CITY OF HERINGTON, KANSAS

DECEMBER 31, 2023

LINDBURG
VOGEL PIERCE FARIS
Chartered

CITY OF HERINGTON, KANSAS

TABLE OF CONTENTS
December 31, 2023

INDEPENDENT AUDITORS' REPORT 1-3

FINANCIAL STATEMENT
Summary Statement of Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis 4-5

NOTES TO THE FINANCIAL STATEMENT 6-14

SCHEDULE 1
Summary of Expenditures - Regulatory Basis (Actual and Budget) 15

SCHEDULE 2
Schedule of Receipts and Expenditures - Regulatory Basis (Actual and Budget)
General Fund 16-18

Special Purpose Funds
Library 19
Employee Benefits 20
Special Highway 21
Park, Recreation, and Improvements 22
Guest Tax 23
2010 Sales Tax 24
2006 Sales Tax 25
Storm Water Drainage 26
Police Diversion 27
Capital Improvement 28
Equipment Reserve 29

Bond and Interest Fund
Bond and Interest 30

Business Funds
Airport 31
Water 32
Light 33
Sewer 34
Solid Waste 35

Schedule of Receipts and Expenditures - Regulatory Basis (Actual)
Trust Fund
Cemetery Perpetual 36

Special Purpose Nonbudgeted Funds 37

SCHEDULE 3
Schedule of Receipts and Expenditures - Regulatory Basis (Actual)
Related Municipal Entity
Herington Public Library 38

LINDBURG
VOGEL PIERCE FARIS
Chartered

Guy A. Scofield, CPA
Kenneth D. Hamby, CPA
Michael R. Meisenheimer, CPA
Nick L. Mueting, CPA
Billy J. Klug, CPA
Randall R. Hofmeier, CPA
Brent L. Knoche, CPA
Brian W. Mapel, CPA
Jeffrey D. Reece, CPA
Brady H. Byrnes, CPA
Alex P. Larson, CPA
Kayleen E. Million, CPA

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, 2023, and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse and Unmodified Opinions 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, 2023, 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, 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—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
August 16, 2024

CITY OF HERINGTON, KANSAS
Herington, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH - REGULATORY BASIS
For Year Ended December 31, 2023

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUND	$ 207,123	$ 2,758,226	$ 2,682,903	$ 282,446	$ 105,000	$ 387,446
SPECIAL PURPOSE FUNDS						
Library	-	83,342	83,342	-	-	-
Employee Benefits	43,818	490,311	434,279	99,850	-	99,850
Special Highway	20,954	56,924	66,837	11,041	40,000	51,041
Park, Recreation, and Improvements	362	4,670	1,749	3,283	-	3,283
Guest Tax	19,719	11,199	16,142	14,776	-	14,776
2010 Sales Tax	138,363	-	138,363	-	-	-
2006 Sales Tax	267,456	172,040	200,000	239,496	-	239,496
Storm Water Drainage	(18,604)	106,326	62,722	25,000	-	25,000
Police Diversion	-	7,753	1,112	6,641	-	6,641
Capital Improvement	52,425	17,209	-	69,634	-	69,634
Equipment Reserve	95,730	16,972	35,307	77,395	-	77,395
Donations	40,774	-	25,628	15,146	-	15,146
Hilltop Deposits	1,429	907	-	2,336	23,823	26,159
UPTICC Grant	-	25,000	25,000	-	-	-
American Rescue Plan	280,067	-	128,774	151,293	-	151,293
BOND AND INTEREST FUND						
Bond and Interest	8,213	177,767	184,890	1,090	-	1,090
TRUST FUND						
Cemetery Perpetual	151,091	3,677	1,774	152,994	-	152,994
BUSINESS FUNDS						
Airport	(18,897)	440,711	168,513	253,301	-	253,301
Water	466,035	1,081,594	1,174,680	372,949	39,000	411,949
Light	1,832,017	3,052,820	2,704,707	2,180,130	-	2,180,130
Sewer	181,211	262,081	399,640	43,652	-	43,652
Solid Waste	18,206	244,396	245,264	17,338	-	17,338
TOTAL PRIMARY GOVERNMENT	3,787,492	9,013,925	8,781,626	4,019,791	207,823	4,227,614
RELATED MUNICIPAL ENTITIES						
Herington Public Library	202,244	109,495	96,763	214,976	-	214,976
TOTAL REPORTING ENTITIES	$ 3,989,736	$ 9,123,420	$ 8,878,389	$ 4,234,767	$ 207,823	$ 4,442,590

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, 2023

COMPOSITION OF CASH		
Checking accounts		
Central National Bank	$	3,374,572
Certificates of deposit and savings accounts		
Central National Bank		543,975
First National Bank of Hope		300,000
Cash and cash items		9,067
Related municipal entity		
Herington Public Library		214,976
TOTAL REPORTING ENTITIES	$	4,442,590

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, 2023

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.

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 2023:

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, 2023, was $138,075. 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 held a revenue neutral rate hearing as a part of the process for adoption of the 2023 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, 2023.

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
Library	$ 3,267
Employee Benefits	9,279
2010 Sales Tax	138,363
Storm Water Drainage Fund	11,722
Equipment Reserve	19,071

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 $4,218,547. The bank balance was $4,510,979. 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 $3,760,979 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 $214,976 and the bank balance was $217,486. 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, 2023, 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
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
KPWSLF no. 2927	2.14%	11/06/17	02-01,08-01	02-01,08-01	4,902,325	08/01/24

In January 2018, the City approved financing for construction of a water treatment facility through the Kansas Department of Health and Environment's Kansas Public Water Supply Loan Fund (loan no. 2927). The total financing available for this project with amendments, is $5,000,000, with an interest rate of 2.14% and potential loan forgiveness of $1,022,700 one year after completion of the project if certain conditions are met. The project was completed during the year and at December 31, 2023, the total drawdowns received, less principal repayments, were $4,901,769.

In November 2020, the City approved financing for construction of a wastewater treatment facility through the Kansas Department of Health and Environment's Kansas Water Pollution Control Revolving Loan Fund (loan no. C20 2040 01). The total financing available for this project is $946,000, with an interest rate of 1.34%. The project was completed during the year and at December 31, 2023, the total drawdowns received, less principal repayments, were $637,235.

Changes in long-term debt for the City for the year ended December 31, 2023, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
Series 2014	$ 305,000	$ -	$ 100,000	$ 205,000	$ 7,140
Series 2017	425,000	-	65,000	360,000	12,750
Finance leases					
Excavator	7,987	-	7,987	-	260
WatchGuard camera system	13,735	-	13,735	-	501
Street sweeper	84,498	-	26,930	57,568	3,820
Fire equipment	220,399	-	22,961	197,438	7,040
Command unit and compressor station	110,000	-	8,933	101,067	4,998
Other debt					
KWPCRF no. C20 1203-01	95,207	-	37,282	57,925	2,432
KWPCRF no. C20 2040-01	682,321	-	45,086	637,235	8,993
KPWSLF no. 2357	319,930	-	75,662	244,268	11,084
KPWSLF no. 2927	4,692,912	209,057	200	4,901,769	101,142
Total bonded indebtedness	$ 6,956,989	$ 209,057	$ 403,776	$ 6,762,270	$ 160,160

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
2024	$ 170,000	$ 61,181	$ 5,056,505
2025	175,000	63,634	131,571
2026	70,000	35,439	115,425
2027	75,000	36,709	31,433
2028	75,000	38,025	31,855
2029-2033	-	121,085	165,818
2034-2038	-	-	177,268
2038-2042	-	-	131,322
	$ 565,000	$ 356,073	$ 5,841,197

	Interest		
	General Obligation Bonds	Finance Leases	Other Debt
2024	$ 15,140	$ 13,501	$ 123,969
2025	10,170	11,047	13,565
2026	6,600	8,493	9,854
2027	4,500	7,223	7,100
2028	2,250	5,907	6,678
2029-2033	-	10,391	26,847
2034-2038	-	-	15,396
2039-2042	-	-	3,543
	$ 38,660	$ 56,562	$ 206,952

NOTE 5—TRANSFERS

Interfund transfers for the year ended December 31, 2023, were as follows:

Amount	From Fund	To Fund	Statutory Authority
$ 111,000	Light	Bond and Interest	K.S.A. 12-825d
150,380	Light	General	K.S.A. 12-825d
100,000	Light	Employee Benefits	K.S.A. 12-825d
200,000	2006 Sales Tax	General	K.S.A. 79-2958
15,000	General	Capital Improvement	K.S.A. 12-1,118
25,000	2010 Sales Tax	UPTICC	Budgetary
63,900	2010 Sales Tax	Employee Benefits	Budgetary
49,463	2010 Sales Tax	Storm Water	Budgetary

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.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 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 8.43% for KPERS and 22.86% for KP&F for the year ended December 31, 2023. Contributions to the pension plan from the City were $99,308 for KPERS and $102,609 for KP&F for the year ended December 31, 2023.

Net Pension Liability

At December 31, 2023, KPERS has determined the City's proportionate share of the collective net pension liability was $1,112,876 for KPERS and $1,018,778 for KP&F. The net pension liability was measured as of June 30, 2023, and the total pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. 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.kpers.org or can be obtained as described in the first 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, 2023.

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, 2023, are as follows:

Year Ending	Amount
2024	$ 27,536
2025	19,712
2026	10,171
2027	10,181
2028	9,720
Later years	70,620
	$ 147,940

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.

NOTE 12—SUBSEQUENT EVENTS

On July 26, 2024, the City completed refinancing of the Kansas Public Water Supply Loan Fund loan no. 2927 through the United States Department of Agriculture (USDA) with the issuance of Series 2024A general obligation bonds in the amount of $2,728,625 and Series 2024B general obligation bonds in the amount of $1,387,000. The agreement also provided for loan forgiveness in the amount of $1,022,700.

CITY OF HERINGTON, KANSAS
Herington, Kansas

SUMMARY OF EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

Schedule 1

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUND	$ 2,234,848	$ 687,461	$ 2,922,309	$ 2,682,903	$ (239,406)
SPECIAL PURPOSE FUNDS					
Library	80,075	-	80,075	83,342	3,267
Employee Benefits	425,000	-	425,000	434,279	9,279
Special Highway	71,194	-	71,194	66,837	(4,357)
Park, Recreation, and Improvements	3,363	-	3,363	1,749	(1,614)
Guest Tax	31,349	-	31,349	16,142	(15,207)
2010 Sales Tax	-	-	-	138,363	138,363
2006 Sales Tax	479,766	-	479,766	200,000	(279,766)
Storm Water Drainage	51,000	-	51,000	62,722	11,722
Police Diversion	10,000	-	10,000	1,112	(8,888)
Capital Improvement	66,375	-	66,375	-	(66,375)
Equipment Reserve	16,236	-	16,236	35,307	19,071
BOND AND INTEREST FUND					
Bond and Interest	184,890	-	184,890	184,890	-
BUSINESS FUNDS					
Airport	560,227	-	560,227	168,513	(391,714)
Water	1,534,607	209,058	1,743,665	1,174,680	(568,985)
Light	3,922,906	-	3,922,906	2,704,707	(1,218,199)
Sewer	488,806	-	488,806	399,640	(89,166)
Solid Waste	280,107	-	280,107	245,264	(34,843)

CITY OF HERINGTON, KANSAS
Herington, Kansas

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Taxes			
Ad valorem property tax	$ 472,708	$ 523,012	$ (50,304)
Delinquent tax collections	32,316	25,000	7,316
Motor vehicle tax	69,228	45,020	24,208
Recreational vehicle tax	837	971	(134)
16/20M truck tax	1,255	598	657
Commercial vehicle tax	-	1,264	(1,264)
Watercraft tax	-	192	(192)
Neighborhood revitalization rebate	-	(3,379)	3,379
Special assessments	3,305	2,500	805
Local sales tax	344,367	355,000	(10,633)
Compensating use tax	99,335	110,000	(10,665)
Liquor tax	4,670	5,154	(484)
Total Taxes	1,028,021	1,065,332	(37,311)
Intergovernmental			
Highway connecting links	15,340	19,500	(4,160)
Rural fire contracts	41,836	45,500	(3,664)
Total Intergovernmental	57,176	65,000	(7,824)
Licenses, Fees, and Permits			
Utility franchise tax	100,744	80,000	20,744
New lake licenses	6,508	-	6,508
Miscellaneous permits and licenses	14,560	28,000	(13,440)
Total Licenses, Fees, and Permits	121,812	108,000	13,812
Charges for Services			
Cemetery	3,675	5,600	(1,925)
Court	19,133	15,000	4,133
Swimming pool	18,911	22,000	(3,089)
Total Charges for Services	41,719	42,600	(881)
Rental income			
Homestead rents	187,222	190,000	(2,778)
Community building rent	12,558	22,000	(9,442)
Farmland	3,011	-	3,011
Miscellaneous	481	-	481
Total Rental Income	203,272	212,000	(8,728)
Fines, Forfeitures, and Penalties	24,833	20,000	4,833
Interest on Idle Funds	148,763	10,000	138,763
Hilltop			
Bus	17,167	-	17,167
Building rent	46,972	160,000	(113,028)
Reimbursed expenses	38,529	-	38,529
Miscellaneous	618	-	618
Total Hilltop	103,286	160,000	(56,714)
Other Receipts			
Reimbursed expenses	235,099	18,000	217,099
Grants	441,133	10,000	431,133
Donations and memorials	700	-	700
Transfer from:			
2006 Sales Tax Fund	200,000	200,000	-
Light Fund	150,380	150,380	-
Miscellaneous	2,032	19,000	(16,968)
Total Other Receipts	1,029,344	397,380	631,964
TOTAL RECEIPTS	2,758,226	$ 2,080,312	$ 677,914

CITY OF HERINGTON, KANSAS
Herington, Kansas

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
EXPENDITURES			
General Administration			
Personal services	$ 24,115	$ 26,094	$ (1,979)
Contractual services	85,832	90,100	(4,268)
Commodities	20,358	23,900	(3,542)
Capital outlay	4,000	10,000	(6,000)
Miscellaneous	826	950	(124)
Transfer to - Capital Improvement Fund	15,000	15,000	-
Total departmental	150,131	166,044	(15,913)
Police			
Personal services	398,408	486,307	(87,899)
Contractual services	58,452	38,125	20,327
Commodities	49,966	80,050	(30,084)
Capital outlay	35,168	30,000	5,168
Total departmental	541,994	634,482	(92,488)
Fire			
Personal services	122,935	136,447	(13,512)
Contractual services	78,593	58,150	20,443
Commodities	113,600	105,200	8,400
Lease payments	30,000	-	30,000
Capital outlay	256,584	25,000	231,584
Grant expense	359,351	-	359,351
Total departmental	961,063	324,797	636,266
Street			
Personal services	125,710	176,150	(50,440)
Contractual services	25,450	37,050	(11,600)
Commodities	143,289	84,300	58,989
Lease payments	-	23,386	(23,386)
Capital outlay	30,000	30,000	-
Total departmental	324,449	350,886	(26,437)
Park, Cemetery, and Lake			
Personal services	33,516	31,956	1,560
Contractual services	6,875	5,700	1,175
Commodities	6,975	6,375	600
Total departmental	47,366	44,031	3,335
Pool			
Personal services	35,009	39,000	(3,991)
Contractual services	2,358	3,600	(1,242)
Commodities	41,381	38,400	2,981
Total departmental	78,748	81,000	(2,252)

CITY OF HERINGTON, KANSAS
Herington, Kansas

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
EXPENDITURES (continued)			
Municipal Court			
Personal services	$ 23,115	$ 36,786	$ (13,671)
Contractual services	6,956	8,150	(1,194)
Commodities	2,309	2,100	209
Refunds and state assessments	5,651	6,000	(349)
Total departmental	38,031	53,036	(15,005)
Lakes			
Personal services	39,236	35,800	3,436
Contractual services	12,952	17,000	(4,048)
Commodities	18,943	22,150	(3,207)
Capital outlay	-	15,000	(15,000)
Other expense	4,875	3,000	1,875
Total departmental	76,006	92,950	(16,944)
Community Building			
Contractual services	36,956	27,700	9,256
Commodities	4,138	14,700	(10,562)
Capital outlay	-	3,000	(3,000)
Total departmental	41,094	45,400	(4,306)
Homestead Village			
Personal services	21,282	20,400	882
Contractual services	83,975	33,950	50,025
Commodities	17,656	22,000	(4,344)
Capital outlay	15,438	18,000	(2,562)
Total departmental	138,351	94,350	44,001
Hilltop			
Personal services	120,242	131,172	(10,930)
Contractual services	82,126	75,400	6,726
Commodities	20,529	36,300	(15,771)
Capital outlay	4,056	10,000	(5,944)
Total departmental	226,953	252,872	(25,919)
Special Projects			
Pool Remodel Fund	58,717	15,000	43,717
Lake Master Plan	-	50,000	(50,000)
Property Abatement Fund	-	20,000	(20,000)
Trail Head	-	10,000	(10,000)
Total departmental	58,717	95,000	(36,283)
TOTAL EXPENDITURES	2,682,903	2,234,848	448,055
Adjustment for qualifying budget credits	-	687,461	(687,461)
TOTALS FOR COMPARISON	2,682,903	$ 2,922,309	$ (239,406)
RECEIPTS OVER (UNDER) EXPENDITURES	75,323		
UNENCUMBERED CASH, BEGINNING	207,123		
UNENCUMBERED CASH, ENDING	$ 282,446		

CITY OF HERINGTON, KANSAS
Herington, Kansas

LIBRARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad valorem property tax	$ 70,692	$ 75,055	$ (4,363)
Delinquent tax collections	4,705	3,000	1,705
Motor vehicle tax	7,638	7,035	603
Recreational vehicle tax	131	152	(21)
16/20M truck tax	176	94	82
Commercial vehicle tax	-	197	(197)
Watercraft tax	-	30	(30)
Neighborhood revitalization rebate	-	(444)	444
TOTAL RECEIPTS	83,342	$ 85,119	$ (1,777)
EXPENDITURES			
Appropriations to library	83,342	$ 80,075	$ 3,267
RECEIPTS OVER (UNDER) EXPENDITURES	-		
UNENCUMBERED CASH, BEGINNING	-		
UNENCUMBERED CASH, ENDING	$ -		

CITY OF HERINGTON, KANSAS
Herington, Kansas

EMPLOYEE BENEFITS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad valorem property tax	$ 244,326	$ 259,752	$ (15,426)
Delinquent tax collections	20,848	15,500	5,348
Motor vehicle tax	41,556	38,278	3,278
Recreational vehicle tax	712	826	(114)
16/20M truck tax	663	509	154
Commercial vehicle tax	-	1,074	(1,074)
Watercraft tax	-	163	(163)
Neighborhood revitalization rebate	-	(1,549)	1,549
Reimbursed expenses	2,186	5,000	(2,814)
KMU dividend check	-	13,000	(13,000)
Miscellaneous	16,120	-	16,120
Transfer from:			
Light Fund	100,000	-	100,000
2010 Sales Tax Fund	63,900	-	63,900
TOTAL RECEIPTS	490,311	$ 332,553	$ 157,758
EXPENDITURES			
Health insurance	187,536	$ 185,000	$ 2,536
Social Security	70,939	68,000	2,939
Workers' compensation	31,919	22,000	9,919
KPERS	38,130	40,000	(1,870)
KP&F retirement	98,353	100,000	(1,647)
Unemployment insurance	7,402	10,000	(2,598)
TOTAL EXPENDITURES	434,279	$ 425,000	$ 9,279
RECEIPTS OVER (UNDER) EXPENDITURES	56,032		
UNENCUMBERED CASH, BEGINNING	43,818		
UNENCUMBERED CASH, ENDING	$ 99,850		

CITY OF HERINGTON, KANSAS
Herington, Kansas

SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
State of Kansas - fuel taxes	$ 56,924	$ 63,060	$ (6,136)
EXPENDITURES			
Commodities	49,837	$ 53,500	$ (3,663)
Street improvements	17,000	17,000	-
Reserve for future period	-	694	(694)
TOTAL EXPENDITURES	66,837	$ 71,194	$ (4,357)
RECEIPTS OVER (UNDER) EXPENDITURES	(9,913)		
UNENCUMBERED CASH, BEGINNING	20,954		
UNENCUMBERED CASH, ENDING	$ 11,041		

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, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Liquor enforcement tax	$ 4,670	$ 2,500	$ 2,170
EXPENDITURES			
Capital outlay	1,749	$ 3,363	$ (1,614)
RECEIPTS OVER (UNDER) EXPENDITURES	2,921		
UNENCUMBERED CASH, BEGINNING	362		
UNENCUMBERED CASH, ENDING	$ 3,283		

CITY OF HERINGTON, KANSAS
Herington, Kansas

GUEST TAX FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Transient guest tax	$ 11,199	$ 17,000	$ (5,801)
EXPENDITURES			
Contractual services	16,142	$ 17,000	$ (858)
Reserve for future period	-	14,349	(14,349)
TOTAL EXPENDITURES	16,142	$ 31,349	$ (15,207)
RECEIPTS OVER (UNDER) EXPENDITURES	(4,943)		
UNENCUMBERED CASH, BEGINNING	19,719		
UNENCUMBERED CASH, ENDING	$ 14,776		

CITY OF HERINGTON, KANSAS
Herington, Kansas

2010 SALES TAX FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS	$ -	$ -	$ -
EXPENDITURES			
Transfer to:			
Employee Benefit Fund	63,900	$ -	$ 63,900
Storm Water Drainage Fund	49,463	-	49,463
UPTICC Fund	25,000	-	25,000
TOTAL EXPENDITURES	138,363	$ -	$ 138,363
RECEIPTS OVER (UNDER) EXPENDITURES	(138,363)		
UNENCUMBERED CASH, BEGINNING	138,363		
UNENCUMBERED CASH, ENDING	$ -		

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, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Local sales tax	$ 132,506	$ 100,000	$ 32,506
Compensating use tax	39,534	50,000	(10,466)
TOTAL RECEIPTS	172,040	$ 150,000	$ 22,040
EXPENDITURES			
Transfer to - General Fund	200,000	$ 200,000	$ -
Reserve for future period	-	279,766	(279,766)
TOTAL EXPENDITURES	200,000	$ 479,766	$ (279,766)
RECEIPTS OVER (UNDER) EXPENDITURES	(27,960)		
UNENCUMBERED CASH, BEGINNING	267,456		
UNENCUMBERED CASH, ENDING	$ 239,496		

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, 2023

Schedule 2
Page 11 of 22

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Storm water drainage fee	$ 47,832	$ 48,000	$ (168)
Delinquent collections	9,031	3,000	6,031
Transfer from - 2010 Sales Tax Fund	49,463	-	49,463
TOTAL RECEIPTS	106,326	$ 51,000	$ 55,326
EXPENDITURES			
Personal services	21,657	$ 32,164	$ (10,507)
Lease payment - street sweeper	30,750	7,364	23,386
Drainage improvements	10,315	-	10,315
Reserve for future period	-	11,472	(11,472)
TOTAL EXPENDITURES	62,722	$ 51,000	$ 11,722
RECEIPTS OVER (UNDER) EXPENDITURES	43,604		
UNENCUMBERED CASH, BEGINNING	(18,604)		
UNENCUMBERED CASH, ENDING	$ 25,000		

CITY OF HERINGTON, KANSAS
Herington, Kansas

POLICE DIVERSION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Diversion fees	$ 950	$ 10,000	$ (9,050)
Opioid settlement payment	6,803	-	6,803
TOTAL RECEIPTS	7,753	$ 10,000	$ (2,247)
EXPENDITURES			
Training	-	$ 5,000	$ (5,000)
Supplies and equipment	-	5,000	(5,000)
Opioid expense	1,112	-	1,112
TOTAL EXPENDITURES	1,112	$ 10,000	$ (8,888)
RECEIPTS OVER (UNDER) EXPENDITURES	6,641		
UNENCUMBERED CASH, BEGINNING	-		
UNENCUMBERED CASH, ENDING	$ 6,641		

CITY OF HERINGTON, KANSAS
Herington, Kansas

CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Transfer from - General Fund	$ 15,000	$ 15,000	$ -
Interest income	2,209	40	2,169
TOTAL RECEIPTS	17,209	$ 15,040	$ 2,169
EXPENDITURES			
Capital improvements	-	$ 66,375	$ (66,375)
RECEIPTS OVER (UNDER) EXPENDITURES	17,209		
UNENCUMBERED CASH, BEGINNING	52,425		
UNENCUMBERED CASH, ENDING	$ 69,634		

CITY OF HERINGTON, KANSAS
Herington, Kansas

EQUIPMENT RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad valorem property tax	$ 13,914	$ 14,527	$ (613)
Delinquent tax collections	65	-	65
Interest	2,993	580	2,413
TOTAL RECEIPTS	16,972	$ 15,107	$ 1,865
EXPENDITURES			
Capital outlay	21,071	$ -	$ 21,071
Lease payment - WatchGuard camera	14,236	14,236	-
Dickinson County - New World Software	-	2,000	(2,000)
TOTAL EXPENDITURES	35,307	$ 16,236	$ 19,071
RECEIPTS OVER (UNDER) EXPENDITURES	(18,335)		
UNENCUMBERED CASH, BEGINNING	95,730		
UNENCUMBERED CASH, ENDING	$ 77,395		

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, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Ad valorem property tax	$ 49,187	$ 58,100	$ (8,913)
Delinquent tax collections	9,828	2,000	7,828
Motor vehicle tax	7,457	6,869	588
Recreational vehicle tax	128	148	(20)
16/20M truck tax	167	91	76
Commercial vehicle tax	-	193	(193)
Watercraft tax	-	29	(29)
Neighborhood revitalization rebate	-	(197)	197
Transfer from - Light Fund	111,000	111,000	-
TOTAL RECEIPTS	177,767	$ 178,233	$ (466)
EXPENDITURES			
Bonds			
Principal	165,000	$ 165,000	$ -
Interest	19,890	19,890	-
TOTAL EXPENDITURES	184,890	$ 184,890	$ -
RECEIPTS OVER (UNDER) EXPENDITURES	(7,123)		
UNENCUMBERED CASH, BEGINNING	8,213		
UNENCUMBERED CASH, ENDING	$ 1,090		

CITY OF HERINGTON, KANSAS
Herington, Kansas

AIRPORT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Rental income	$ 135,559	$ 92,000	$ 43,559
Reimbursed expenses	43,922	175,000	(131,078)
Grant income	252,775	-	252,775
Interest income	8,455	3,500	4,955
TOTAL RECEIPTS	440,711	$ 270,500	$ 170,211
EXPENDITURES			
Personal services	17,006	$ 15,900	$ 1,106
Contractual services	92,252	101,950	(9,698)
Commodities	56,187	67,500	(11,313)
Sales tax	3,068	-	3,068
Reserve for future period	-	374,877	(374,877)
TOTAL EXPENDITURES	168,513	$ 560,227	$ (391,714)
RECEIPTS OVER (UNDER) EXPENDITURES	272,198		
UNENCUMBERED CASH, BEGINNING	(18,897)		
UNENCUMBERED CASH, ENDING	$ 253,301		

CITY OF HERINGTON, KANSAS
Herington, Kansas

WATER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Charges for service	$ 836,417	$ 862,000	$ (25,583)
Other charges	31,628	6,000	25,628
Loan proceeds - Kansas Public Water Supply Loan	209,058	-	209,058
Reimbursed expenses	2,234	5,000	(2,766)
Miscellaneous	2,257	3,500	(1,243)
TOTAL RECEIPTS	1,081,594	$ 876,500	$ 205,094
EXPENDITURES			
Production			
Personal services	114,448	$ 115,770	$ (1,322)
Contractual services	34,727	24,500	10,227
Commodities	190,327	168,050	22,277
Capital outlay	25,030	25,000	30
Total Production	364,532	333,320	31,212
Transmission and Distribution			
Personal services	139,737	184,620	(44,883)
Contractual services	9,643	23,000	(13,357)
Commodities	120,766	154,090	(33,324)
Capital outlay	40,618	160,400	(119,782)
Total Transmission and Distribution	310,764	522,110	(211,346)
General and Administrative			
Personal services	28,631	26,520	2,111
Contractual services	35,989	38,700	(2,711)
Commodities	1,333	4,800	(3,467)
Total General and Administrative	65,953	70,020	(4,067)
Other			
Water treatment plant	209,058	-	209,058
Sales tax	14,928	17,000	(2,072)
Payroll expense	10,429	15,000	(4,571)
Water protection fee	2,681	5,000	(2,319)
KPWS Loan payment	196,335	86,746	109,589
USDA Loan	-	180,000	(180,000)
Reserve for future period	-	305,411	(305,411)
Total Other	433,431	609,157	(175,726)
TOTAL EXPENDITURES	1,174,680	1,534,607	(359,927)
Adjustment for qualifying budget credits	-	209,058	(209,058)
TOTALS FOR COMPARISON	1,174,680	$ 1,743,665	$ (568,985)
RECEIPTS OVER (UNDER) EXPENDITURES	(93,086)		
UNENCUMBERED CASH, BEGINNING	466,035		
UNENCUMBERED CASH, ENDING	$ 372,949		

CITY OF HERINGTON, KANSAS
Herington, Kansas

LIGHT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Charges for service	$ 2,846,654	$ 3,100,000	$ (253,346)
Other charges	138,079	26,000	112,079
Franchises, licenses, and permits	22,279	22,000	279
Reimbursed expenses	31,683	10,000	21,683
Miscellaneous	14,125	12,750	1,375
TOTAL RECEIPTS	3,052,820	$ 3,170,750	$ (117,930)
EXPENDITURES			
Production			
Personal services	25,661	$ 16,961	$ 8,700
Contractual services	1,103,114	1,410,346	(307,232)
Commodities	13,202	25,740	(12,538)
Capital outlay	-	314,000	(314,000)
Total Production	1,141,977	1,767,047	(625,070)
Transmission and Distribution			
Personal services	249,637	297,673	(48,036)
Contractual services	33,976	45,820	(11,844)
Commodities	188,467	234,817	(46,350)
Capital outlay	-	114,000	(114,000)
Sales tax payable	12,290	26,965	(14,675)
Other expenses	-	17,250	(17,250)
Total Transmission and Distribution	484,370	736,525	(252,155)
General and Administrative			
Personal services	482,400	415,650	66,750
Contractual services	103,932	99,050	4,882
Commodities	13,660	15,000	(1,340)
Other expenses	9,666	11,500	(1,834)
Total General and Administrative	609,658	541,200	68,458
Other			
Payroll expenses	24,673	38,000	(13,327)
Sales tax	82,649	115,000	(32,351)
Transfer to:			
General Fund	150,380	150,380	-
Bond and Interest Fund	111,000	111,000	-
Employee Benefit Fund	100,000	-	100,000
Reserve for future period	-	463,754	(463,754)
Total Other	468,702	878,134	(409,432)
TOTAL EXPENDITURES	2,704,707	$ 3,922,906	$ (1,218,199)
RECEIPTS OVER (UNDER) EXPENDITURES	348,113		
UNENCUMBERED CASH, BEGINNING	1,832,017		
UNENCUMBERED CASH, ENDING	$ 2,180,130		

CITY OF HERINGTON, KANSAS
Herington, Kansas

SEWER FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Charges for service	$ 259,963	$ 290,000	$ (30,037)
Miscellaneous	2,118	1,500	618
TOTAL RECEIPTS	262,081	$ 291,500	$ (29,419)
EXPENDITURES			
Operations			
Personal services	104,019	$ 114,750	$ (10,731)
Contractual services	47,299	37,500	9,799
Commodities	53,227	58,200	(4,973)
Capital outlay	101,117	60,000	41,117
KWPCR Loan payments	93,978	83,606	10,372
Transfer to - Equipment Reserve	-	25,000	(25,000)
Reserve for future period	-	109,750	(109,750)
TOTAL EXPENDITURES	399,640	$ 488,806	$ (89,166)
RECEIPTS OVER (UNDER) EXPENDITURES	(137,559)		
UNENCUMBERED CASH, BEGINNING	181,211		
UNENCUMBERED CASH, ENDING	$ 43,652		

CITY OF HERINGTON, KANSAS
Herington, Kansas

SOLID WASTE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For Year Ended December 31, 2023

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Charges for service	$ 244,396	$ 240,000	$ 4,396
EXPENDITURES			
Operations			
Contractual services	245,264	$ 220,000	$ 25,264
Reserve for future period	-	60,107	(60,107)
TOTAL EXPENDITURES	245,264	$ 280,107	$ (34,843)
RECEIPTS OVER (UNDER) EXPENDITURES	(868)		
UNENCUMBERED CASH, BEGINNING	18,206		
UNENCUMBERED CASH, ENDING	$ 17,338		

CITY OF HERINGTON, KANSAS
Herington, Kansas

CEMETERY PERPETUAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL)
For Year Ended December 31, 2023

RECEIPTS		
Receipts for perpetual care	$	2,381
Sale of cemetery lots		1,200
Interest income		96
TOTAL RECEIPTS		3,677
EXPENDITURES		
Maintenance		1,774
RECEIPTS OVER (UNDER) EXPENDITURES		1,903
UNENCUMBERED CASH, BEGINNING		151,091
UNENCUMBERED CASH, ENDING	$	152,994

CITY OF HERINGTON, KANSAS
Herington, Kansas

SPECIAL PURPOSE NONBUDGETED FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL)
For Year Ended December 31, 2023

	Donations	Hilltop Deposits	UPTICC Grant	American Rescue Plan
RECEIPTS				
Interest	$ -	$ 907	$ -	$ -
Transfer from - 2010 Sales Tax Fund	-	-	25,000	-
TOTAL RECEIPTS	-	907	25,000	-
EXPENDITURES				
Contractual services	25,628	-	-	128,774
Incentive grants	-	-	25,000	-
TOTAL EXPENDITURES	25,628	-	25,000	128,774
RECEIPTS OVER (UNDER) EXPENDITURES	(25,628)	907	-	(128,774)
UNENCUMBERED CASH, BEGINNING	40,774	1,429	-	280,067
UNENCUMBERED CASH, ENDING	$ 15,146	$ 2,336	$ -	$ 151,293

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, 2023

Schedule 3

	Operations	Capital Improvement	Total
RECEIPTS			
Appropriations	$ 83,342	$ -	$ 83,342
Contributions and support	6,940	-	6,940
NCKL	12,934	-	12,934
State aid	-	-	-
Miscellaneous	3,310	-	3,310
Interest	2,934	35	2,969
TOTAL RECEIPTS	109,460	35	109,495
EXPENDITURES			
Audio visual material	16	-	16
Books	441	-	441
Contract expense	3,916	-	3,916
Capital outlay	9,000	-	9,000
Insurance	5,350	-	5,350
Magazines and newspapers	199	-	199
Maintenance	1,365	-	1,365
Office expense	781	-	781
Programs			
Adult	53	-	53
Children	175	-	175
Summer reading	249	-	249
Payroll			
Expense	52,345	-	52,345
Taxes	17,117	-	17,117
Utilities	1,970	-	1,970
Miscellaneous	3,786	-	3,786
TOTAL EXPENDITURES	96,763	-	96,763
RECEIPTS OVER (UNDER) EXPENDITURES	12,697	35	12,732
UNENCUMBERED CASH, BEGINNING	179,238	23,006	202,244
UNENCUMBERED CASH, ENDING	$ 191,935	$ 23,041	$ 214,976