which can be found on KPERS website at www.kspers.gov or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the Kansas Public Employees Retirement System (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 establishes the KPERS member-employee contribution rate at 6.00% of covered salary for KPERS 1, KPERS 2, or KPERS 3 members. K.S.A. 74-4975 establishes the Kansas Police and Firemen's Retirement System (KP&F) member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

Kansas law provides that employer contribution rates for KPERS 1, KPERS 2, KPERS 3, and KP&F be determined annually based on the results of an annual actuarial valuation. The actuarially determined employer contribution rate (excluding the contribution rate for the Death and Disability program) and the statutory contribution rate was 9.26% for KPERS and 23.10% for KP&F for the year ended December 31, 2024. Contributions to the pension plan from the City were $119,839 for KPERS and $116,716 for KP&F for the year ended December 31, 2024.

Net Pension Liability

At December 31, 2024, KPERS has determined the City's proportionate share of the collective net pension liability was $1,153,797 for KPERS and $1,053,833 for KP&F. The net pension liability was measured as of June 30, 2024, and the total pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The City's share of the allocation is based on the ratio of the City's employer contributions, relative to the total employer and nonemployer contributions for the plan groups the City participates in. Because the regulatory basis of accounting under *Kansas Municipal Audit and Accounting Guide* does not recognize long-term debt, this liability is not reported in the 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.kspers.gov or can be obtained as described in the Plan Description paragraph above.

NOTE 8—OTHER LONG-TERM OBLIGATIONS

Other Post-Employment Benefits – Group Health Insurance

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

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

Other Post-Employment Benefits – Death and Disability Benefits

As provided by K.S.A. 74-4927, disabled members in KPERS receive long-term disability 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 was set at 1% for the year ended December 31, 2024.

NOTE 9—RISK MANAGEMENT

The City is subject to certain risks such as torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from third parties. There have been no significant reductions in insurance coverage from the prior year and there have been no settled claims in excess of insurance coverage for the prior three years.

NOTE 10—LEASES

The City leases airport land to others through operating leases, the majority of which are cancelable. Future minimum rentals receivable under noncancelable operating leases at December 31, 2024, are as follows:

Year Ending	Amount
2025	$ 31,189
2026	21,648
2027	21,658
2028	21,668
2029	21,678
Later years	60,890
	$ 178,731

NOTE 11—CONTINGENCIES

The City is involved in litigation and regulatory issues arising out of the normal course of business. Management believes that these matters will be resolved without materially affecting the City's future financial position.

CITY OF HERINGTON, KANSAS
Herington, Kansas

SUMMARY OF EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

Schedule 1

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUND	$ 2,600,423	$ 88,108	$ 2,688,531	$ 2,322,777	$ (365,754)
SPECIAL PURPOSE FUNDS					
Library	86,415	-	86,415	72,398	(14,017)
Employee Benefits	476,000	-	476,000	514,547	38,547
Special Highway	72,960	-	72,960	14,731	(58,229)
Park, Recreation, and Improvements	14,460	-	14,460	10,988	(3,472)
Guest Tax	36,719	-	36,719	22,250	(14,469)
2006 Sales Tax	277,456	-	277,456	217,765	(59,691)
Storm Water Drainage	55,000	-	55,000	61,287	6,287
Police Diversion	10,000	-	10,000	-	(10,000)
Capital Improvement	119,365	-	119,365	39,806	(79,559)
Equipment Reserve	124,836	-	124,836	64,000	(60,836)
BOND AND INTEREST FUND					
Bond and Interest	185,140	-	185,140	185,140	-
BUSINESS FUNDS					
Airport	297,753	-	297,753	237,149	(60,604)
Water	1,398,839	4,115,625	5,514,464	4,950,383	(564,081)
Light	4,778,365	-	4,778,365	3,026,462	(1,751,903)
Sewer	389,655	-	389,655	445,630	55,975
Solid Waste	278,206	-	278,206	245,346	(32,860)

CITY OF HERINGTON, KANSAS
Herington, Kansas

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Taxes			
Ad valorem property tax	$ 501,152	$ 550,148	$ (48,996)
Delinquent tax collections	27,391	30,000	(2,609)
Motor vehicle tax	60,858	54,390	6,468
Recreational vehicle tax	1,342	1,044	298
16/20M truck tax	1,850	1,219	631
Commercial vehicle tax	-	1,922	(1,922)
Watercraft tax	-	251	(251)
Neighborhood revitalization rebate	-	(1,921)	1,921
Special assessments	1,933	2,000	(67)
Local sales tax	358,690	350,000	8,690
Compensating use tax	114,818	110,000	4,818
Liquor tax	7,187	5,000	2,187
Total Taxes	1,075,221	1,104,053	(28,832)
Intergovernmental			
Highway connecting links	15,351	20,000	(4,649)
Rural fire contracts	55,446	45,500	9,946
Total Intergovernmental	70,797	65,500	5,297
Licenses, Fees, and Permits			
Utility franchise tax	90,045	85,000	5,045
New lake licenses	7,144	-	7,144
Miscellaneous permits and licenses	18,345	25,000	(6,655)
Total Licenses, Fees, and Permits	115,534	110,000	5,534
Charges for Services			
Cemetery	2,050	5,000	(2,950)
Court	17,410	50,000	(32,590)
Swimming pool	23,209	22,000	1,209
Total Charges for Services	42,669	77,000	(34,331)
Rental income			
Homestead rents	127,448	175,000	(47,552)
Community building rent	11,421	25,000	(13,579)
Farmland	2,160	-	2,160
Miscellaneous	730	-	730
Total Rental Income	141,759	200,000	(58,241)
Fines, Forfeitures, and Penalties	23,070	-	23,070
Interest on Idle Funds	135,361	90,000	45,361
Hilltop			
Bus	19,111	-	19,111
Building rent	60,508	170,000	(109,492)
Reimbursed expenses	31,821	-	31,821
Miscellaneous	449	-	449
Total Hilltop	111,889	170,000	(58,111)
Other Receipts			
Reimbursed expenses	85,662	20,000	65,662
Grants	-	10,000	(10,000)
Donations and memorials	625	-	625
Transfer from:			
2006 Sales Tax Fund	200,000	200,000	-
2010 Sales Tax Fund	-	138,363	(138,363)
Light Fund	280,000	150,000	130,000
Miscellaneous	27,692	11,000	16,692
Total Other Receipts	593,979	529,363	64,616
TOTAL RECEIPTS	2,310,279	$ 2,345,916	$ (35,637)

CITY OF HERINGTON, KANSAS
Herington, Kansas

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
EXPENDITURES			
General Administration			
Personal services	$ 26,520	$ 25,000	$ 1,520
Contractual services	90,821	95,700	(4,879)
Commodities	23,612	16,100	7,512
Capital outlay	13,524	10,000	3,524
Miscellaneous	6,749	950	5,799
Transfer to - Equipment Reserve Fund	25,000	25,000	-
Transfer to - Capital Improvement Fund	25,250	25,250	-
Transfer to - UPTICC Grant	15,000	-	15,000
Transfer to - Park, Recreation, and Improvements	518	-	518
Transfer to - Bond and Interest	9,546	-	9,546
Transfer to - Sewer Fund	130,000	-	130,000
Reserve for future period	-	150,000	(150,000)
Total departmental	366,540	348,000	18,540
Police			
Personal services	431,799	490,000	(58,201)
Contractual services	48,682	46,910	1,772
Commodities	102,339	112,250	(9,911)
Capital outlay	5,000	5,000	-
Total departmental	587,820	654,160	(66,340)
Fire			
Personal services	167,660	162,500	5,160
Contractual services	52,719	76,150	(23,431)
Commodities	131,788	107,200	24,588
Lease payments	30,000	-	30,000
Capital outlay	29,196	30,000	(804)
Grant expense	15,789	-	15,789
Total departmental	427,152	375,850	51,302
Street			
Personal services	136,927	181,677	(44,750)
Contractual services	38,215	68,636	(30,421)
Commodities	72,235	100,350	(28,115)
Street improvements	-	50,000	(50,000)
Lease payments	-	-	-
Capital outlay	500	20,000	(19,500)
Total departmental	247,877	420,663	(172,786)
Park, Cemetery, and Lake			
Personal services	36,362	39,400	(3,038)
Contractual services	12,560	7,600	4,960
Commodities	7,137	9,150	(2,013)
Total departmental	56,059	56,150	(91)
Pool			
Personal services	40,843	40,000	843
Contractual services	2,626	3,800	(1,174)
Commodities	32,534	39,500	(6,966)
Total departmental	76,003	83,300	(7,297)

CITY OF HERINGTON, KANSAS
Herington, Kansas

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
EXPENDITURES (continued)			
Municipal Court			
Personal services	$ 30,800	$ 30,000	$ 800
Contractual services	7,017	8,350	(1,333)
Commodities	256	2,100	(1,844)
Refunds and state assessments	3,936	6,000	(2,064)
Total departmental	42,009	46,450	(4,441)
Lakes			
Personal services	42,093	39,400	2,693
Contractual services	15,699	17,500	(1,801)
Commodities	37,069	25,250	11,819
Capital outlay	24,150	40,000	(15,850)
Other expense	3,250	3,000	250
Total departmental	122,261	125,150	(2,889)
Community Building			
Contractual services	29,976	38,800	(8,824)
Commodities	6,671	17,300	(10,629)
Capital outlay	3,000	3,000	-
Total departmental	39,647	59,100	(19,453)
Homestead Village			
Personal services	24,088	20,000	4,088
Contractual services	41,514	44,450	(2,936)
Commodities	7,201	40,200	(32,999)
Capital outlay	9,658	2,500	7,158
Total departmental	82,461	107,150	(24,689)
Hilltop			
Personal services	137,174	125,300	11,874
Contractual services	88,247	91,300	(3,053)
Commodities	35,015	55,850	(20,835)
Capital outlay	6,561	2,000	4,561
Total departmental	266,997	274,450	(7,453)
Special Projects			
Pool Remodel Fund	-	15,000	(15,000)
Lake Master Plan	-	15,000	(15,000)
Property Abatement Fund	7,951	15,000	(7,049)
Trail Head	-	5,000	(5,000)
Total departmental	7,951	50,000	(42,049)
TOTAL EXPENDITURES	2,322,777	2,600,423	(277,646)
Adjustment for qualifying budget credits	-	88,108	(88,108)
TOTALS FOR COMPARISON	2,322,777	$ 2,688,531	$ (365,754)
RECEIPTS OVER (UNDER) EXPENDITURES	(12,498)		
UNENCUMBERED CASH, BEGINNING	282,446		
UNENCUMBERED CASH, ENDING	$ 269,948		

CITY OF HERINGTON, KANSAS
Herington, Kansas

LIBRARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad valorem property tax	$ 60,812	$ 66,212	$ (5,400)
Delinquent tax collections	3,462	4,000	(538)
Motor vehicle tax	8,886	7,805	1,081
Recreational vehicle tax	196	150	46
16/20M truck tax	289	175	114
Commercial vehicle tax	-	276	(276)
Watercraft tax	-	36	(36)
Neighborhood revitalization rebate	-	(285)	285
TOTAL RECEIPTS	73,645	$ 78,369	$ (4,724)
EXPENDITURES			
Appropriations to library	72,398	$ 86,415	$ (14,017)
RECEIPTS OVER (UNDER) EXPENDITURES	1,247		
UNENCUMBERED CASH, BEGINNING	-		
UNENCUMBERED CASH, ENDING	$ 1,247		

CITY OF HERINGTON, KANSAS
Herington, Kansas

EMPLOYEE BENEFITS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad valorem property tax	$ 378,909	$ 412,661	$ (33,752)
Delinquent tax collections	15,532	20,000	(4,468)
Motor vehicle tax	34,447	27,013	7,434
Recreational vehicle tax	770	519	251
16/20M truck tax	1,573	606	967
Commercial vehicle tax	-	955	(955)
Watercraft tax	-	125	(125)
Neighborhood revitalization rebate	-	(2,140)	2,140
KMU dividend check	-	13,000	(13,000)
Miscellaneous	11,750	-	11,750
TOTAL RECEIPTS	442,981	$ 472,739	$ (29,758)
EXPENDITURES			
Health insurance	250,282	$ 205,000	$ 45,282
Social Security	80,511	72,000	8,511
Workers' compensation	19,124	24,000	(4,876)
KPERS	46,380	40,000	6,380
KP&F retirement	116,539	95,000	21,539
Unemployment insurance	1,711	10,000	(8,289)
Reserve for future period	-	30,000	(30,000)
TOTAL EXPENDITURES	514,547	$ 476,000	$ 38,547
RECEIPTS OVER (UNDER) EXPENDITURES	(71,566)		
UNENCUMBERED CASH, BEGINNING	99,850		
UNENCUMBERED CASH, ENDING	$ 28,284		

CITY OF HERINGTON, KANSAS
Herington, Kansas

SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
State of Kansas - fuel taxes	$ 57,053	$ 61,370	$ (4,317)
Voided warrants	23,000	-	23,000
TOTAL RECEIPTS	80,053	$ 61,370	$ 18,683
EXPENDITURES			
Contractual services	800	$ -	$ 800
Commodities	13,931	54,000	(40,069)
Street improvements	-	7,000	(7,000)
Reserve for future period	-	11,960	(11,960)
TOTAL EXPENDITURES	14,731	$ 72,960	$ (58,229)
RECEIPTS OVER (UNDER) EXPENDITURES	65,322		
UNENCUMBERED CASH, BEGINNING	11,041		
UNENCUMBERED CASH, ENDING	$ 76,363		

CITY OF HERINGTON, KANSAS
Herington, Kansas

PARK, RECREATION, AND IMPROVEMENTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Liquor enforcement tax	$ 7,187	$ 6,994	$ 193
Transfer from - General Fund	518	-	518
TOTAL RECEIPTS	7,705	$ 6,994	$ 711
EXPENDITURES			
Capital outlay	10,988	$ 2,500	$ 8,488
Reserve for future period	-	11,960	(11,960)
TOTAL EXPENDITURES	10,988	$ 14,460	$ (3,472)
RECEIPTS OVER (UNDER) EXPENDITURES	(3,283)		
UNENCUMBERED CASH, BEGINNING	3,283		
UNENCUMBERED CASH, ENDING	$ -		

CITY OF HERINGTON, KANSAS
Herington, Kansas

GUEST TAX FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Transient guest tax	$ 10,181	$ 17,000	$ (6,819)
EXPENDITURES			
Contractual services	22,250	$ 18,000	$ 4,250
Reserve for future period	-	18,719	(18,719)
TOTAL EXPENDITURES	22,250	$ 36,719	$ (14,469)
RECEIPTS OVER (UNDER) EXPENDITURES	(12,069)		
UNENCUMBERED CASH, BEGINNING	14,776		
UNENCUMBERED CASH, ENDING	$ 2,707		

CITY OF HERINGTON, KANSAS
Herington, Kansas

2006 SALES TAX FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local sales tax	$ 120,679	$ 40,000	$ 80,679
Compensating use tax	55,535	20,000	35,535
TOTAL RECEIPTS	176,214	$ 60,000	$ 116,214
EXPENDITURES			
Contractual services	17,765	$ -	$ 17,765
Transfer to - General Fund	200,000	200,000	-
Reserve for future period	-	77,456	(77,456)
TOTAL EXPENDITURES	217,765	$ 277,456	$ (59,691)
RECEIPTS OVER (UNDER) EXPENDITURES	(41,551)		
UNENCUMBERED CASH, BEGINNING	239,496		
UNENCUMBERED CASH, ENDING	$ 197,945		

CITY OF HERINGTON, KANSAS
Herington, Kansas

STORM WATER DRAINAGE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Storm water drainage fee	$ 46,427	$ 48,000	$ (1,573)
Delinquent collections	4,157	7,000	(2,843)
TOTAL RECEIPTS	50,584	$ 55,000	$ (4,416)
EXPENDITURES			
Personal services	35	$ 39,800	$ (39,765)
Lease payment - street sweeper	-	7,000	(7,000)
Drainage improvements	61,252	8,000	53,252
Reserve for future period	-	200	(200)
TOTAL EXPENDITURES	61,287	$ 55,000	$ 6,287
RECEIPTS OVER (UNDER) EXPENDITURES	(10,703)		
UNENCUMBERED CASH, BEGINNING	25,000		
UNENCUMBERED CASH, ENDING	$ 14,297		

CITY OF HERINGTON, KANSAS
Herington, Kansas

POLICE DIVERSION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Diversion fees	$ 2,175	$ 10,000	$ (7,825)
Opioid settlement payment	6,963	-	6,963
TOTAL RECEIPTS	9,138	$ 10,000	$ (862)
EXPENDITURES			
Training	-	$ 5,000	$ (5,000)
Supplies and equipment	-	5,000	(5,000)
TOTAL EXPENDITURES	-	$ 10,000	$ (10,000)
RECEIPTS OVER (UNDER) EXPENDITURES	9,138		
UNENCUMBERED CASH, BEGINNING	6,641		
UNENCUMBERED CASH, ENDING	$ 15,779		

CITY OF HERINGTON, KANSAS
Herington, Kansas

CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

Schedule 2
Page 12 of 21

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Transfer from - General Fund	$ 25,250	$ 49,940	$ (24,690)
Reimbursed expenses	827	-	827
Interest income	2,081	1,000	1,081
TOTAL RECEIPTS	28,158	$ 50,940	$ (22,782)
EXPENDITURES			
Capital improvements	39,806	$ 119,365	$ (79,559)
RECEIPTS OVER (UNDER) EXPENDITURES	(11,648)		
UNENCUMBERED CASH, BEGINNING	69,634		
UNENCUMBERED CASH, ENDING	$ 57,986		

CITY OF HERINGTON, KANSAS
Herington, Kansas

EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad valorem property tax	$ 6	$ -	$ 6
Delinquent tax collections	166	-	166
Motor vehicle tax	695	1,511	(816)
Recreational vehicle tax	29	29	-
16/20M truck tax	732	34	698
Commercial vehicle tax	-	53	(53)
Watercraft tax	-	7	(7)
Neighborhood revitalization rebate	-	-	-
Interest	3,608	800	2,808
Miscellaneous	50,000	-	50,000
Transfer from - General Fund	25,000	25,000	-
TOTAL RECEIPTS	80,236	$ 27,434	$ 52,802
EXPENDITURES			
Capital outlay	64,000	$ -	$ 64,000
Reserve for future period	-	124,836	(124,836)
TOTAL EXPENDITURES	64,000	$ 124,836	$ (60,836)
RECEIPTS OVER (UNDER) EXPENDITURES	16,236		
UNENCUMBERED CASH, BEGINNING	77,395		
UNENCUMBERED CASH, ENDING	$ 93,631		

CITY OF HERINGTON, KANSAS
Herington, Kansas

BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad valorem property tax	$ 52,681	$ 57,356	$ (4,675)
Delinquent tax collections	3,123	4,000	(877)
Motor vehicle tax	7,257	6,043	1,214
Recreational vehicle tax	161	116	45
16/20M truck tax	282	135	147
Commercial vehicle tax	-	214	(214)
Watercraft tax	-	28	(28)
Neighborhood revitalization rebate	-	(273)	273
Transfer from - General Fund	9,546	-	9,546
Transfer from - Light Fund	111,000	111,000	-
TOTAL RECEIPTS	184,050	$ 178,619	$ 5,431
EXPENDITURES			
Bonds			
Principal	170,000	$ 104,340	$ 65,660
Interest	15,140	80,800	(65,660)
TOTAL EXPENDITURES	185,140	$ 185,140	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	(1,090)		
UNENCUMBERED CASH, BEGINNING	1,090		
UNENCUMBERED CASH, ENDING	$ -		

CITY OF HERINGTON, KANSAS
Herington, Kansas

AIRPORT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Rental income	$ 154,354	$ 110,000	$ 44,354
Reimbursed expenses	17,829	50,000	(32,171)
Grant income	106,458	-	106,458
Interest income	9,443	3,500	5,943
TOTAL RECEIPTS	288,084	$ 163,500	$ 124,584
EXPENDITURES			
Personal services	16,375	$ 15,000	$ 1,375
Contractual services	170,993	124,750	46,243
Commodities	37,581	73,500	(35,919)
Sales tax	1,392	-	1,392
Reserve for future period	10,808	84,503	(73,695)
TOTAL EXPENDITURES	237,149	$ 297,753	$ (60,604)
RECEIPTS OVER (UNDER) EXPENDITURES	50,935		
UNENCUMBERED CASH, BEGINNING	253,301		
UNENCUMBERED CASH, ENDING	$ 304,236		

CITY OF HERINGTON, KANSAS
Herington, Kansas

WATER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Charges for service	$ 827,300	$ 888,000	$ (60,700)
Other charges	32,355	6,000	26,355
Loan proceeds - Kansas Public Water Supply Loan	4,115,625	-	4,115,625
Reimbursed expenses	872	5,000	(4,128)
Miscellaneous	1,895	5,000	(3,105)
TOTAL RECEIPTS	4,978,047	$ 904,000	$ 4,074,047
EXPENDITURES			
Production			
Personal services	135,047	$ 116,000	$ 19,047
Contractual services	51,874	28,600	23,274
Commodities	222,356	182,800	39,556
Capital outlay	56,300	25,000	31,300
Total Production	465,577	352,400	113,177
Transmission and Distribution			
Personal services	131,456	190,500	(59,044)
Contractual services	11,090	23,100	(12,010)
Commodities	119,623	172,150	(52,527)
Capital outlay	62,941	190,400	(127,459)
Total Transmission and Distribution	325,110	576,150	(251,040)
General and Administrative			
Personal services	33,265	26,000	7,265
Contractual services	21,642	34,500	(12,858)
Commodities	66	4,800	(4,734)
Total General and Administrative	54,973	65,300	(10,327)
Other			
Water treatment plant	3,940,046	-	3,940,046
Sales tax	15,437	17,000	(1,563)
Payroll expense	4,957	10,000	(5,043)
Water protection fee	4,988	5,000	(12)
KPWS Loan payment	139,295	86,746	52,549
USDA Loan	-	180,000	(180,000)
Reserve for future period	-	106,243	(106,243)
Total Other	4,104,723	404,989	3,699,734
TOTAL EXPENDITURES	4,950,383	1,398,839	3,551,544
Adjustment for qualifying budget credits	-	4,115,625	(4,115,625)
TOTALS FOR COMPARISON	4,950,383	$ 5,514,464	$ (564,081)
RECEIPTS OVER (UNDER) EXPENDITURES	27,664		
UNENCUMBERED CASH, BEGINNING	372,949		
UNENCUMBERED CASH, ENDING	$ 400,613		

CITY OF HERINGTON, KANSAS
Herington, Kansas

LIGHT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

Schedule 2
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	Actual	Budget	Variance Over (Under)
RECEIPTS			
Charges for service	$ 2,723,564	$ 3,100,000	$ (376,436)
Other charges	182,924	100,000	82,924
Franchises, licenses, and permits	21,559	25,000	(3,441)
Reimbursed expenses	17,682	15,000	2,682
Miscellaneous	11,737	15,000	(3,263)
TOTAL RECEIPTS	2,957,466	$ 3,255,000	$ (297,534)
EXPENDITURES			
Production			
Personal services	27,893	$ 20,194	$ 7,699
Contractual services	1,106,816	1,480,936	(374,120)
Commodities	8,162	26,556	(18,394)
Capital outlay	257,946	345,400	(87,454)
Total Production	1,400,817	1,873,086	(472,269)
Transmission and Distribution			
Personal services	277,071	346,280	(69,209)
Contractual services	21,101	73,765	(52,664)
Commodities	178,266	288,137	(109,871)
Capital outlay	-	117,000	(117,000)
Sales tax payable	16,885	26,965	(10,080)
Other expenses	251	17,250	(16,999)
Total Transmission and Distribution	493,574	869,397	(375,823)
General and Administrative			
Personal services	482,945	453,000	29,945
Contractual services	134,707	107,500	27,207
Commodities	11,211	15,500	(4,289)
Other expenses	10,739	16,500	(5,761)
Total General and Administrative	639,602	592,500	47,102
Other			
Payroll expenses	12,232	19,200	(6,968)
Sales tax	89,237	115,000	(25,763)
Transfer to:			
General Fund	280,000	150,000	130,000
Bond and Interest Fund	111,000	111,000	-
Employee Benefit Fund	-	-	-
Reserve for future period	-	1,048,182	(1,048,182)
Total Other	492,469	1,443,382	(950,913)
TOTAL EXPENDITURES	3,026,462	$ 4,778,365	$ (1,751,903)
RECEIPTS OVER (UNDER) EXPENDITURES	(68,996)		
UNENCUMBERED CASH, BEGINNING	2,180,130		
UNENCUMBERED CASH, ENDING	$ 2,111,134		

CITY OF HERINGTON, KANSAS
Herington, Kansas

SEWER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Charges for service	$ 270,892	$ 291,000	$ (20,108)
Miscellaneous	1,847	5,000	(3,153)
Transfer from - General Fund	130,000	-	130,000
TOTAL RECEIPTS	402,739	$ 296,000	$ 106,739
EXPENDITURES			
Operations			
Personal services	173,194	$ 114,500	$ 58,694
Contractual services	39,765	39,275	490
Commodities	49,318	64,280	(14,962)
Capital outlay	97,333	78,000	19,333
KWPCR Loan payments	86,020	93,600	(7,580)
Transfer to - Equipment Reserve	-	-	-
Reserve for future period	-	-	-
TOTAL EXPENDITURES	445,630	$ 389,655	$ 55,975
RECEIPTS OVER (UNDER) EXPENDITURES	(42,891)		
UNENCUMBERED CASH, BEGINNING	43,652		
UNENCUMBERED CASH, ENDING	$ 761		

CITY OF HERINGTON, KANSAS
Herington, Kansas

SOLID WASTE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2024

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Charges for service	$ 243,629	$ 240,000	$ 3,629
EXPENDITURES			
Operations			
Contractual services	245,346	$ 230,000	$ 15,346
Reserve for future period	-	48,206	(48,206)
TOTAL EXPENDITURES	245,346	$ 278,206	$ (32,860)
RECEIPTS OVER (UNDER) EXPENDITURES	(1,717)		
UNENCUMBERED CASH, BEGINNING	17,338		
UNENCUMBERED CASH, ENDING	$ 15,621		

CITY OF HERINGTON, KANSAS
Herington, Kansas

CEMETERY PERPETUAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL)
For Year Ended December 31, 2024

RECEIPTS		
Receipts for perpetual care	$	2,222
Sale of cemetery lots		300
Interest income		100
TOTAL RECEIPTS		2,622
EXPENDITURES		
Maintenance		-
RECEIPTS OVER (UNDER) EXPENDITURES		2,622
UNENCUMBERED CASH, BEGINNING		152,994
UNENCUMBERED CASH, ENDING	$	155,616

CITY OF HERINGTON, KANSAS
Herington, Kansas

SPECIAL PURPOSE NONBUDGETED FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL)
For Year Ended December 31, 2024

	Donations	Hilltop Deposits	UPTICC Grant	American Rescue Plan	Fire Insurance Premiums
RECEIPTS					
Interest	$ -	$ 898	$ -	$ -	$ -
Insurance proceeds	-	-	-	-	11,565
Transfer from - General Fund	-	-	15,000	-	-
TOTAL RECEIPTS	-	898	15,000	-	11,565
EXPENDITURES					
Contractual services	15,146	-	-	151,293	-
Insurance refunds	-	-	-	-	6,885
Incentive grants	-	-	15,000	-	-
TOTAL EXPENDITURES	15,146	-	15,000	151,293	6,885
RECEIPTS OVER (UNDER) EXPENDITURES	(15,146)	898	-	(151,293)	4,680
UNENCUMBERED CASH, BEGINNING	15,146	2,336	-	151,293	-
UNENCUMBERED CASH, ENDING	$ -	$ 3,234	$ -	$ -	$ 4,680

CITY OF HERINGTON, KANSAS
Herington, Kansas

HERINGTON PUBLIC LIBRARY - RELATED MUNICIPAL ENTITY
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL)
For Year Ended December 31, 2024

	Operations	Capital Improvement	Total
RECEIPTS			
Appropriations	$ 72,398	$ -	$ 72,398
Contributions and support	1,610	-	1,610
NCKL	3,657	-	3,657
State aid	-	-	-
Miscellaneous	1,701	-	1,701
Interest	3,148	35	3,183
TOTAL RECEIPTS	82,514	35	82,549
EXPENDITURES			
Audio visual material	-	-	-
Books	308	-	308
Contract expense	2,982	-	2,982
Capital outlay	8,984	-	8,984
Insurance	8,183	-	8,183
Magazines and newspapers	194	-	194
Maintenance	1,015	-	1,015
Office expense	1,008	-	1,008
Programs			
Adult	-	-	-
Children	100	-	100
Summer reading	189	-	189
Payroll			
Expense	54,635	-	54,635
Taxes	18,040	-	18,040
Utilities	1,982	-	1,982
Miscellaneous	3,035	-	3,035
TOTAL EXPENDITURES	100,655	-	100,655
RECEIPTS OVER (UNDER) EXPENDITURES	(18,141)	35	(18,106)
UNENCUMBERED CASH, BEGINNING	191,935	23,041	214,976
UNENCUMBERED CASH, ENDING	$ 173,794	$ 23,076	$ 196,870

CITY OF HERINGTON, KANSAS
Herington, Kansas

HERINGTON LAND BANK - RELATED MUNICIPAL ENTITY
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL)
For Year Ended December 31, 2024

RECEIPTS	
Land sales	$ 9,870
EXPENDITURES	
Contractual services	-
Return of funds to the City of Herington	-
TOTAL EXPENDITURES	-
RECEIPTS OVER (UNDER) EXPENDITURES	9,870
UNENCUMBERED CASH, BEGINNING	-
UNENCUMBERED CASH, ENDING	$ 9,870