CITY OF PLEASANTON, KANSAS

Independent Auditor's Report and
Financial Statement with
Supplementary Information

For the Year Ended December 31, 2023

CITY OF PLEASANTON, KANSAS

December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Pleasanton, 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 Pleasanton, Kansas, as of and for the year ended December 31, 2023 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles
In our opinion, because of the significance of the 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 of Pleasanton as of December 31, 2023, or changes in financial position and cash flows thereof for the year then ended.

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

Basis for Adverse and Unmodified Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the 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 of Pleasanton 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 and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic

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

Emphasis of Matter

As discussed in Note 10 of the financial statement, the December 31, 2022 financial statement has been restated to correct for the recording of accounts payable. Our opinion is not modified with respect to this matter.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

March 29, 2023
Chanute, Kansas

CITY OF PLEASANTON, KANSAS

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

Funds	Beginning Unencumbered Cash Balances	Receipts	Expenditures	Ending Unencumbered Cash Balances	Add Encumbrances and Accounts Payable	Ending Cash Balance December 31, 2023
General	$ 264,689.04	$ 959,543.32	$ 971,111.48	$ 253,120.88	$ 18,622.36	$ 271,743.24
Special Purpose Funds:						
Consolidated Streets and Highway	75,375.23	321,896.60	269,221.15	128,050.68	6,303.53	134,354.21
Law Enforcement	3,441.53	8,400.00	6,560.26	5,281.27	-	5,281.27
Christmas Decorations	3,261.00	450.00	775.72	2,935.28	775.72	3,711.00
Angel Tree	76.20	9,963.63	8,575.40	1,464.43	-	1,464.43
Municipal Equipment Reserve	107,839.61	2,000.00	1,059.32	108,780.29	-	108,780.29
Municipal Equipment Police	7,000.00	10,000.00	6,389.82	10,610.18	-	10,610.18
Special Projects	11,120.04	-	-	11,120.04	-	11,120.04
Special Street Improvement	177,747.77	20,000.00	-	197,747.77	-	197,747.77
American Rescue Funds	72,776.84	-	68,549.87	4,226.97	11,450.00	15,676.97
Special Fire Equipment	78,127.85	-	-	78,127.85	-	78,127.85
Capital Project Funds:						
Capital Improvement Projects	4,048.20	12,000.00	-	16,048.20	-	16,048.20
Bond and Interest Funds:						
GO Bond and Interest	-	218,846.79	218,846.79	-	-	-
Business Funds:						
Water Utility	125,555.08	393,173.95	436,385.12	82,343.91	40,282.28	122,626.19
Water Utility Capital Improvement Reserve	2,500.00	11,749.00	-	14,249.00	-	14,249.00
Sewer Utility	240,581.04	232,477.17	222,926.06	250,132.15	740.87	250,873.02
Total Reporting Entity (Excluding Agency Funds)	$ 1,174,139.43	$ 2,200,500.46	$ 2,210,400.99	$ 1,164,238.90	$ 78,174.76	$ 1,242,413.66

Composition of Cash:	
Petty Cash on Hand	$ 400.00
Warrant Checking Account	1,035,111.96
Other Checking Accounts	18,753.47
Certificates of Deposit	196,000.00
Total Cash	1,250,265.43
Less: Agency Funds Per Schedule 3	(7,851.77)
Total Reporting Entity (Excluding Agency Funds)	$ 1,242,413.66

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement and the schedules of the City of Pleasanton, Kansas have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow. Note 1 describes how the City's accounting policies differ from accounting principles generally accepted in the United States of America.

Financial Reporting Entity
The City of Pleasanton, Kansas, is a municipal corporation governed by an elected five-member council. This financial statement presents the City of Pleasanton.

Related Municipal Entities: A related municipal entity is determined by the following criteria. Whether the City exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the City. Related municipal entities are not required to be included in the City's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related municipal entities:

Pleasanton Housing Authority – The City of Pleasanton, Kansas, Housing Authority operates the City's housing projects. The housing authority can sue and be sued, and can buy, sell, or least real property. Bond issuance must be approved by the City.

Pleasanton Public Library – The City of Pleasanton Library Board operates the City's public library. Acquisition or disposition of real property or bond issuances must be approved by the City. A separate financial statement is not prepared by the Library.

Regulatory Basis Fund Types
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 attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the City of Pleasanton, Kansas, for the year of 2023:

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Regulatory Basis Fund Types (Continued)

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.)

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

Basis of Presentation – Regulatory Basis of Accounting

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

The municipality 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.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a receipt source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The county treasurer is the tax collection agent for all taxing entities with in the county. Property owners have the option of paying one-half or the full amounts of taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the county treasurer from distributing taxes commend in the year levied prior to January 1st of the ensuing year. Consequently, for receipt recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are a lien on the property.

Pension Plan

Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System, which is a multi-employer state-wide pension plan. The City's policy is to fund all pension costs accrued. Such costs to be funded are actuarially determined annually by the State of Kansas.

Reimbursed Expenses

K.S.A 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as regulatory receipts. In the financial statement and budget comparison schedules presented in this report, reimbursements and refunds are recorded as regulatory receipts. The reimbursements are recorded as cash receipts when received by the city treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 City is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City did not 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. The City did not amend any funds 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 and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose funds:

- Law Enforcement Fund
- Christmas Decorations Fund
- Angel Tree Fund
- Municipal Equipment Reserve Fund
- Municipal Equipment Police Fund
- Special Projects Fund
- Special Street Improvement Fund
- Special Fire Equipment Fund
- American Rescue Funds Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

Statement 1 and Schedule 1 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1, the City was in compliance with the cash basis laws of Kansas. As shown in Schedule 1, the City was in apparent violation of K.S.A. 79-2935, as the City has obligated expenditures in excess of budgeted limits in the GO Bond and Interest Fund and the Water Utility Fund.

The City was in apparent violation of K.S.A. 10-130, which required bond payments to be remitted to the state fiscal agency at least 20 days before the redemption of such bonds and the payment of the interest thereon. In apparent violation of K.S.A. 10-130, one bond payment was received by the Office of the State Treasurer eleven days prior the redemption date.

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

K.S.A 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2023.

At year-end, the City's carrying amount of deposits was $1,249,865.43 and the bank balance was $1,275,180.72 The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $461,732.22 was covered by FDIC insurance and $813,448.50 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

4. DEFINED BENEFIT PENSION PLAN

General Information about the 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.

4. DEFINED BENEFIT PENSION PLAN (Continued)

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 8.43% for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were $54,242.32 for the year ended December 31, 2023.

Net Pension Liability

At December 31, 2023, the City's proportionate share of the collective net pension liability reported by KPERS was $527,057.00. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022, which was rolled forward to June 30, 2023. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and nonemployer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize 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.

5. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds Paid with Utility Receipts									
Series 2014	3-4.9%	December 1, 2014	$ 890,000.00	September 1, 2035	$ 660,000.00	$ -	$ 40,000.00	$ 620,000.00	$ 25,437.50
Series 2015	2.500%	August 19, 2015	3,782,000.00	August 19, 2055	3,358,509.00	-	66,698.00	3,291,811.00	83,962.73
Series 2016	2.500%	February 26, 2016	69,000.00	February 26, 2056	62,461.00	-	1,187.00	61,274.00	1,561.53
Series 2017	2.500%	May 24, 2017	84,000.00	May 24, 2032	59,700.95	-	5,268.00	54,432.95	1,641.78
State Revolving Loans									
KDHE No. 1588-01	3.140%	June 4, 2001	357,700.00	February 1, 2022	11,070.21	-	11,070.21	-	173.80
Finance Leases:									
2014 Case 580 Backhoe	4.450%	August 22, 2014	22,134.00	August 22, 2024	13,323.54	-	6,516.26	6,807.28	592.90
John Deere Truck Loader	4.500%	May 23, 2017	20,000.00	June 23, 2023	7,663.35	-	7,663.35	-	326.69
2009 International Dump Truck	5.980%	May 1, 2019	50,125.66	May 1, 2026	20,918.67	-	5,816.01	15,102.66	1,121.43
2020 Caterpillar Utility Roller	3.480%	July 6, 2020	24,799.00	December 6, 2025	18,081.59	-	5,818.91	12,262.68	537.01
2021 Ford Explorer - Police	3.480%	July 26, 2021	42,962.00	September 23, 2026	31,859.25	-	7,594.93	24,264.32	1,108.70
2022 Dodge's	4.250%	December 16, 2022	48,708.00	February 15, 2027	48,708.00	-	9,529.16	39,178.84	1,114.46
Total Contractual Indebtedness					$ 4,292,295.56	$ -	$ 167,161.83	$ 4,125,133.73	$ 117,578.53

5. LONG-TERM DEBT (Continued)

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

Issue	2024	2025	2026	2027	2028	2029-2033	2034-2038	2039-2043	2044-2048
Principal									
General Obligation Bonds									
Paid with Utility Receipts									
Series 2014	$ 40,000.00	$ 45,000.00	$ 45,000.00	$ 45,000.00	$ 50,000.00	$ 270,000.00	$ 125,000.00	$ -	$ -
Series 2015	68,365.00	70,075.00	71,826.00	73,622.00	75,463.00	406,573.00	459,999.00	520,447.00	588,838.00
Series 2016	1,217.00	1,247.00	1,279.00	1,310.00	1,343.00	7,238.00	8,189.00	9,263.00	10,481.00
Series 2017	5,412.86	5,561.72	5,714.67	5,871.82	6,033.29	25,838.59	-	-	-
Finance Leases:									
2014 Case 580 Backhoe	6,807.28	-	-	-	-	-	-	-	-
2009 International Dump Truck	6,173.48	6,552.95	2,376.23	-	-	-	-	-	-
2020 Caterpillar Utility Roller	6,024.67	6,238.01	-	-	-	-	-	-	-
2021 Ford Explorer - Police	7,822.31	8,096.84	8,345.17	-	-	-	-	-	-
2022 Dodge's	9,011.18	9,394.16	9,793.40	10,980.10	-	-	-	-	-
	150,833.78	152,165.68	144,334.47	136,783.92	132,839.29	709,649.59	593,188.00	529,710.00	599,319.00
Interest									
General Obligation Bonds									
Paid with Utility Receipts									
Series 2014	$ 24,237.50	$ 23,037.50	$ 21,687.50	$ 20,082.50	$ 18,537.50	$ 61,675.00	$ 8,075.00	$ -	$ -
Series 2015	82,295.28	80,586.15	78,834.28	77,038.63	75,198.08	346,730.71	293,303.77	232,856.06	164,465.02
Series 2016	1,531.85	1,501.43	1,470.25	1,438.28	1,405.53	6,506.81	5,555.63	4,479.70	3,262.38
Series 2017	1,501.01	1,348.05	1,195.11	1,037.95	878.88	1,801.00	-	-	-
Finance Leases:									
2014 Case 580 Backhoe	1,181.76	-	-	-	-	-	-	-	-
2009 International Dump Truck	763.96	384.49	42.72	-	-	-	-	-	-
2020 Caterpillar Utility Roller	331.25	118.21	-	-	-	-	-	-	-
2021 Ford Explorer - Police	847.88	573.35	291.58	-	-	-	-	-	-
2022 Dodge's	1,632.44	1,249.46	850.22	434.00	-	-	-	-	-
	114,322.93	108,798.64	104,371.66	100,031.36	96,019.99	416,713.52	306,934.40	237,335.76	167,727.40

5. LONG-TERM DEBT (Continued)

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

Issue	2049 - 2053	2054 - 2056	Total
Principal			
General Obligation Bonds			
Paid with Utility Receipts			
Series 2014	$ -	$ -	$ 620,000.00
Series 2015	666,216.00	290,387.00	3,291,811.00
Series 2016	11,857.00	7,850.00	61,274.00
Series 2017	-	-	54,432.95
Finance Leases:			
2014 Case 580 Backhoe	-	-	6,807.28
2009 International Dump Truck	-	-	15,102.66
2020 Caterpillar Utility Roller	-	-	12,262.68
2021 Ford Explorer - Police	-	-	24,264.32
2022 Dodge's	-	-	39,178.84
	678,073.00	298,237.00	4,125,133.73
Interest			
General Obligation Bonds			
Paid with Utility Receipts			
Series 2014	$ -	$ -	$ 177,332.50
Series 2015	87,086.87	10,934.33	1,529,329.18
Series 2016	1,885.17	395.75	29,432.78
Series 2017	-	-	7,762.00
Finance Leases:			
2014 Case 580 Backhoe	-	-	1,181.76
2009 International Dump Truck	-	-	1,191.17
2020 Caterpillar Utility Roller	-	-	449.46
2021 Ford Explorer - Police	-	-	1,712.81
2022 Dodge's	-	-	4,166.12
	88,972.04	11,330.08	1,752,557.78
Total Principal and Interest			

6. FINANCE LEASE OBLIGATIONS

The City has entered into a finance lease agreement in order to finance the acquisition of a Case 580 Backhoe. Payments are made annually, including interest at 4.45%. Final maturity of the lease is August 22, 2024. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2024	$ 7,989.04
	7,989.04
Less imputed interest	(1,181.76)
Net Present Value of Minimum Lease Payments	6,807.28
Less: Current Maturities	(6,807.28)
Long-Term Finance Lease Obligations	$ 0.00

The City has entered into a finance lease agreement in order to finance the acquisition of an International Dump Truck. Payments are made monthly, including interest at 5.98%. Final maturity of the lease is May 1, 2026. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2024	$ 6,937.44
2025	6,937.44
2026	2,418.95
	16,293.83
Less imputed interest	(1,191.17)
Net Present Value of Minimum Lease Payments	15,102.66
Less: Current Maturities	(6,173.48)
Long-Term Finance Lease Obligations	$ 8,929.18

The City has entered into a finance lease agreement in order to finance the acquisition of a Caterpillar Utility Roller. Payments are made monthly, including interest at 3.48%. Final maturity of the lease is December 6, 2025. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2024	$ 6,355.92
2025	6,356.22
	12,712.14
Less imputed interest	(449.46)
Net Present Value of Minimum Lease Payments	12,262.68
Less: Current Maturities	(6,024.67)
Long-Term Finance Lease Obligations	$ 6,238.01

6. FINANCE LEASE OBLIGATIONS (Continued)

The City has entered into a finance lease agreement in order to finance the acquisition of a Ford Explorer. Payments are made annually, including interest at 3.48%. Final maturity of the lease is September 23, 2026. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2024	$ 8,670.19
2025	8,670.19
2026	8,636.75
	25,977.13
Less imputed interest	(1,712.81)
Net Present Value of Minimum Lease Payments	24,264.32
Less: Current Maturities	(7,822.31)
Long-Term Finance Lease Obligations	$ 16,442.01

The City has entered into a finance lease agreement in order to finance the acquisition of two Dodge Chargers. Payments are made annually, including interest at 4.25%. Final maturity of the lease is February 15, 2027. Future minimum lease payments are as follows:

Year Ended December 31	Totals
2024	$ 10,643.62
2025	10,643.62
2026	10,643.62
2027	11,414.10
	43,344.96
Less imputed interest	(4,166.12)
Net Present Value of Minimum Lease Payments	39,178.84
Less: Current Maturities	(9,011.18)
Long-Term Finance Lease Obligations	$ 30,167.66

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Death and Disability Other Post-Employment Benefits
As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2023.

Compensated Absences:
All full-time employees of the City after one year of employment are eligible for 80 hours of vacation benefits, except for police who receive 82.50 hours. All full-time employees of the City in their sixth year of employment are eligible for 96 hours of vacation benefits, except for police who receive 99 hours. All full-time employees of the City in their eleventh year of employment are eligible for 120 hours of vacation benefits, except for police who receive 132 hours. All full-time employees of the City in their sixteenth year of employment are eligible for 144 hours of vacation benefits, except for police who receive 156.75 hours.

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (Continued)

Vacation is awarded on January 1st of each year at a rate of 1.5 hours of leave for each continuous week of employment in the immediately preceding year. After that first year, employees received their full amount listed above on January 1st of each subsequent year. An employee shall be paid for accumulated paid time off up to 50% of their wages for up to 40 hours of vacation time.

Full time employees other than police officers, who have more than ninety days of employment with the City accrue sick leave at a rate of 8 hours per month to a maximum of 400 hours. Full time police officers with more than six months of employment with the City accrue sick leave at a rate of 8.25 hours per month to a maximum of 440 hours. Sick leave is awarded as of the first day of each month of service, beginning with the first month following completion of the employee's first 90 days of employment.

The City determines a liability for compensated absences when the following conditions are met:

1. The City's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation related to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated and is material to the financial statements.

In accordance with the above criteria, the City has accrued a liability for vacation leave which has been earned, but not taken, by City employees. The estimated liability at December 31, 2023, was $4,047.20 for annual leave. The City has not accrued a liability for sick leave which has been earned but not taken by City employees as amount cannot be reasonably estimated.

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

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

8. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees health and life; and natural disasters. The City manages these risks of loss through the purchase of various insurance policies.

9. INTERFUND TRANSFERS

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
General	Capital Improvement Projects	K.S.A. 12-1,118	$ 12,000.00
General	Municipal Equipment Police	K.S.A. 12-1,117	10,000.00
General	Special Street Improvement	K.S.A. 12-1,118	20,000.00
Water Utility	Municipal Equipment Reserve	K.S.A. 12-825d	2,000.00
Water Utility	GO Bond and Interest	K.S.A. 12-825d	50,000.00
Water Utility	Water Capital Improvement Reserve	K.S.A. 12-825d	11,749.00
Sewer Utility	GO Bond and Interest	K.S.A. 12-825d	168,846.79

10. PRIOR PERIOD ADJUSTMENTS

During the audit performed for the year end December 31, 2023, it was discovered there were some items paid and recorded in fiscal year 2023 that should have been recorded as accounts payable in fiscal year 2022 as well as a fund that should have been shown as an Agency fund.

Unencumbered Cash, As Reported	$ 1,183,214.85
Minus: Agency Fund	(3,775.19)
Minus: Accounts Payable	(5,300.23)
Unencumbered Cash, as Restated	$ 1,174,139.43

The change was due to in the past the Youth Sports Fund was not recorded as an Agency fund and bills found in 2023 that were for services provided in 2022.

11. SUBSEQUENT EVENTS

The City evaluated events and transactions occurring subsequent to year end, and there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

SUPPLEMENTARY INFORMATION

Schedule 1

CITY OF PLEASANTON, KANSAS

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

Funds	Total Certified Budget	Qualifying Adjustments for Budget Credits	Total Budget for Comparison	Expenditures Charged to Current Year Budget	Variance - Over (Under)
General	$ 1,005,950.00	$ 19,323.32	$ 1,025,273.32	$ 971,111.48	$ (54,161.84)
Special Purpose Funds:					
Consolidated Streets and Highway	326,715.00	-	326,715.00	269,221.15	(57,493.85)
Bond and Interest Funds:					
GO Bond and Interest	218,818.00	-	218,818.00	218,846.79	28.79
Business Funds:					
Water Utility	382,749.00	-	382,749.00	436,385.12	53,636.12
Sewer Utility	233,161.00	-	233,161.00	222,926.06	(10,234.94)

CITY OF PLEASANTON, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year		
	Actual	Budget	Variance - Over (Under)
Receipts			
Taxes and Shared Receipts			
Ad Valorem Property Tax	$ 343,557.63	$ 362,535.00	$ (18,977.37)
Delinquent Tax	34,525.42	20,000.00	14,525.42
Motor Vehicle Tax	36,509.49	34,871.00	1,638.49
Recreational Vehicle Tax	849.77	727.00	122.77
16/20M Truck Tax	-	78.00	(78.00)
Commercial Vehicle Tax	-	673.00	(673.00)
Watercraft Tax	-	250.00	(250.00)
Intergovernmental			
Sales Tax	354,109.81	238,000.00	116,109.81
Franchise Tax	42,842.78	32,000.00	10,842.78
State Grant	14,420.00	14,420.00	-
Federal Grant	1,340.25	1,200.00	140.25
Special Assessments	2,092.90	-	2,092.90
Opiod Settlement	3,232.18	-	3,232.18
Charges for Services			
Copies	25.25	-	25.25
Permits/ Dog Tags	2,303.68	1,750.00	553.68
VIN Inspections	1,985.00	-	1,985.00
Court Fines	69,300.43	30,000.00	39,300.43
Restitution	703.11	-	703.11
Mowing	728.25	-	728.25
Swimming Pool	10,653.93	7,500.00	3,153.93
Use of Money and Property			
Interest Income	8,013.90	750.00	7,263.90
Rentals	7,975.00	8,400.00	(425.00)
Other Receipts			
Reimbursed Expense	19,323.32	13,000.00	6,323.32
Donations	20.00	-	20.00
Miscellaneous	5,031.22	599.00	4,432.22
Total Receipts	959,543.32	$ 766,753.00	$ 192,790.32
Expenditures			
General Government			
Personal Services	206,649.21	$ 425,000.00	$ (218,350.79)
Contractual Services	180,453.43	5,000.00	175,453.43
Commodities	7,670.69	-	7,670.69
Capital Outlay	-	-	-

CITY OF PLEASANTON, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year		
	Actual	Budget	Variance - Over (Under)
Expenditures (Continued)			
Police Department			
Personal Services	$ 248,098.78	$ 313,000.00	$ (64,901.22)
Contractual Services	34,171.44	-	34,171.44
Commodities	52,859.37	-	52,859.37
Court			
Personal Services	5,358.70	12,000.00	(6,641.30)
Contractual Services	8,958.00	-	8,958.00
Commodities	214.70	-	214.70
Fire Department			
Personal Services	4,926.01	19,000.00	(14,073.99)
Contractual Services	2,249.50	-	2,249.50
Commodities	403.92	-	403.92
City Council			
Personal Services	5,675.00	13,000.00	(7,325.00)
Contractual Services	14,888.21	-	14,888.21
Commodities	356.34	-	356.34
Parks and Recreation			
Personal Services	25,919.79	45,000.00	(19,080.21)
Contractual Services	14,275.08	-	14,275.08
Commodities	11,082.91	-	11,082.91
Capital Outlay	937.02	-	937.02
Swimming Pool			
Personal Services	36,646.35	50,000.00	(13,353.65)
Contractual Services	6,413.56	-	6,413.56
Commodities	9,291.11	-	9,291.11
Capital Outlay	615.15	-	615.15
Community Center			
Contractual Services	3,088.40	15,000.00	(11,911.60)
Commodities	1,929.21	-	1,929.21
CRRP/Codes Clean Up			
Personal Services	-	10,000.00	(10,000.00)
HUD			
Personal Services	497.64	-	497.64
Solid Waste			
Personal Services	17,367.66	24,000.00	(6,632.34)
Contractual Services	753.93	-	753.93
Commodities	1,103.34	-	1,103.34
Debt Service			
Principal	5,268.00	5,308.00	(40.00)
Interest	1,641.78	1,642.00	(0.22)
Finance Lease	19,347.25	-	19,347.25

CITY OF PLEASANTON, KANSAS
GENERAL FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year		
	Actual	Budget	Variance - Over (Under)
Expenditures (Continued)			
Operating Transfers to:			
Capital Improvement Projects Fund	$ 12,000.00	$ 18,000.00	$ (6,000.00)
Consolidated Streets Fund	-	4,000.00	(4,000.00)
Municipal Equipment Police Fund	10,000.00	26,000.00	(16,000.00)
Special Street Improvement Fund	20,000.00	20,000.00	-
Total Certified Budget		1,005,950.00	(34,838.52)
Adjustments for Qualifying Budget Credits		19,323.32	(19,323.32)
Total Expenditures	971,111.48	$ 1,025,273.32	$ (54,161.84)
Receipts Over(Under) Expenditures	(11,568.16)		
Unencumbered Cash, Beginning	264,689.04		
Unencumbered Cash, Ending	$ 253,120.88		

CITY OF PLEASANTON, KANSAS
CONSOLIDATED STREETS AND HIGHWAY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year		
	Actual	Budget	Variance - Over (Under)
Receipts			
Taxes and Shared Receipts			
Ad Valorem Property Tax	$ 250,842.28	$ 264,830.00	$ (13,987.72)
Delinquent Tax	18,702.79	7,000.00	11,702.79
Motor Vehicle Tax	18,681.54	19,008.00	(326.46)
Recreational Vehicle Tax	433.80	397.00	36.80
16/20M Truck Tax	-	42.00	(42.00)
Commercial Vehicle Tax	-	366.00	(366.00)
Watercraft Tax	-	136.00	(136.00)
Special Highway Tax	32,968.29	32,310.00	658.29
Other Receipts			
Miscellaneous	267.90	-	267.90
Operating Transfer from			
General Fund	-	20,000.00	(20,000.00)
Sewer Utility Fund	-	15,000.00	(15,000.00)
Total Receipts	321,896.60	$ 359,089.00	$ (37,192.40)
Expenditures			
Street Maintenance			
Personal Services	127,627.47	$ -	$ 127,627.47
Contractual Services	27,576.49	-	27,576.49
Commodities	86,200.09	31,215.00	54,985.09
Capital Outlay	7,421.30	279,000.00	(271,578.70)
Debt Service			
Finance Lease	20,395.80	16,500.00	3,895.80
Total Expenditures	269,221.15	$ 326,715.00	$ (57,493.85)
Receipts Over(Under) Expenditures	52,675.45		
Unencumbered Cash, Beginning	75,375.23		
Unencumbered Cash, Ending	$ 128,050.68		

CITY OF PLEASANTON, KANSAS
LAW ENFORCEMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year Actual
Receipts	
Other Receipts	
Donations	$ 8,400.00
Total Receipts	8,400.00
Expenditures	
Pulic Safety	
Contractual Services	6,560.26
Total Expenditures	6,560.26
Receipts Over(Under) Expenditures	1,839.74
Unencumbered Cash, Beginning	3,441.53
Unencumbered Cash, Ending	$ 5,281.27

CITY OF PLEASANTON, KANSAS
CHRISTMAS DECORATIONS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year Actual
Receipts	
Other Receipts	
Donations	$ 450.00
Total Receipts	450.00
Expenditures	
Culture and Recreation	
Contractual Services	775.72
Total Expenditures	775.72
Receipts Over(Under) Expenditures	(325.72)
Unencumbered Cash, Beginning	3,261.00
Unencumbered Cash, Ending	$ 2,935.28

CITY OF PLEASANTON, KANSAS
ANGEL TREE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year Actual
Receipts	
Other Receipts	
Donations	$ 9,963.63
Total Receipts	9,963.63
Expenditures	
Culture and Recreation	
Contractual Services	8,575.40
Total Expenditures	8,575.40
Receipts Over(Under) Expenditures	1,388.23
Unencumbered Cash, Beginning	76.20
Unencumbered Cash, Ending	$ 1,464.43

CITY OF PLEASANTON, KANSAS
MUNICIPAL EQUIPMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year Actual
Receipts	
Operating Transfer from Water Utility Fund	$ 2,000.00
Total Receipts	2,000.00
Expenditures	
General Government	
Debt Service	
Finance Lease	1,059.32
Total Expenditures	1,059.32
Receipts Over(Under) Expenditures	940.68
Unencumbered Cash, Beginning	107,839.61
Unencumbered Cash, Ending	$ 108,780.29

CITY OF PLEASANTON, KANSAS
MUNICIPAL EQUIPMENT POLICE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year Actual
Receipts	
Operating Transfer from	
General Fund	$ 10,000.00
Total Receipts	10,000.00
Expenditures	
General Government	
Capital Outlay	6,389.82
Total Expenditures	6,389.82
Receipts Over(Under) Expenditures	3,610.18
Unencumbered Cash, Beginning	7,000.00
Unencumbered Cash, Ending	$ 10,610.18

CITY OF PLEASANTON, KANSAS
SPECIAL PROJECTS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year Actual
Receipts	
Operating Transfer from General Fund	$ -
Total Receipts	-
Expenditures	
General Government	
Contractual Services	-
Total Expenditures	-
Receipts Over(Under) Expenditures	-
Unencumbered Cash, Beginning	11,120.04
Unencumbered Cash, Ending	$ 11,120.04

CITY OF PLEASANTON, KANSAS
SPECIAL STREET IMPROVEMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year Actual
Receipts	
Operating Transfer from General Fund	$ 20,000.00
Total Receipts	20,000.00
Expenditures	
General Government	
Contractual Services	-
Total Expenditures	-
Receipts Over(Under) Expenditures	20,000.00
Unencumbered Cash, Beginning	177,747.77
Unencumbered Cash, Ending	$ 197,747.77

CITY OF PLEASANTON, KANSAS
AMERICAN RESCUE FUNDS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year Actual
Receipts	
Intergovernmental	
ARPA Grant Proceeds	$ -
Total Receipts	-
Expenditures	
General Government	
Capital Outlay	68,549.87
Total Expenditures	68,549.87
Receipts Over(Under) Expenditures	(68,549.87)
Unencumbered Cash, Beginning	72,776.84
Unencumbered Cash, Ending	$ 4,226.97

CITY OF PLEASANTON, KANSAS
SPECIAL FIRE EQUIPMENT FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year Actual
Receipts	
Operating Transfer from General Fund	$ -
Total Receipts	-
Expenditures	
General Government	
Capital Outlay	-
Total Expenditures	-
Receipts Over(Under) Expenditures	-
Unencumbered Cash, Beginning	78,127.85
Unencumbered Cash, Ending	$ 78,127.85

CITY OF PLEASANTON, KANSAS
CAPITAL IMPROVEMENT PROJECTS FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year Actual
Receipts	
Operating Transfer from General Fund	$ 12,000.00
Total Receipts	12,000.00
Expenditures	
General Government Capital Outlay	-
Total Expenditures	-
Receipts Over(Under) Expenditures	12,000.00
Unencumbered Cash, Beginning	4,048.20
Unencumbered Cash, Ending	$ 16,048.20

CITY OF PLEASANTON, KANSAS
GO BOND AND INTEREST FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year		
	Actual	Budget	Variance - Over (Under)
Receipts			
Operating Transfers from:			
Water Utility Fund	$ 50,000.00	$ 52,749.00	$ (2,749.00)
Sewer Utility Fund	168,846.79	166,099.00	2,748.00
Total Receipts	218,846.79	$ 218,848.00	$ (1.00)
Expenditures			
Debt Service			
Principal	107,885.00	$ 107,885.00	$ -
Interest	110,961.79	110,933.00	28.79
Total Expenditures	218,846.79	$ 218,818.00	$ 28.79
Receipts Over(Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	$ -		

CITY OF PLEASANTON, KANSAS
WATER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year		
	Actual	Budget	Variance - Over (Under)
Receipts			
Charges for Services			
Water Sales	$ 361,309.03	$ 354,000.00	$ 7,309.03
Deposits	4,735.00	4,000.00	735.00
Penalties	15,983.38	15,000.00	983.00
Other Taxes	5,095.32	7,200.00	(2,105.00)
Other Receipts			
Miscellaneous	5,783.33	1,200.00	4,583.00
Reimbursed Expense	267.89	1,500.00	(1,232.00)
Total Receipts	393,173.95	$ 382,900.00	$ 10,273.03
Expenditures			
Treatment and Distribution			
Personal Services	183,033.73	$ 139,000.00	$ 44,033.73
Contractual Services	120,795.33	118,000.00	2,795.33
Commodities	68,807.06	50,000.00	18,807.06
Capital Outlay	-	5,000.00	(5,000.00)
Debt Service			
Finance Lease	-	7,000.00	(7,000.00)
Operating Transfers to:			
GO Bond and Interest Fund	50,000.00	52,749.00	(2,749.00)
Municipal Equipment Reserve Fund	2,000.00	2,000.00	-
Water Capital Improvement Reserve Fund	11,749.00	9,000.00	2,749.00
Total Expenditures	436,385.12	$ 382,749.00	$ 53,636.12
Receipts Over(Under) Expenditures	(43,211.17)		
Unencumbered Cash, Beginning	125,555.08		
Unencumbered Cash, Ending	$ 82,343.91		

CITY OF PLEASANTON, KANSAS
WATER CAPITAL IMPROVEMENT RESERVE FUND
Schedule of Receipts and Expenditures - Actual
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year Actual
Receipts	
Operating Transfers from Water Utility Fund	$ 11,749.00
Total Receipts	11,749.00
Expenditures	
Treatment and Distribution Capital Outlay	-
Total Expenditures	-
Receipts Over(Under) Expenditures	11,749.00
Unencumbered Cash, Beginning	2,500.00
Unencumbered Cash, Ending	$ 14,249.00

CITY OF PLEASANTON, KANSAS
SEWER UTILITY FUND
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2023

	Current Year		
	Actual	Budget	Variance - Over (Under)
Receipts			
Charges for Services			
Sewer Collections	$ 232,477.17	$ 224,000.00	$ 8,477.17
Total Receipts	232,477.17	$ 224,000.00	$ 8,477.17
Expenditures			
Treatment			
Personal Services	9,800.91	$ 58,000.00	$ (48,199.09)
Contractual Services	24,540.98	-	24,540.98
Commodities	1,555.93	-	1,555.93
Debt Service			
Principal	11,070.21	-	11,070.21
Interest	173.80	-	173.80
Finance Lease	6,937.44	7,000.00	(62.56)
Operating Transfers to			
GO Bond and Interest Fund	168,846.79	168,161.00	685.79
Total Expenditures	222,926.06	$ 233,161.00	$ (10,234.94)
Receipts Over(Under) Expenditures	9,551.11		
Unencumbered Cash, Beginning	240,581.04		
Unencumbered Cash, Ending	$ 250,132.15		

Schedule 3

CITY OF PLEASANTON, KANSAS
AGENCY FUNDS
Summary of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2023

Funds	Beginning Cash Balances	Receipts	Disbursements	Ending Cash Balances
Youth Sports	$ 3,775.19	$ 2,815.00	$ 3,451.70	$ 3,138.49
Freedom Claims	-	4,713.28	-	4,713.28
Total Agency Funds	$ 3,775.19	$ 7,528.28	$ 3,451.70	$ 7,851.77

Jarred Gilmore Phillips

The Honorable Mayor and City Council
City of Pleasanton, Kansas

In planning and performing our audit of the financial statement of the City of Pleasanton, Kansas as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the City of Pleasanton, Kansas' system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the City of Pleasanton, Kansas' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Pleasanton, Kansas' internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiencies in internal control to be material weaknesses:

Preparation of Financial Statement

In prior years, the auditor was considered the compensating control for preparation of the City's financial statement, including footnotes. However, professional standards do not allow the auditor to be a compensating internal control for the City. The new standard states the client must be able to accept responsibility and be able to identify a material misstatement when handed the financial statement, including footnotes. This would also include knowing if a required footnote disclosure was missing or not correctly stated. Presently, the City staff does not have the ability to process and prepare the required financial statement, including footnotes. While we recognize that this condition is not unusual for a city your size, it is important that you be aware of this condition for financial reporting purposes. Management and the Council should continually be aware of the financial reporting of the City and changes in reporting requirements.

Segregation of Duties

An internal control structure is, quite simply, the procedures and policies in effect which ensure that the City's financial activity is properly recorded, processed, summarized, and reported in the financial statement. A weakness in the control structure occurs when one person is responsible for all of the accounting activities such as performing billings, receipting cash, making deposits, reconciling the bank accounts, and having access to all books and records of the City. Due to small staff size, it is not possible for reviews of daily work to take place, potentially resulting in errors in financial records and reports.

Missing Credit Card Receipts

During the testing of credit cards, it was noted that there were multiple missing receipts to support purchases made using the credit card. K.S.A. 12-105b requires all claims against a municipality by presented in writing with a full amount of the items and missing receipts for credit card purchases makes it unable to determine if the purchases made were for City use or personal use. It was also noted through discussions with City staff that the City currently has a policy in place in regards to missing credit cards that results in an employee reimbursing the City for any purchases made using the credit card for which a receipt is not turned in. City policies should be followed to ensure that staff understands the importance of turning receipts in so as to support that all purchases made using the credit card are for legitimate City business.

Fire Department Account

It was noted during the audit that there is a donation account set up for the fire department that is not included in the City's general ledger. It is important that all transactions and accounts of the City be included in general ledger. In addition, the City Council should authorize and approve opening of any new bank accounts. We recommend that any account opened should follow current City policy for the disbursement of funds to strengthen internal control.

This communication is intended solely for the information and use of management, the Mayor, City Council, and others within the City of Pleasanton, Kansas, and is not intended to be, and should not be, used by anyone other than these specified parties.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

March 29, 2024
Chanute, Kansas