CITY OF GALVA, KANSAS

FINANCIAL STATEMENT

FOR THE YEAR ENDED
DECEMBER 31, 2024

LOYD GROUP, LLC
Certified Public Accountants

CITY OF GALVA, KANSAS

For the Year Ended December 31, 2024

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CITY OF GALVA, KANSAS
CITY OF THE THIRD CLASS
For The Year Ended December 31, 2024

Myrna Walline, Mayor

CITY COUNCIL

Scott Unruh

Joe Larson

Justin Reynolds

George Andreas

Sandy Blair

CITY OFFICERS

Lori Tector, Clerk

Brian Bina, Attorney

Treva J. Norstrom, Treasurer

Hadley Sizemore, Police Judge

LOYD GROUP, LLC

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Galva, 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 Galva, Kansas (City), a Municipal Financial Reporting Entity, as of and for the year ended December 31, 2024 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

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

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the 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 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 Statement

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

In performing an audit in accordance with GAAS, we:

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts, expenditures-actual and budget, schedule of regulatory basis receipts and disbursements-agency funds and schedules of regulatory basis receipts and expenditures-actual-related municipal entity (Schedules 1, 2, and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Galva, Kansas as of and for the year ended December 31, 2023 (not presented herein), and have issued their report thereon dated May 1, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and their accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/oar/municipalservices. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2024 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2023 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2023 basic financial statement or to the 2023 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2023 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2023, on the basis of accounting described in Note 1.

Loyd Group, LLC

Loyd Group, LLC
Galva, KS
May 1, 2025

CITY OF GALVA, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2024

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUND:						
General Fund	$ 1,935,372	$ 758,682	$ 536,517	$ 2,157,537	$ -	$ 2,157,537
SPECIAL PURPOSE FUND:						
Special Highway Fund	146,019	22,533	18,906	149,646	-	149,646
ARPA Fund	133,686	-	133,686	-	-	-
Total Special Purpose Funds	279,705	22,533	152,592	149,646	-	149,646
CAPITAL PROJECTS FUND:						
Capital Improvement Fund	322,174	145,023	101,504	365,693	-	365,693
BUSINESS FUNDS:						
Electric Fund	90,458	657,571	602,336	145,693	-	145,693
Sewer Fund	457,080	146,335	213,733	389,682	-	389,682
Water Fund	283,726	111,888	130,901	264,713	-	264,713
Total Business Funds	831,264	915,794	946,970	800,088	-	800,088
Total Reporting Entity (Excluding Agency Funds)	$ 3,368,515	$ 1,842,032	$ 1,603,897	$ 3,472,964	$ -	$ 3,472,964

COMPOSITION OF CASH:	
Checking Accounts - Farmers State Bank	$ 1,071,484
Certificates of Deposit - Farmers State Bank	2,420,000
Total Cash	3,491,484
Less Agency Funds per Schedule 3	(18,520)
Total Reporting Entity (Excluding Agency Funds)	$ 3,472,964

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

CITY OF GALVA, KANSAS

NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

The City of Galva is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of Galva. The City has no related municipal entities.

(b) Regulatory Basis Fund Types

General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

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.).

Trust Fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

(c) 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 a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d) 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 the budget for the succeeding calendar year on or before August 1st.
2) Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
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 municipality is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The municipality did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts 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 budget amendments for 2024.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements 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 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 budget expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project Funds, Agency Funds, Trust Funds and certain Special Purpose Funds as noted in the presentation of the appropriate Schedule 2.

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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

No statute violations were noted during 2024.

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

3. DEPOSITS AND INVESTMENTS (CONT.)

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. All deposits were legally secured at December 31, 2024.

At December 31, 2024, the City's carrying amount of deposits was $3,491,484 and the bank balance was $3,576,178. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,000 was covered by federal depository insurance and the remaining $3,326,178 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

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.

4. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series 2020	1.88%	06-25-20	2,303,000	06-25-60	$ 2,183,258	$ -	$ 41,308	$ 2,141,950	$ 40,209

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

	Year								
	2025	2026	2027	2028	2029	2030 to 2034	2035 to 2039	2040 to 2060	Total
Principal:									
General Obligation Bonds:									
Series 2020	$ 42,194	$ 42,986	$ 43,792	$ 44,509	$ 45,447	$ 240,245	$ 263,637	$ 1,419,140	$ 2,141,950
Interest:									
General Obligation Bonds:									
Series 2020	40,162	39,370	38,564	37,847	36,909	171,535	148,143	311,184	823,714
Total Principal and Interest	$ 82,356	$ 82,356	$ 82,356	$ 82,356	$ 82,356	$ 411,780	$ 411,780	$ 1,730,324	$ 2,965,664

5. 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.

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 9.26% for the fiscal year ended December 31, 2024. Contributions to the pension plan from the City were $31,003 for the year ended December 31, 2024.

Net Pension Liability. At December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $289,681. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2024. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statement.

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

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Employee Benefits

Vacation – Vacation leave shall be accrued from the employee's date of employment as stipulated hereinafter. All vacation leave must be used by the end of the year and shall not carry over to the following year. No vacation leave shall be taken until a new employee has completed the probationary period.

Vacations that follow apply only to full-time regular employees and part-time employees. Temporary and seasonal employees are not eligible for paid vacation. Part-time employees shall accumulate vacation leave on a basis proporationate to a full-time employee based on the number of hours per week worked. Vacations will be allowed for full-time employees in the following manner:

Years of Service	Per Year
0 to 1 years of service	5 working days
2 to 9 years of service	10 working days
10 to 14 years of service	15 working days
15 plus years of service	20 working days

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONT.)

(a) Other Employee Benefits (Cont.)

Sick leave – All full-time and part-time employees shall be entitled to sick leave with pay for absences resulting from personal illness, injuries, accidents or other physical incapacities, occurring either on or off the job.

Years of Completed Service	Annual Sick Leave Benefits
Upon completion of probationary period-	
90 days but less than 1 year	5 days
After 1 year	10 days

Sick leave may be accumulated up to a total of 50 days. An employee terminating his or her employment with the City, whether with or without notice, or whether terminated for cause, shall not be paid for any unused sick leave.

(b) Death and Disability Other Post Employment Benefits

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

7. OTHER RELATIONSHIPS

McPherson Area Solid Waste Utility

The City along with McPherson County and seven other cities located within McPherson County entered into an interlocal agreement, authorized by State Statute, to form the McPherson Area Solid Waste Utility (the Utility) effective July 17, 1991. The purpose of the Utility is to assist its Members in planning, technical and financial matters for comprehensive solid waste management and accomplish the desired objectives of an effective county-wide solid waste management program, including the operation of a cooperative solid waste management program and the operation of a cooperative solid waste processing and disposal system for the benefit of its Members.

Management of the Utility is carried out by an appointed three member Board of Directors. The City of McPherson appoints one member to the Board of Directors, McPherson County appoints a second Director and the third Director is appointed collectively by the other seven Members of the Utility.

The agreement and the Utility may be terminated by written consent of at least two-thirds of the Members, provided that prior to such termination all contractual obligations and indebtedness of the Utility have been paid in full or sufficient resources have been escrowed for the payment of such obligations in full when due. Upon such termination, the Board of Directors shall liquidate the Utility and distribute the assets in a manner that, in its discretion, it deems appropriate. Accordingly, any ongoing financial interest or access to the Utility's resources is indeterminable until such action is taken by its Board of Directors. In addition, no Member shall be permitted to withdraw for twenty years or such sooner time as provision is made for the payment or discharge of the debt incurred by the County or assumed by the Utility. Any withdrawing Member shall not be entitled to distribution of any real or personal property of the Utility by reason of its withdrawal.

The Board of Directors shall determine the methods of obtaining financing for the Utility. The County provided the initial financing for the acquisition of land to be used as a site for disposal of refuse, constructing structures and acquiring equipment necessary for the sanitary disposal of refuse in McPherson County. Effective January 1, 1992, the fiscal accounting and operations of the Utility were transferred from McPherson County to management of the Utility.

Financial information of the McPherson Area Solid Waste Utility is not included in this report. Complete financial statements may be obtained from the administrative offices of the entity at 1431 17th Ave, McPherson, Kansas 67460.

8. CLAIMS AND JUDGMENTS

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, the grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injures to employees, and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2023 to 2024 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

9. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	$ 50,000

10. SUBSEQUENT EVENTS

The City was awarded a grant from the Kansas Department of Health and Environment (KDHE) on September 1, 2023 in the amount of $1,016,230 from the Small-Town Water and Sewer Infrastructure Assistance Grant program. This grant will be used to increase the availability of water for the City and its residents. Construction is set to begin in 2025 and be completed in 2026.

The City was awarded a grant from the Kansas Department of Health and Environment (KDHE) on September 5, 2023 in the amount of $1,500,000 from the Orphan Site Program. This grant will be used to increase the availability of water for the City and its residents. Construction is set to begin in 2025 and be completed in 2026.

The City was awarded a grant from the Kansas Department of Health and Environment (KDHE) on April 7, 2025 in the amount of $1,000,000 from the Bureau of Water. This grant will be used for planning and design costs to get the project ready for construction and engineering and construction costs. Construction is set to begin in 2025 and be completed in 2026.

CITY OF GALVA, KANSAS

REGULATORY – REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2024

CITY OF GALVA, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
(Budgeted Funds Only)
For the Year Ended December 31, 2024

	Certified Budget	Adjustment for for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
GENERAL FUND:					
General Fund	$ 2,503,913	$ -	$ 2,503,913	$ 536,517	$ (1,967,396)
SPECIAL PURPOSE FUNDS:					
Special Highway Fund	115,481	-	115,481	18,906	(96,575)
CAPITAL PROJECT FUND:					
Capital Improvement Fund	395,278	-	395,278	101,504	(293,774)
BUSINESS FUNDS:					
Electric Fund	635,812	-	635,812	602,336	(33,476)
Sewer Fund	552,036	-	552,036	213,733	(338,303)
Water Fund	288,130	-	288,130	130,901	(157,229)

CITY OF GALVA, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Taxes -				
Ad valorem property tax	$ 407,402	$ 424,110	$ 427,711	$ (3,601)
Delinquent tax	6,030	3,171	200	2,971
Motor vehicle tax	45,767	46,939	48,134	(1,195)
Recreational vehicle tax	1,356	1,790	1,665	125
16/20M vehicle tax	521	570	497	73
Commercial vehicle tax	1,620	1,408	1,313	95
Watercraft tax	-	-	616	(616)
Local sales tax	162,142	162,029	135,000	27,029
Total Taxes	624,838	640,017	615,136	24,881
Intergovernmental Revenues -				
Economic development	3,826	3,862	1,500	2,362
Licenses and Permits -				
Building permits, licenses, dog tags	25,085	2,559	2,500	59
Utility franchise fees	13,707	8,364	9,500	(1,136)
Total Licenses and Permits	38,792	10,923	12,000	(1,077)
Charges for Services -				
Sanitation services	78,565	78,387	70,000	8,387
Other -				
Donations	-	-	100	(100)
Interest received	8,285	2,793	1,000	1,793
Miscellaneous	2,816	4,169	1,000	3,169
Reimbursements	7,464	5,772	-	5,772
Rent	11,269	12,759	9,000	3,759
Total Other	29,834	25,493	11,100	14,393
Total Receipts	775,855	758,682	$ 709,736	$ 48,946

CITY OF GALVA, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Expenditures				
Administrative -				
Personal services	$ 126,496	$ 133,018	$ 130,000	$ 3,018
Contractual services	205,598	134,033	225,000	(90,967)
Commodities	52,167	31,504	38,000	(6,496)
Capital outlay	36,007	2,875	1,000	1,875
Economic development	-	-	5,000	(5,000)
Total Administrative	420,268	301,430	399,000	(97,570)
Police -				
Personal services	68,905	82,011	69,000	13,011
Contractual services	2,210	1,559	5,000	(3,441)
Commodities	2,611	2,907	10,000	(7,093)
Police car	1,540	-	3,000	(3,000)
Total Police	75,266	86,477	87,000	(523)
Street -				
Capital outlay	7,672	47,190	60,000	(12,810)
Recreation Committee -				
Personal services	10,765	10,765	12,918	(2,153)
Contractual services	-	771	1,000	(229)
Commodities	555	1,382	5,000	(3,618)
Capital outlay	-	-	18,000	(18,000)
Vehicles	-	-	5,000	(5,000)
Appropriation	-	-	500	(500)
Total Recreation Committee	11,320	12,918	42,418	(29,500)

CITY OF GALVA, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Expenditures (cont.)				
Governing Body -				
Contractual services	$ 204	$ 8	$ 500	$ (492)
Materials and supplies	324	-	-	-
Commodities	-	-	1,000	(1,000)
Total Governing Body	528	8	1,500	(1,492)
Planning Commission -				
Contractual services	-	93	-	93
Trash -				
Contractual services	-	38,401	-	38,401
Other				
Cash Forward	-	-	1,838,995	(1,838,995)
Transfer to Capital Improvement Fund	25,000	50,000	75,000	(25,000)
Total Transfers Out	25,000	50,000	75,000	(25,000)
Total Expenditures	540,054	536,517	$ 2,503,913	$ (1,967,396)
Receipts Over (Under) Expenditures	235,801	222,165		
Unencumbered Cash, Beginning	1,699,571	1,935,372		
Unencumbered Cash, Ending	$ 1,935,372	$ 2,157,537		

CITY OF GALVA, KANSAS

SPECIAL PURPOSE FUND

SPECIAL HIGHWAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
State of Kansas gas tax	$ 22,961	$ 22,533	$ 23,700	$ (1,167)
Expenditures				
Commodities	-	-	$ 4,000	$ (4,000)
Materials and supplies	4,934	14,871	-	14,871
Capital outlay	-	4,035	56,091	(52,056)
Cash forward	-	-	55,390	(55,390)
Total Expenditures	4,934	18,906	$ 115,481	$ (96,575)
Receipts Over (Under) Expenditures	18,027	3,627		
Unencumbered Cash, Beginning	127,992	146,019		
Unencumbered Cash, Ending	$ 146,019	$ 149,646		

CITY OF GALVA, KANSAS

SPECIAL PURPOSE FUND

ARPA FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts		
Grants	$ -	$ -
Expenditures		
Contractual services	-	133,686
Receipts Over (Under) Expenditures	-	(133,686)
Unencumbered Cash, Beginning	133,686	133,686
Unencumbered Cash, Ending	$ 133,686	$ -

CITY OF GALVA, KANSAS

CAPITAL PROJECT FUND

CAPITAL IMPROVEMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Reimbursed expenses	$ 28,122	$ 420	$ -	$ 420
Gifts and donations	5,435	3,005	-	3,005
Investment income	-	85,727	-	85,727
Other	-	5,871	-	5,871
Transfer from General Fund	25,000	50,000	75,000	(25,000)
Total Receipts	58,557	145,023	$ 75,000	$ 70,023
Expenditures				
Contractual services	-	39,585	$ -	$ 39,585
Capital outlay	31,662	45,979	-	45,979
Donations	-	9,350	-	9,350
Memorial	-	6,590	-	6,590
Waterwell	-	-	350,000	(350,000)
Cash forward	-	-	45,278	(45,278)
Total Expenditures	31,662	101,504	$ 395,278	$ (293,774)
Receipts Over (Under) Expenditures	26,895	43,519		
Unencumbered Cash, Beginning	295,279	322,174		
Unencumbered Cash, Ending	$ 322,174	$ 365,693		

CITY OF GALVA, KANSAS

BUSINESS FUND

ELECTRIC FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Sales to customers	$ 574,263	$ 653,429	$ 550,000	$ 103,429
Penalties	3,276	3,104	1,500	1,604
Installation charges	2,157	-	2,500	(2,500)
Reimbursements	850	-	200	(200)
Other	-	1,038	-	1,038
Total Receipts	580,546	657,571	$ 554,200	$ 103,371
Expenditures				
Personal services	128,346	126,319	$ 130,000	$ (3,681)
Contractual services	461,917	456,354	450,000	6,354
Commodities	27,527	13,252	17,500	(4,248)
Capital outlay	3,710	1,411	10,000	(8,589)
Vehicle	-	5,000	5,000	-
Cash forward	-	-	23,312	(23,312)
Total Expenditures	621,500	602,336	$ 635,812	$ (33,476)
Receipts Over (Under) Expenditures	(40,954)	55,235		
Unencumbered Cash, Beginning	131,412	90,458		
Unencumbered Cash, Ending	$ 90,458	$ 145,693		

CITY OF GALVA, KANSAS

BUSINESS FUND

SEWER FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023 Actual	Actual	Budget	Variance - Over (Under)
Receipts				
Sales to customers	$ 146,426	$ 146,335	$ 145,000	$ 1,335
Sewer tap	-	-	1,000	(1,000)
Total Receipts	146,426	146,335	$ 146,000	$ 335
Expenditures				
Personal services	40,030	65,374	$ 50,000	$ 15,374
Contractual services	25,962	18,462	20,000	(1,538)
Commodities	15,020	12,322	32,000	(19,678)
Capital outlay	17,207	26,058	70,000	(43,942)
Sewer repair reserve	-	-	17,000	(17,000)
Vehicle	-	10,000	10,000	-
Go Bond Principal	40,658	41,308	41,308	-
Go Bond Interest	40,861	40,209	41,048	(839)
Cash forward	-	-	270,680	(270,680)
Total Expenditures	179,738	213,733	$ 552,036	$ (338,303)
Receipts Over (Under) Expenditures	(33,312)	(67,398)		
Unencumbered Cash, Beginning	490,392	457,080		
Unencumbered Cash, Ending	$ 457,080	$ 389,682		

CITY OF GALVA, KANSAS

BUSINESS FUND

WATER FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance - Over (Under)
Receipts				
Sales to customers	$ 115,226	$ 109,853	$ 85,000	$ 24,853
Installation charges	2,445	2,035	2,000	35
Miscellaneous	388	-	500	(500)
Total Receipts	118,059	111,888	$ 87,500	$ 24,388
Expenditures				
Personal services	32,561	27,486	$ 25,000	$ 2,486
Contractual services	31,651	17,992	20,000	(2,008)
Commodities	26,872	49,028	32,000	17,028
Capital outlay	51,879	31,395	70,000	(38,605)
Vehicle	-	5,000	5,000	-
Waterwell	-	-	50,000	(50,000)
Cash forward	-	-	86,130	(86,130)
Total Expenditures	142,963	130,901	$ 288,130	$ (157,229)
Receipts Over (Under) Expenditures	(24,904)	(19,013)		
Unencumbered Cash, Beginning	308,630	283,726		
Unencumbered Cash, Ending	$ 283,726	$ 264,713		

CITY OF GALVA, KANSAS

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended December 31, 2024

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Payroll Clearing Fund	$ -	$ 444,972	$ 444,972	$ -
Recreation Committee Fund	16,549	12,730	10,759	18,520
Sales Tax Fund	-	18,033	18,033	-
Total	$ 16,549	$ 475,736	$ 473,765	$ 18,520