CITY OF HANOVER
HANOVER, KANSAS

FINANCIAL STATEMENT
DECEMBER 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council of the
City of Hanover, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Hanover, Kansas (the City), as of and for the year ended December 31, 2023, and the related notes to the financial statement.

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.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the financial statements referred to above do not present fairly, in accordance 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 net position, or cash flows thereof for the year then ended.

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 Statements

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.

Auditor's Responsibilities for the Audit of the Financial Statements

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, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

James Gordon & Associates CPA, P.A.

James Gordon & Associates CPA, P.A.
Manhattan, Kansas
October 18, 2024

JGA ACCOUNTANTS ADVISORS

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

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances And Accounts Payable	Ending Cash Balance
General Fund:						
General	$ 179,730	$ 836,638	$ 407,816	$ 608,552	$ 4,852	$ 613,404
Special Purpose Fund:						
Library	1,144	27,232	27,948	428	-	428
Noxious Weed	4,828	4,103	3,368	5,563	-	5,563
Employee Benefit	36,907	113,443	89,321	61,029	-	61,029
Special Highway	50,751	18,564	-	69,315	-	69,315
Special Parks and Recreation	(4,580)	-	-	(4,580)	-	(4,580)
Equipment Reserve	175,200	29,853	34,474	170,579	-	170,579
Business Fund:						
Water and Sewer Utility	259,478	473,671	371,494	361,655	-	361,655
Total	$ 703,458	$ 1,503,504	$ 934,421	$ 1,272,541	$ 4,852	$ 1,277,393

Composition of Cash:	
Checking Accounts	$ 772,196
Certificates of Deposit	505,197
Total Reporting Entity	$ 1,277,393

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

CITY OF HANOVER, KANSAS

Notes to the Financial Statement
December 31, 2023

Note 1 – Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Hanover, Kansas, (the City), is a municipal corporation governed by an elected five-member council plus a mayor. This regulatory financial statement presents the City of Hanover, Kansas, the primary government. A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments and offices that are not legally separate. Such legally separate entities are referred to as component units. The primary government financial statement referred to above does not include the component units of the City.

Regulatory Basis Fund Types

The accounts of the City are organized and operated on the basis of funds. 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 out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

The following types of funds were utilized in recording the financial activities of the City for the year 2023:

Regulatory Basis fund types

General 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 revenue sources, other than major capital projects, that are restricted by law or administrative action to expenditures for specified purposes.

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

Note 1 – Summary of Significant Accounting Policies (continued)

Basis of Accounting

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

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

Reimbursed Expenditures

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 accounting.

Note 2 – Stewardship, Compliance and Accountability

Cash Violation

K.S.A. 10-1113 requires that expenditures be made in compliance with the cash basis law which requires that no indebtedness be created for a fund in excess of available monies in that fund. At December 31, 2023, the Special Park and Recreation Fund had an ending unencumbered cash balance of ($4,580).

Note 3 – 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 1st.
2. Publication in a local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

If the City holds 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 not 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 a 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 amendments to the 2023 budget.

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 municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

Note 3 – Budgetary Information (continued)

A legal operating budget is not required for capital project funds and trust funds.

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 4 – Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds to have a main or branch bank in the county in which the Municipality is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City 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 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 has not designated "peak periods". All deposits were legally secured at December 31, 2023.

Note 4 – Deposits and Investments (continued)

At December 31, 2023, the carrying amount of the City's deposits including certificates of deposit was $1,277,393 and the bank balance was $1,299,841. The bank balance was held at one bank resulting in a concentration of credit risk. The difference between the carrying amount and the bank balance is outstanding checks. Of the bank balance, $250,000 was covered by FDIC insurance and the remainder was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name. The third-party bank holding the pledged securities is independent of the pledging bank. The pledged securities are held under a tri-party custodial agreement signed by all three parties; the City, the pledging bank, and the independent third-party bank holding the pledged securities.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments during 2023.

Note 5 – Property Taxes

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar-year basis and are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half of the full amounts of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes levied and collected in the year prior to January 1st of the ensuing year.

Note 6 – Interfund Transactions

The following operating transfers have been authorized for the year ended December 31, 2023:

From	To	Amount	Regulatory Authority
General	Equipment Reserve	$ 29,853	KSA 12-1, 117
Water & Sewer Utility	Employee Benefit	22,400	KSA 12-825d

CITY OF HANOVER, KANSAS

Notes to the Financial Statement
December 31, 2023

Note 7 – Long-Term Debt

The City has issued Series 2021 General Obligation Bonds in the amount of $2,797,000, for the purpose of retiring the Series 2021 Temporary Note and financing the Public Water Supply System Improvements project.

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 and Service Fee Paid
City of Hanover									
General Obligation Bonds									
Series 2021	1.75%	10/28/2021	$ 2,797,000	10/28/2061	$ 2,748,107	$ -	$ 49,748	$ 2,698,359	$ 48,092
					$ 2,748,107	$ -	$ 49,748	$ 2,698,359	$ 48,092

Note 7 – Long-Term Debt (continued)

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

	2024	2025	2026	2027	2028	2029-2033	2034-2038	2039-2043	2044-2048	2049-2053	2054-2058	2059-2063	Total
Principal													
General Obligation Bonds	$ 50,489	$ 51,502	$ 52,404	$ 53,321	$ 54,134	$ 285,726	$ 311,627	$ 339,877	$ 370,630	$ 404,306	$ 440,959	$ 283,384	$2,698,359
Total Principal	50,489	51,502	52,404	53,321	54,134	285,726	311,627	339,877	370,630	404,306	440,959	283,384	2,698,359
Interest													
General Obligation Bonds	47,351	46,338	45,436	44,519	43,706	203,474	177,573	149,323	118,570	84,894	48,241	9,982	1,019,407
Total Interest	47,351	46,338	45,436	44,519	43,706	203,474	177,573	149,323	118,570	84,894	48,241	9,982	1,019,407
Total Principal & Interest	$ 97,840	$ 97,840	$ 97,840	$ 97,840	$ 97,840	$ 489,200	$ 489,200	$ 489,200	$ 489,200	$ 489,200	$ 489,200	$ 293,366	$3,717,766

Note 8 – Other Long-Term Obligations from Operations

Compensated Absences

Expenses for accumulated paid leave earned by the employees are recorded when paid or taken by the employees. Only full-time employees, defined as employees who work at least 1,000 hours per year, shall be entitled to benefits of leave accumulation, holidays, insurance programs, and other similar benefits. No benefits are available or can be accrued by a part-time or seasonal employee. Each City employee shall receive 160 hours of paid regular leave per year after the first full calendar year of service, accumulation up to and not more than 240 hours. After seven years of employment shall be allowed to accumulate up to 360 hours of paid leave. Upon request of an employee, the Governing Body may choose to pay an employee for accumulated paid leave in excess of the stated maximums at the end of any calendar year. Upon termination, no leave shall be paid unless approved by the City Council.

Note 9– Defined Benefit Pension Plan

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

Note 9 – Defined Benefit Pension Plan (continued)

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 employer contribution rates. The actuarially determined employer contribution rate (not including the 1% 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 $12,115 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 $115,909. 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 nonemployer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize the long-term debt, this liability is not reported in these financial statements.

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

Note 10 – Other Long – Term Obligations from Operations

Other Post-Employment Benefits
As provided by K.S.A. 12-5040, the local government 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 of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Note 11 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have been no decreases in insurance coverage from the prior year.

Note 12 – Evaluation of Subsequent Events

The City has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditor's report which is the date the financial statement was available for issue.

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

CITY OF HANOVER, KANSAS

Summary of Expenditures – Actual and Budget
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2023

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget	Expenditures Chargeable to Current Year	Variance Over (Under)
General Fund:					
General	$ 633,173	$ -	$ 633,173	$ 407,816	$ (225,357)
Special Purpose Fund:					
Library	28,500	-	28,500	27,948	(552)
Noxious Weed	7,664	-	7,664	3,368	(4,296)
Employee Benefit	117,485	-	117,485	89,321	(28,164)
Special Highway	40,021	-	40,021	-	(40,021)
Special Parks and Recreation	1,450	-	1,450	-	(1,450)
Equipment Reserve*	211,026	-	211,026	34,474	(176,552)
Business Fund:					
Water and Sewer Utility	739,797	-	739,797	371,494	(368,303)

* This fund is not required to have a legal operating budget

See independent auditor's report on regulatory-required supplementary information.

CITY OF HANOVER, KANSAS

General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem Tax	$ 299,634	$ 302,930	$ (3,296)
Delinquent Tax	482	-	482
Motor Vehicle Tax	34,367	32,435	1,932
Recreational Vehicle Tax	637	533	104
16/20M Vehicle Tax	741	843	(102)
Commercial Vehicle Tax	2,813	2,463	350
Watercraft Tax	85	121	(36)
Intangible Tax	2,045	2,045	-
Local Alcohol Liquor	2,626	459	2,167
Compensating Use Tax	41,114	21,260	19,854
Local Sales Tax	345,101	40,670	304,431
Franchise Tax	53,523	44,700	8,823
Licenses	2,173	1,100	1,073
Charges for Services-Pool	12,974	5,400	7,574
Supplies sold, Refunds, Reimbursments	1,963	1,500	463
Grants	5,654	-	5,654
Rental Income	15,267	-	15,267
Interest Income	10,426	900	9,526
Neighborhood Revitalization	(687)	(687)	-
Other Receipts	5,700	-	5,700
Total Receipts	836,638	$ 456,672	$ 379,966

See independent auditor's report on regulatory-required supplementary information.

CITY OF HANOVER, KANSAS

General Fund (Continued)
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
Expenditures			
Administration			
Personnel Services	$ 52,447	$ 29,000	$ 23,447
Contractual Services	27,723	28,000	(277)
Commodities	21,107	35,000	(13,893)
Total General	101,277	92,000	9,277
Police			
Contractual Services	5,484	6,000	(516)
Total Police	5,484	6,000	(516)
Street			
Personnel Services	65,323	54,650	10,673
Contractual Services	24,150	41,460	(17,310)
Commodities	77,985	151,000	(73,015)
Total Street	167,458	247,110	(79,652)
Park			
Personnel Services	31,948	36,200	(4,252)
Contractual Services	5,090	10,400	(5,310)
Commodities	17,812	20,490	(2,678)
Total Park	54,850	67,090	(12,240)
Fire			
Personnel Services	1,015	1,480	(465)
Contractual Services	6,164	9,400	(3,236)
Commodities	8,804	12,000	(3,196)
Capital Outlay	10,162	8,000	2,162
Total Fire	26,145	30,880	(4,735)
Community Building			
Contractual Services	11,208	-	11,208
Commodities	10,388	-	10,388
Total Community Building	21,596	-	21,596

CITY OF HANOVER, KANSAS

General Fund (Continued)
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Over (Under)
Other			
Emergency Medical Service	$ -	$ 10,000	$ (10,000)
Senior Citizen Center	-	20,000	(20,000)
Hanover Chamber of Commerce	-	10,000	(10,000)
Intrest Payments	601	-	601
Appropiations	552	-	552
Transfers Out	29,853	29,853	-
Cash Forward	-	80,000	(80,000)
Grant Program-Capital Projects	-	40,240	(40,240)
Total Other	31,006	190,093	(159,087)
Total Expenditures	407,816	$ 633,173	$ (225,357)
Excess (Deficit) Revenues Over Expenditures	428,822		
Unencumbered Cash, Beginning	179,730		
Unencumbered Cash, Ending	$ 608,552		

See independent auditor's report on regulatory-required supplementary information.

CITY OF HANOVER, KANSAS

Library Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem Tax	$ 24,553	$ 24,825	$ (272)
Delinquent Tax	37	-	37
Motor Vehicle Tax	2,400	2,174	226
Recreational Vehicle Tax	43	36	7
16/20M Vehicle Tax	60	56	4
Commercial Vehicle Tax	189	165	24
Watercraft Tax	6	8	(2)
Neighborhood Revitalization Rebate	(56)	(56)	-
Total Receipts	27,232	$ 27,208	$ 24
Expenditures			
Appropriation-Library Board	27,948	$ 28,500	$ (552)
Total Expenditures	27,948	$ 28,500	$ (552)
Excess (Deficit) Revenues Over Expenditures	(716)		
Unencumbered Cash, Beginning	1,144		
Unencumbered Cash, Ending	$ 428		

See independent auditor's report on regulatory-required supplementary information.

CITY OF HANOVER, KANSAS

Noxious Weed Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem Tax	$ 3,690	$ 3,732	$ (42)
Delinquent Tax	5	-	5
Motor Vehicle Tax	369	342	27
Recreational Vehicle Tax	7	6	1
16/20M Vehicle Tax	9	9	-
Commercial Vehicle Tax	30	26	4
Watercraft Tax	1	1	-
Neighborhood Revitalization Rebate	(8)	(8)	-
Total Receipts	4,103	$ 4,108	$ (5)
Expenditures			
Personal Services	1,020	$ -	$ 1,020
Commodities	2,348	7,664	(5,316)
Total Expenditures	3,368	$ 7,664	$ (4,296)
Excess (Deficit) Revenues Over Expenditures	735		
Unencumbered Cash, Beginning	4,828		
Unencumbered Cash, Ending	$ 5,563		

See independent auditor's report on regulatory-required supplementary information.

CITY OF HANOVER, KANSAS

Employee Benefit Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
Receipts			
Ad Valorem Tax	$ 49,868	$ 50,414	$ (546)
Delinquent Tax	49	-	49
Motor Vehicle Tax	3,923	3,931	(8)
Recreational Vehicle Tax	75	65	10
16/20M Vehicle Tax	64	102	(38)
Commercial Vehicle Tax	340	299	41
Watercraft Tax	10	15	(5)
Reimbursement	805	-	805
Withholdings	36,023	29,900	6,123
Transfer from Water & Sewer Fund	22,400	22,400	-
Neighborhood Revitalization Rebate	(114)	(114)	-
Total Receipts	113,443	$ 107,012	$ 6,431
Expenditures			
Health Insurance, Medical, Benefits	49,858	$ 58,617	$ (8,759)
Contributions-Payroll Taxes	34,348	37,984	(3,636)
Contributions-Retirement	115	20,760	(20,645)
Employee Reimbursement	5,000	-	5,000
Unemployment Contributions	-	124	(124)
Total Expenditures	89,321	$ 117,485	$ (28,164)
Excess (Deficit) Revenues Over Expenditures	24,122		
Unencumbered Cash, Beginning	36,907		
Unencumbered Cash, Ending	$ 61,029		

See independent auditor's report on regulatory-required supplementary information.

CITY OF HANOVER, KANSAS

Special Highway Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
Receipts			
State of Kansas Gas Tax	$ 18,564	$ 18,020	$ 544
Total Receipts	18,564	$ 18,020	$ 544
Expenditures			
Commodities	-	$ 40,021	$ (40,021)
Total Expenditures	-	$ 40,021	$ (40,021)
Excess (Deficit) Revenues Over Expenditures	18,564		
Unencumbered Cash, Beginning	50,751		
Unencumbered Cash, Ending	$ 69,315		

See independent auditor's report on regulatory-required supplementary information.

CITY OF HANOVER, KANSAS

Special Parks and Recreation Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
Receipts			
Sales Tax	$ -	$ 459	$ (459)
Total Receipts	-	$ 459	$ (459)
Expenditures			
Commodities	-	$ 1,450	$ (1,450)
Total Expenditures	-	$ 1,450	$ (1,450)
Excess (Deficit) Revenues Over Expenditures	-		
Unencumbered Cash, Beginning	(4,580)		
Unencumbered Cash, Ending	$ (4,580)		

See independent auditor's report on regulatory-required supplementary information.

CITY OF HANOVER, KANSAS

Equipment Reserve Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
Receipts			
Transfer from General Fund	$ 29,853	$ 26,861	$ 2,992
Total Receipts	29,853	$ 26,861	$ 2,992
Expenditures			
Commodities	469	$ -	$ 469
Capital Outlay	34,005	211,026	(177,021)
Total Expenditures	34,474	$ 211,026	$ (176,552)
Excess (Deficit) Revenues Over Expenditures	(4,621)		
Unencumbered Cash, Beginning	175,200		
Unencumbered Cash, Ending	$ 170,579		

See independent auditor's report on regulatory-required supplementary information.

CITY OF HANOVER, KANSAS

Water and Sewer Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
Receipts			
Sales/Charge	$ 473,571	$ 352,084	$ 121,487
Water Project-Grant Proceeds	-	250,000	(250,000)
Miscellaneous	100	-	100
Total Receipts	473,671	$ 602,084	$ (128,413)
Expenditures			
Personnel Services	13,430	$ 51,718	$ (38,288)
Contractual Services	28,706	20,139	8,567
Contractual Services-Water purchases	75,004	98,644	(23,640)
Interest Expense	48,092	-	48,092
Employee Reimbursements	392	-	392
Contractual Services-Trash Disposal	72,747	68,795	3,952
Commodities	58,875	68,101	(9,226)
Capital Outlay	-	160,000	(160,000)
Principal	49,748	-	49,748
Water Project-System Improvements	2,100	250,000	(247,900)
Transfers Out	22,400	22,400	-
Total Expenditures	371,494	$ 739,797	$ (368,303)
Excess (Deficit) Revenues Over Expenditures	102,177		
Unencumbered Cash, Beginning	259,478		
Unencumbered Cash, Ending	$ 361,655		

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