CITY OF PAOLA
Paola, Kansas

FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT

December 31, 2023

CITY OF PAOLA, KANSAS

TABLE OF CONTENTS
Year ended December 31, 2023

	Statements	Page
Independent Auditor's Report		1
Financial Statement		
Summary Statement of Receipts, Expenditures and Unencumbered Cash	1	4
Notes to Financial Statement		8
Supplementary Information	Schedule	
Summary of Expenditures – Actual and Budget	1	19
Schedule of Receipts and Expenditures – Actual and Budget		
General Fund	2a	20
Library Fund	2b	27
Employee Benefit Fund	2c	29
Family Aquatics Center	2d	30
Community Center Fund	2e	32
Storm Water Management	2f	34
Special Parks and Recreation Fund	2g	35
Street Repair – Special Highway Fund	2h	36
Special Law Enforcement Account	2i	37
Transient Guest Tax	2j	38
Family Aquatics Center Equipment Reserve	2k	39
Covid-19	2l	40
General Obligation Temporary Notes	2m	41
Escrow Fund	2n	42
Mennenoah Cemetery	2o	43
Special Grants Fund	2p	44
Drug Enforcement Account	2q	45
Bond & Interest	2r	46
Equipment Replacement	2s	47
Capital Projects	2t	48
Sewer Service Fund	2u	49
Water Utility Fund	2v	51
Health and Sanitation Fund	2w	54
Water Treatment Plant	2x	55
Wastewater Treatment Plant	2y	56
Summary of Receipts and Disbursements - Agency Funds	3	57

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INDEPENDENT AUDITOR'S REPORT

City Commissioners
City of Paola, Kansas
Paola, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of City of Paola, 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 of Adverse Opinion 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 City of Paola 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 City of Paola 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 C.

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 responsibility 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 City of Paola 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.

Matters giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles
As discussed in Note C of the financial statement, the financial statement is prepared by City of Paola, Kansas 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 C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note C; 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 City of Paola 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 Responsibility for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about where 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 an 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 judgement made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

1. Exercise professional judgement and maintain professional skepticism throughout the audit.
2. 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.
3. 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 City of Paola's internal control. Accordingly, no such opinion is expressed.
4. Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimate made by management, as well as evaluate the overall presentation of the financial statement.
5. Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about City of Paola'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 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 expenditure-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 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 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 C.

Prior Year Comparative

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of City of Paola, Kansas as of and for the year ended December 31, 2022 (not presented herein), and have issued our report thereon dated June 14, 2023, which contained an unmodified opinion on the basic financial statement. The 2022 basic financial statement and our accompanying report are not presented herein, but available in electronic form from the web site of the Kansas Department of Administration at the following link http//admin.ks.gov/offices/oar/municipal-services. The 2022 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, 2023 (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 2022 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 2022 basic financial statement. The 2022 comparative information was subjected to the auditing procedures applied in the audit of the 2022 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 2022 basic financial statement or to the 2022 basic financial statements itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2022 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, 2022, on the basis of accounting described in Note C.

Harold K. Mayes Jr. CPA
Agler & Gaeddert, Chartered
Ottawa, Kansas
June 4, 2024

City of Paola, Kansas

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

	Beginning Unencumbered Cash Balances	Receipts
General Fund	$ 1,196,212	$ 5,661,985
Special Purpose Funds		
Library	92,505	339,068
Employee Benefit	569,479	1,191,558
Family Aquatics Center	90,346	157,690
Community Center	5,152	133,752
Storm Water Management	297,021	90,276
Special Park and Recreation	11,489	21,345
Street Repair/Special Highway	187,532	157,473
Special Law Enforcement Account	7,536	48
Transient Guest Tax	62,919	39,854
Family Aquatics Center Equipment Reserve	(118)	238,832
Covid-19	662,987	0
Bond Issue	607,598	8,239,565
Escrow Proceeds	3,276	1,979
Mennenoah Cemetery	2,298	23
Special Grants Fund	23,828	98,198
Drug Enforcement Account	2,091	4,100
	2,625,939	10,713,761
Debt Service Funds		
Bond and Interest	366,690	918,243
Capital Projects Funds		
Equipment Replacement	128,754	211,627
Capital Projects Fund	3,214,048	1,744,424
	3,342,802	1,956,051

The accompanying notes are an integral part of this statement.

Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balances
$ 5,201,264	$ 1,656,933	$ 135,785	$ 1,792,718
363,213	68,360	9,249	77,609
1,229,826	531,211	27,363	558,574
143,990	104,046	61	104,107
129,190	9,714	1,124	10,838
50,114	337,183	0	337,183
25,975	6,859	0	6,859
149,900	195,105	0	195,105
3,000	4,584	0	4,584
50,401	52,372	0	52,372
100,000	138,714	0	138,714
155,378	507,609	3,406	511,015
6,106,632	2,740,531	1,720,145	4,460,676
2,285	2,970	0	2,970
0	2,321	0	2,321
105,494	16,532	1,499	18,031
4,856	1,335	0	1,335
8,620,254	4,719,446	1,762,847	6,482,293
930,412	354,521	0	354,521
25,280	315,101	0	315,101
2,104,144	2,854,328	0	2,854,328
2,129,424	3,169,429	0	3,169,429

The accompanying notes are an integral part of this statement.

City of Paola, Kansas

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

	Beginning Unencumbered Cash Balances	Receipts
Business Funds		
Sewer Service Operating	$ 781,803	$ 1,500,109
Water Utility Operating	68,504	2,479,810
Health and Sanitation	95,575	442,020
Water Treatment Plant	208,790	2,074
Wastewater Treatment Plant	913,135	12,683
	1,286,004	2,936,587
	$ 8,817,647	$ 22,186,627

The accompanying notes are an integral part of this statement.

Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balances
$ 1,346,389	$ 935,523	$ 16,193	$ 951,716
1,985,302	563,012	5,665	568,677
445,442	92,153	0	92,153
0	210,864	0	210,864
136,983	788,835	0	788,835
2,567,727	1,654,864	21,858	2,612,245
$ 19,449,081	$ 11,555,193	$ 1,920,490	$ 14,411,206

Cash balance consisting of	
Balance on deposit	
Checking, money market accounts & petty cash	$ 10,491,898
Certificates of deposit	4,250,000
Police bond	17,810
Payroll withholding	7,174
Police account	1,335
Total cash	14,768,217
Agency Funds Per Schedule 3	(357,011)
Total cash (excluding agency funds)	$ 14,411,206

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENT
December 31, 2023

NOTE A. MUNICIPAL REPORTING ENTITY

The City of Paola is a municipal corporation governed by a mayor/council/manager form of government. These financial statements present the government and its related municipal entities, entities for which the government is considered financially accountable.

Related Municipal Entities

The Paola Free Library is governed by a board appointed by the City Council. The Library's budget and its expenditures and contractual arrangements, are approved by the City council. The Library has been included in the accompanying financial statements as a special purpose fund of the primary government.

Other Entities

The Paola Housing Authority has been omitted from the accompanying financial statements. The Paola Housing Authority Board is appointed by the City Council and oversees the operations of the Paola Housing Authority. The financial statements of the Paola Housing Authority are audited annually as of the Paola Housing Authority's fiscal year end (March 31). Those financial statements are issued separately and may be obtained from the Paola Housing Authority.

The City entered into a joint venture with the City of Louisburg for the purpose of developing a public utility to treat and disburse water to the two cities. The water treatment plant has been completed and is in operation. Both Cities provide labor, supplies and administrative costs to the operation for which both are reimbursed. Those financial statements are issued separately and may be obtained at City Hall.

The Public Building Commission activity is included in these financial records as part of the City's activity. There is no separate accounting by the Public Building Commission of its activity.

NOTE B. REGULATORY BASIS FUND TYPES

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The City potential could have the following types of funds.

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

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

Bond and Interest Fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and used to make payments 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 part by fees charged to users of goods or services (i.e. enterprise and internal service funds 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 municipality reporting entity scholarship funds, etc.). The City does not have any funds of this type.

NOTE B. REGULATORY BASIS FUND TYPES - continued

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

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

City of Paola, Kansas has approved a resolution that it 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.

NOTE 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.

Should the City hold a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th.

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

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.

Adjustment for Qualifying Budget Credits – Municipalities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

NOTE D. BUDGETARY INFORMATION - continued

All legal annual operating budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end. A legal operating budget is not required for the following special purpose funds and capital project funds:

Special Law Enforcement	Family Aquatics Center Equipment
Covid-19	Bond Issue
Escrow Fund	Mennenoah Cemetery
Special Grants	Drug Enforcement Account
Equipment Replacement	Capital Projects
Water Treatment Plant	Waste Water Treatment Plant

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

NOTE E. CASH AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available in certificates of deposit and other authorized investments, Earning from these investments are allocate to designated funds.

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 City or in an adjoining City 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 bank 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. The City rates investments (if any) as noted.

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. The City has no investments other than money markets and certificates of deposit.

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year. All bank deposits were legally secured at December 31, 2023.

At December 31, 2023, the carrying amount of the City's bank deposits was $14,768,217 (which includes petty cash funds) and the bank balance was $15,237,434. The bank balance was held by two banks which reduces concentration of credit risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, $500,000 was covered by federal depository insurance, and $14,737,434 was collateralized with securities held by the pledging financial institution's 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

NOTE E. CASH AND INVESTMENTS – continued

possession of an outside party. State statutes require investments be adequately secured. The City had no such investments at year-end.

NOTE F. LONG-TERM DEBT

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Maturity
General obligation bonds:				
Refunding Series 2014	2.00-3.00	10/06/14	2,485,000	09/01/25
GO Refunding Series 2020	3.00%	06/04/20	4,140,000	09/01/31
GO Temporary Note Series 202	2.00%	01/06/22	3,110,000	12/01/23
GO Bonds Series A, 2023	4.00-5.00	03/01/23	7,570,000	09/01/36
Public Building Commission				
Refunding Series 2016	2.0-3.0	01/12/16	2,185,000	11/01/26
Capital leases:				
Fire Truck	2.25	04/28/15	750,000	4/28/29
Copiers	0.00	01/01/23	18,300	1/18/27
800MHZ Radios	3.49	01/01/20	125,000	1/1/25
2021 Ford Explorer	1.22	01/01/21	85,000	1/1/24
2021 Chevy Silverado	4.95	01/01/21	80,000	1/1/24

	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General obligation bonds:						
Refunding Series 2014	$ 665,000	$ 0	$ 270,000	$ (270,000)	$ 395,000	$ 19,950
GO Refunding Series 2020	3,725,000	0	340,000	(340,000)	3,385,000	111,750
GO Temporary Note Series 202	3,110,000	0	3,110,000	(3,110,000)	0	17,969
GO Bond Series A, 2023	0	7,570,000	455,000	7,115,000	7,115,000	171,825
Public Building Commission						
Refunding Series 2016	710,000	0	170,000	(170,000)	540,000	18,713
Total bonds	$ 8,210,000	$ 7,570,000	$ 4,345,000	$ 3,225,000	$ 11,435,000	$ 340,206

	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
Capital leases:						
Fire Truck	$ 378,188	$ 0	$ 50,488	$ (50,488)	$ 327,700	$ 8,509
Copiers	41,790	0	8,358	(8,358)	33,432	0
800MHZ Radios	76,853	0	24,734	(24,734)	52,119	2,720
2021 Ford Explorer	79,171	0	39,164	(39,164)	40,007	1,706
2021 Chevy Silverado	47,679	0	24,065	(24,065)	23,614	734
Total for leases	623,681	0	146,809	(146,809)	476,872	13,669
Total for all debt	$ 8,833,681	$ 7,570,000	$ 4,491,809	$ 3,078,191	$ 11,911,872	$ 353,876

NOTE F. LONG-TERM DEBT – continued

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

	Year				
	2024	2025	2026	2027	2028
Principal:					
Bonds	$ 1,065,000	$ 1,100,000	$ 965,000	$ 830,000	885,000
Capital Leases	149,208	87,659	62,331	63,546	56,429
	1,214,208	1,187,659	1,027,331	893,546	941,429
Interest:					
Bonds	443,322	412,150	372,050	335,400	302,100
Capital Leases	11,270	7,884	5,024	3,810	2,568
	454,592	420,034	377,074	339,210	304,668
Total Principal & Interest	$ 1,668,800	$ 1,607,693	$ 1,404,405	$ 1,232,756	1,246,097

	Year 2029-2033	Year 2034-2036	Total
Principal:			
Bonds	$ 4,305,000	$ 2,285,000	$ 11,435,000
Capital Leases	57,699	0	476,872
	4,362,699	2,285,000	11,911,872
Interest:			
Bonds	956,100	186,600	3,007,722
Capital Leases	1,298	0	31,854
	957,398	186,600	3,039,576
Total Principal & Interest	$ 5,320,097	$ 2,471,600	$ 14,951,448

The debt limit per Kansas Statutes is limited to thirty percent of the assessed tangible valuation for exempt farm property, business aircraft and motor vehicles given by the County Appraiser to the County Clerk on June 15 each year. At December 31, 2023, the statutory limit for the City was $21,355,988 providing a debt margin of $10,095,988 after removing debt exempt from the limitation.

NOTE G. CAPITAL PROJECTS

Project Name	Project Authorization	Project Expenditures
Wallace Park Improvements	$ 4,200,000	$ 2,792,563
Pool Improvements	2,500,000	814,551
Lake Miola Dam Repair	1,200,000	51,450

NOTE H. INTERFUND TRANSFERS

Operating transfers were as follows:

From:	To:	Statutory Authority		Amount
General	Community Center	12-101	$	100,000
General	Employee Benefit	12-16,102		525,480
Library	Employee Benefit	12-16,102		58,360
Family Aquatics Center	Employee Benefit	12-16,102		25,000
Community Center	Employee Benefit	12-16,102		20,800
Sewer Service	Employee Benefit	12-825d		200,520
Sewer Service	Bond and Interest	12-825d		451,750
Bond Issue	Bond and Interest	12-825d		5,000
General	Equipment Replacement	12-16,102		202,000
General	Capital Projects	12-16,102		10,000
Capital Projects	Family Aquatics Center Equipn	12-16,102		100,118
Family Aquatics Center Equipment	Family Aquatics Center	12-197		100,000
			$	1,799,028

NOTE I. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS

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

Under the 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.

The City has adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Service Code. All employees of the City working 20 or more hours per week are eligible to participate in the plan beginning the first day of a pay period following coincidental with an employee's satisfaction of eligibility requirements of any Optional Benefit Plan. Each participant may elect to reduce his or her salary, subject to the limitations of the Individual Optional Benefit plans, to purchase benefits offered through the Plan. All benefits offered through the plan involve insurance coverage, dependent care reimbursements and health expense reimbursements.

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

Compensated Absences:

Vacation Pay - Full-time employees are entitled to paid vacation leave time according to one of the following schedules:

(a) Full-time employees hired prior to January 1, 1992:

The employee shall be credited with ninety-six (96) hours for each year for up to ten (10) years. Employees with more than ten (10) years of service shall be entitled to eight (8) additional hours for each year of service longer than ten (10) years.

NOTE I. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS - continued

Full-time employees hired after January 1, 1992:

Years of Continuous Employment:	0 to 5	5 to 10	10 to 15	over 15
Hours earned per bi-weekly pay period:	3.6923	4.6153	5.5384	6.4615

(b) New employees shall be awarded vacation time beginning on the first day of the month following (30) days of employment.

(c) Employees may accumulate vacation leave time up to the maximum of two hundred (200) hours. An employee shall not earn additional vacation leave during any time period that the employee maintains the two hundred (200) hours maximum accumulation.

(d) Off-duty employees on a leave of absence without pay for more than seven (7) working days in any one (1) calendar month shall not be eligible for earning vacation time during such month.

(e) Vacation schedules are established by the Department Heads. Vacation time shall be reported as prescribed by the Human Resources Director and shall be taken as follows:

Employees who work 8 hour days	Increments of four (4) hours
Employees who work 10 hour days	Increments of five (5) hours

(f) Bonus personal time shall be rewarded to employees not using sick leave as prescribed by the following schedule:

Hours of Sick Leave Used	Personal Hours Awarded
0 – 3	24
4 – 8	16
9 – 16	8
17 or more	0

To qualify for bonus personal time, employees must have been employed by the City for the entire calendar year. Bonus personal time is awarded in the first pay period of the calendar year and must be used prior to the end of the calendar year that it is awarded or it shall be cancelled without any payment due to the employee. Bonus personal time may be taken in 1-hour increments.

(g) Employees shall receive payment for unused vacation time upon voluntary or involuntary termination of employment. As of December 31, 2023, the unused vacation time represented a potential liability to the City in the amount of $156,240.

Sick Pay - Full-time employees may accumulate up to 180 days of sick leave. Twenty-five percent (25%) of unused sick leave will be paid upon termination of employment if in good standing. At December 31, 2023, City employees' sick leave payout at 25% would be $121,886. In addition to vacation and sick leave, the City also has paid leave for comp time, Covid leave, personal days and wellness that amounted to $24,756 as of December 31, 2023. There is no accrual for these amounts in the financial statements as amounts are expensed as the amounts are paid out.

NOTE J. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. Settlement of claims has not exceeded commercial insurance coverage in any of the last three fiscal years.

NOTE K. DEFINED BENEFIT PENSION PLAN

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefits 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 require 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 KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009, KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law establishes the KPERS member-employee contribution rates a 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. K.S.A. 74-4975 establishes KP&F (Kansas Police and Fire) member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F 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 KPERS and 22.86% for KP&F for the fiscal year ended December 31, 2023. Contributions to the pension plan from the City were 153,360 for KPERS and $ 232,038 for KP&F 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 to KPERS was $1,728,611 and $2,207,791 for KP&F. 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 ration 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 this 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.

NOTE L. OTHER INFORMATION

Reimbursed Expenses: The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursement as revenue in the same fund. For purposes of budgetary comparisons, the reimbursements are shown as adjustments for qualifying budget credits.

Compliance with Kansas Statutes: References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the State Director of Accounts and Reports and interpretation by the legal representative of the municipality. The City is not aware of any violations.

Ad valorem tax revenues: The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls.

NOTE L. OTHER INFORMATION - continued

Ad valorem tax revenues: The County Treasurer is the tax collection agent for all taxing entities within the county. In accordance with Kansas statutes, property taxes levied during the current year are a revenue 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 1 of each year. One-half of the property taxes are due December 20th, prior to the fiscal year for which they are budgeted and the second half is due the following May 10th. This procedure eliminates the need to issue tax anticipation notes since funds will be on hand prior to the beginning of each fiscal year. The City Treasurer draws down all available funds from the County Treasurer's office in two-month intervals.

Reimbursements: The City of Paola records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenues to the fund receiving the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursement.

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

NOTE M. SUBSEQUENT EVENTS

Subsequent Events: The City evaluated subsequent events through June 4, 2024, the date the financial statements were available to be issued. No significant events were noted that need disclosure.

REGULATORY BASIS
SUPPLEMENTARY INFORMATION

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City of Paola, Kansas

Schedule 1

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

Fund	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General Fund	$ 5,456,168	$ 0	$ 5,456,168	$ 5,201,264	$ (254,904)
Special Purpose Funds					
Library	401,010	0	401,010	363,213	(37,797)
Employee Benefit	1,567,765	0	1,567,765	1,229,826	(337,939)
Family Aquatics Center	236,871	0	236,871	143,990	(92,881)
Community Center	142,944	0	142,944	129,190	(13,754)
Storm Water Management	344,450	0	344,450	50,114	(294,336)
Special Park and Recreation	27,063	0	27,063	25,975	(1,088)
Street Repair/Special Highway	347,941	0	347,941	149,900	(198,041)
Transient Guest Tax	74,828	0	74,828	50,401	(24,427)
Debt Service Funds					
Bond and Interest	1,169,653	0	1,169,653	930,412	(239,241)
Business Funds					
Sewer Service	2,005,024	0	2,005,024	1,346,389	(658,635)
Water Utility	2,133,454	0	2,133,454	1,985,302	(148,152)
Health and Sanitation	479,496	0	479,496	445,442	(34,054)

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Taxes				
Ad valorem property tax	$ 1,960,851	$ 1,996,164	$ 2,030,000	$ (33,836)
Back tax collections	20,876	28,116	12,500	15,616
Motor vehicle tax	142,229	169,414	172,092	(2,678)
City sales tax	1,012,632	1,123,213	900,000	223,213
County sales tax	817,449	912,649	675,000	237,649
Sales tax	1,681	1,749	2,500	(751)
Mowing assessments	1,070	1,060	0	1,060
In lieu of taxes	26,112	30,698	22,000	8,698
Total taxes	3,982,900	4,263,063	3,814,092	448,971
Intergovernmental				
Liquor	21,044	21,326	22,000	(674)
Community fisheries program	6,489	6,489	6,400	89
Total Intergovernmental	27,533	27,815	28,400	(585)
Licenses, fees and permits				
Franchise tax	485,572	497,864	440,000	57,864
Pet licenses	1,147	761	1,500	(739)
General licenses	43,745	43,175	35,000	8,175
Lake permits	51,554	79,962	45,000	34,962
Zoning/planning	2,663	4,027	1,000	3,027
Building permits	109,093	131,815	80,000	51,815
Total Licenses, Fees & Permits	693,774	757,604	602,500	155,104
Charges for services				
Rural fire	98,520	97,573	90,000	7,573
Fines, forfeitures, penalties				
Fines and fees	181,954	175,327	180,000	(4,673)
Court costs	34,790	34,440	45,000	(10,560)
Total Fines, Forfeitures, Penalties	216,744	209,767	225,000	(15,233)
Use of money and property				
Rentals	55,478	60,791	52,750	8,041
Cemetery	18,875	14,110	15,000	(890)
Interest on investments	10,972	60,140	5,000	55,140
Total Use of Money & Property	85,325	135,041	72,750	62,291

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts - continued	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Other				
Reimbursed expense	$ 142,148	$ 154,453	$ 97,700	$ 56,753
Reimbursed NSF Checks	7,906	5,808	3,000	2,808
Miscellaneous	6,452	10,861	3,000	7,861
Total Other	156,506	171,122	103,700	67,422
Operating Transfers	316,000	0	25,000	(25,000)
Total Cash Receipts	5,577,302	$ 5,661,985	$ 4,370,049	$ 700,543
Expenditures				
Administration				
Full time salaries	381,618	$ 454,962	$ 374,000	$ 80,962
Part time help	15,666	16,795	7,900	8,895
Overtime	650	274	100	174
Other personal services	9,268	9,593	8,500	1,093
Professional services	58,386	1,450	5,000	(3,550)
Legal service	9,938	8,911	13,000	(4,089)
Telephone	8,418	5,414	8,000	(2,586)
Credit card transaction fees	29,819	41,175	23,000	18,175
Training, travel and dues	10,874	5,814	10,000	(4,186)
Legal printing	1,497	2,420	2,000	420
Advertising	960	1,086	1,000	86
Insurance	11,375	12,409	12,600	(191)
Utility charges	7,776	8,154	11,000	(2,846)
Other contractual	61,855	67,946	53,000	14,946
Civil defense sirens	2,602	1,664	8,000	(6,336)
Street lights	135,968	147,010	165,000	(17,990)
Chamber of commerce dues	16,000	5,000	5,000	0
General office supplies	7,039	4,182	7,000	(2,818)
Postage	3,825	4,811	3,000	1,811
Gifts and memorials	412	275	500	(225)
Operational supplies	2,362	3,888	3,000	888
Building and maintenance supplies	648	3,890	3,500	390
Cleaning supplies	68	446	600	(154)
Non sufficient funds checks	8,528	6,166	4,000	2,166
Miscellaneous	17,492	8,809	500	8,309
Computer equip. & software	96	1,728	500	1,228
Refunds	75	205	100	105
Sales tax	1,661	1,733	2,500	(767)
Total Administration	804,876	826,210	732,300	93,910

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Expenditures - continued	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Police Department				
Full time salaries	$ 958,910	$ 958,373	$ 1,215,000	$ (256,627)
Part time help	6,051	4,907	7,500	(2,593)
Overtime	124,788	132,071	65,000	67,071
Holiday overtime	33,024	31,500	35,000	(3,500)
Legal services	0	20	0	20
Communications equipment	0	1,428	2,000	(572)
Telephone	17,983	19,488	20,000	(512)
Training, travel and dues	14,122	19,535	18,000	1,535
Training T&D Command Staff	4,020	4,499	4,500	(1)
Advertising	582	439	1,500	(1,061)
Insurance	31,719	33,779	34,500	(721)
Lease payments	40,870	40,870	42,000	(1,130)
Animal care	10,456	5,919	12,000	(6,081)
Utilities	26,326	25,151	26,000	(849)
Other services	81,867	145,584	80,000	65,584
Office supplies	3,849	3,555	4,200	(645)
Postage	914	1,463	1,500	(37)
Operational supplies	11,630	12,450	12,500	(50)
DARE supplies	1,427	1,825	1,700	125
Vehicle maintenance	11,421	12,788	10,000	2,788
Equipment maintenance	4,930	4,917	5,500	(583)
Building maintenance	17,267	15,224	16,000	(776)
Cleaning supplies	1,692	866	2,000	(1,134)
Motor fuel and lubrication	39,630	36,882	32,500	4,382
Uniforms	10,272	9,864	10,200	(336)
Enforcement equip. & supplies	9,381	19,817	20,000	(183)
Non sufficient funds checks	77	0	0	0
Miscellaneous supplies	0	0	2,500	(2,500)
Office equipment	0	1,366	2,000	(634)
Computer equip. & software	24,806	37,344	22,000	15,344
Body cameras	0	0	13,700	(13,700)
Equipment, bldg. & grounds	5,170	4,967	5,000	(33)
Motor vehicles	10,348	9,064	10,000	(936)
Total Police Department	1,503,532	1,595,955	1,734,300	(138,345)
Fire Department				
Full time salaries	249,026	269,964	300,000	(30,036)
Telephone	5,795	4,710	4,500	210
Travel, dues and tags	6,851	8,434	8,000	434
Insurance	15,115	17,597	16,700	897

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Expenditures - continued	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Fire Department - continued				
Utilities	$ 19,362	$ 19,848	$ 18,000	$ 1,848
Other contractual	20,649	13,182	17,000	(3,818)
General office supplies	733	746	1,000	(254)
Postage	522	85	100	(15)
Advertising	0	50	0	50
Gifts/memorials	0	0	500	(500)
Operational supplies	17,849	16,240	19,000	(2,760)
Consumables	300	0	0	0
Vehicle maintenance	3,771	1,204	5,000	(3,796)
Equipment maintenance	7,982	10,435	7,000	3,435
Comm. equip. & maint.	90	2,477	5,000	(2,523)
Building maintenance	19,118	19,607	16,000	3,607
Cleaning supplies	406	482	1,200	(718)
Motor fuel and lubrication	3,063	2,615	4,000	(1,385)
Rural fuel	3,385	2,758	3,500	(742)
Uniforms	5,095	8,078	7,500	578
Protective clothing	18,157	19,751	18,000	1,751
Miscellaneous	0	0	0	0
Equip/Bldg. & Grounds	0	115	0	115
Computer equip. & software	4,742	2,601	4,000	(1,399)
Total Fire Department	402,011	420,979	456,000	(35,021)
Municipal Court				
Full time salaries	41,124	71,897	47,700	24,197
Part time help	36,593	38,247	39,600	(1,353)
Legal services	76,626	86,132	90,000	(3,868)
Telephone services	550	0	0	0
Training, travel and dues	50	1,206	1,000	206
Prisoner care	50,621	28,205	25,000	3,205
Other contract	13,053	9,471	16,000	(6,529)
Office supplies	949	1,556	1,500	56
Postage	850	1,250	850	400
Operational supplies	656	544	1,000	(456)
Refunds	250	0	0	0
Non sufficient funds checks	172	212	0	212
Office Equip - Furniture	0	240	500	(260)
Computer equip. &software	480	708	1,000	(292)
Total Municipal Court	221,974	239,668	224,150	15,518

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Expenditures - continued	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Street Department				
Full time salaries	$ 390,555	$ 421,280	$ 506,000	$ (84,720)
Part time help	20,996	0	6,500	(6,500)
Overtime	3,355	3,057	0	3,057
Telephone	4,098	4,130	3,500	630
Training, travel, dues	138	376	1,800	(1,424)
Advertising	253	0	500	(500)
Insurance	16,716	14,454	18,400	(3,946)
Lease payments	51,765	0	0	0
Utility charges	13,472	13,503	15,000	(1,497)
Other services	11,008	13,240	10,000	3,240
Tree care	1,650	1,248	2,500	(1,252)
General office supplies	641	781	1,000	(219)
Operational supplies	17,551	21,636	27,000	(5,364)
Chemicals/Fertilizer	6,316	0	0	0
Plant materials	2,047	0	0	0
Consumables	1,245	0	0	0
Vehicle maintenance	2,956	3,692	7,000	(3,308)
Snow/Ice Control	19,553	0	12,500	(12,500)
Equipment maintenance	28,709	22,949	26,000	(3,051)
Traffic	2,822	12,753	12,000	753
Building maintenance	2,501	3,599	3,500	99
Construction material	34,684	33,174	33,000	174
Motor fuel and lubrication	19,837	20,041	27,000	(6,959)
Uniforms	3,401	4,052	3,800	252
Miscellaneous supplies	271	0	300	(300)
Office equipment furniture	18	79	500	(421)
Computer equipment/ software	802	1,456	1,000	456
Equip/Bldg. & grounds	17,467	0	0	0
Refunds	212	0	0	0
Miscellaneous capital items	25,000	24,656	25,000	(344)
Total Street Department	700,039	620,156	743,800	(123,644)
Park and Recreation				
Full time salaries	175,541	192,050	206,400	(14,350)
Part time help	0	14,800	25,000	(10,200)
Overtime	1,970	1,250	1,200	50
Telephone	1,673	3,822	2,500	1,322
Training, travel and dues	902	1,068	1,000	68
Advertising	296	0	1,200	(1,200)
Insurance	9,431	13,521	10,400	3,121
Utility charges	35,418	36,630	36,000	630
Other services	31,228	39,493	30,000	9,493

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Expenditures - continued	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Park and Recreation - continued				
Tree care	$ 0	$ 5,468	$ 6,000	$ (532)
General office supplies	407	379	400	(21)
Operational supplies	9,105	12,813	12,000	813
Chemicals and fertilizer	0	1,691	5,000	(3,309)
Plant materials	0	5,972	4,000	1,972
Consumables	0	1,574	1,500	74
Vehicle maintenance	851	3,460	3,000	460
Equipment maintenance	8,877	11,553	9,500	2,053
Building maintenance	5,646	3,759	8,000	(4,241)
Construction material	786	1,802	2,000	(198)
Motor fuel and lubrication	21,108	16,355	18,500	(2,145)
Uniforms	921	1,121	1,400	(279)
Lease Payments	0	0	8,500	(8,500)
Miscellaneous	271	1,223	500	723
Refunds	0	20	300	(280)
Computer Equip/Software	647	1,493	1,000	493
Equipment/building & grounds	0	13,937	20,000	(6,063)
Total Park & Recreation	305,078	385,254	415,300	(30,046)
Cemetery				
Full time salaries	44,516	48,003	59,800	(11,797)
Overtime	2,596	997	2,000	(1,003)
Training, travel and dues	0	0	200	(200)
Advertising	76	76	100	(24)
Insurance	1,996	2,213	900	1,313
Lease Payments	25,000	24,799	30,000	(5,201)
Other Contractual	1,835	1,835	3,500	(1,665)
Operational supplies	350	363	1,500	(1,137)
Vehicle maintenance	0	47	500	(453)
Equipment maintenance	861	379	1,000	(621)
Building maintenance	1,853	0	2,500	(2,500)
Construction materials	0	0	2,500	(2,500)
Motor fuel and lube	2,520	2,732	3,000	(268)
Motor vehicle/equipment	31	0	0	0
Refunds	125	10	0	10
Uniforms	224	727	350	377
Total Cemetery	81,983	82,181	107,850	(25,669)

City of Paola, Kansas

Schedule 2a

GENERAL FUND - 01
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Expenditures - continued	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Community Development				
Full time salaries	$ 128,759	$ 164,657	$ 161,400	$ 3,257
Overtime	0	0	300	(300)
Professional services	24,231	1,726	5,500	(3,774)
Legal services	0	0	1,000	(1,000)
Telephone	2,993	2,927	4,000	(1,073)
Training, travel and dues	2,818	2,100	3,500	(1,400)
Legal printing	854	1,579	2,000	(421)
Advertising	342	0	100	(100)
Insurance	2,613	2,749	2,900	(151)
Other contractual	13,595	7,377	7,500	(123)
General office supplies	2,509	1,121	2,500	(1,379)
Postage	404	833	1,000	(167)
Operational supplies	2,651	60	1,500	(1,440)
Vehicle maintenance	208	764	1,000	(236)
Motor fuel and lubrication	2,183	1,593	2,500	(907)
Uniforms	127	100	325	(225)
Miscellaneous	903	0	0	0
Computer equipment & software	5,831	3,295	3,500	(205)
Motor Vehicle/Equipment	27	0	100	(100)
Refunds	1,800	0	1,000	(1,000)
Miscellaneous	50	2,500	500	2,000
Total Community Development	192,898	193,381	202,125	(8,744)
Economic Development				
Miscellaneous	0	0	2,500	(2,500)
Total Economic Development			2,500	(2,500)
Operating transfers	610,006	837,480	837,480	0
Appropriated reserve	0	0	363	(363)
Total expenditures and transfers subject to budget	4,822,397	5,201,264	$ 5,456,168	$ (254,904)
Receipts over (under) expenditures	754,905	460,721		
Unencumbered cash, January 1	441,307	1,196,212		
Unencumbered cash, December 31	$ 1,196,212	$ 1,656,933		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2b

SPECIAL PURPOSE FUNDS
LIBRARY FUND - 02
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Taxes				
Ad valorem property tax	$ 271,815	$ 273,588	$ 278,187	$ (4,599)
Back tax collections	3,619	4,166	2,500	1,666
Motor vehicle tax	25,075	23,523	23,854	(331)
Total taxes	300,509	301,277	304,541	(3,264)
Intergovernmental				
State aid and grants	28,891	28,087	25,000	3,087
Use of money and property				
Interest on investments	279	1,698	500	1,198
Fines and fees	468	699	200	499
Other				
Miscellaneous	3,758	7,307	2,000	5,307
Total cash receipts	333,905	339,068	$ 332,241	$ 6,827
Expenditures				
Regular salaries	117,976	122,950	$ 124,200	$ (1,250)
Temporary help	38,027	54,856	60,700	(5,844)
Library pages	23,635	31,272	25,800	5,472
Overtime	629	1,242	400	842
Unemployment benefits	180	209	0	209
Telephone services	3,954	2,130	4,500	(2,370)
Training	754	1,407	700	707
Advertising	961	829	800	29
Insurance and bond premiums	7,662	8,558	8,200	358
Utility charges	11,266	11,281	10,800	481
Other services	15,774	18,366	19,000	(634)
Office supplies	2,112	1,678	1,400	278
Postage	244	342	150	192
Operation supplies	4,504	3,910	3,300	610
Building maintenance supplies	9,441	9,437	9,000	437
Cleaning supplies	630	732	700	32
Library media	19,250	19,382	20,000	(618)
Library materials	1,934	1,681	1,500	181
Children's programming	1,041	1,014	1,000	14
Adult Programming	307	0	0	0
Non sufficient funds checks	26	0	0	0

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2b

SPECIAL PURPOSE FUNDS
LIBRARY FUND - 02
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual	2023 Budget	2023 Variance Over (Under)
Expenditures - continued				
Computer equipment & software	$ 5,184	$ 5,068	$ 5,000	$ 68
Library books	8,490	8,509	8,500	9
Total expenditures	273,981	304,853	305,650	(797)
Operating transfers	55,000	58,360	58,360	0
Appropriated reserve	0	0	37,000	(37,000)
Total expenditures and transfers subject to budget	328,981	363,213	$ 401,010	$ (37,797)
Receipts over (under) expenditures	4,924	(24,145)		
Unencumbered cash, January 1	87,581	92,505		
Unencumbered cash, December 31	$ 92,505	$ 68,360		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2c

SPECIAL PURPOSE FUNDS
EMPLOYEE BENEFIT FUND - 05
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts	2022 Actual	Actual	Budget	Variance Over (Under)
Taxes				
Ad valorem property tax	$ 117,746	$ 294,896	$ 300,000	$ (5,104)
Back tax collections	4,196	3,284	4,000	(716)
Motor vehicle tax	30,384	10,331	10,325	6
Total taxes	152,326	308,511	314,325	(5,814)
Use of money and property				
Interest on investments	1,075	6,356	3,000	3,356
Other				
Reimbursements	47,083	46,531	56,000	(9,469)
Operating transfers	741,923	830,160	829,300	860
Total cash receipts	942,407	1,191,558	$ 1,202,625	$ (11,067)
Expenditures				
Final Benefits Payout	146,821	$ 47,859	$ 120,000	$ (72,141)
HRA	23,332	19,276	35,000	(15,724)
Health Premiums	283,926	342,462	470,000	(127,538)
Cobra Insurance Premiums	12,438	40,164	20,000	20,164
Worker's compensation	46,547	54,472	60,000	(5,528)
FICA employer's contributions	245,667	261,251	250,000	11,251
KPERS employer's contributions	381,781	420,013	425,000	(4,987)
Section 125 payments	19,885	16,486	36,000	(19,514)
Unemployment	3,139	3,340	6,300	(2,960)
Training, travel, dues	304	316	0	316
Insurance	6,576	7,151	0	7,151
Employee assistance	8,806	9,066	0	9,066
Other contractual	2,080	2,004	0	2,004
Operational supplies	0	0	750	(750)
Miscellaneous	201	0	4,000	(4,000)
Employee development	7,383	5,966	25,000	(19,034)
Total expenditures	1,188,886	1,229,826	1,452,050	(222,224)
Appropriated reserve	0	0	115,715	(115,715)
Total expenditures subject to budget	1,188,886	1,229,826	$ 1,567,765	$ (337,939)
Receipts over (under) expenditures	(246,479)	(38,268)		
Unencumbered cash, January 1	815,958	569,479		
Unencumbered cash, December 31	$ 569,479	$ 531,211		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2d

SPECIAL PURPOSE FUNDS
FAMILY AQUATICS CENTER FUND - 07
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts	2022 Actual	Actual	Budget	Variance Over (Under)
Taxes				
Sales Tax	$ 961	$ 1,159	$ 1,100	$ 59
Charges for services				
Season passes	11,215	12,757	13,000	(243)
Gate receipts	16,859	19,503	20,000	(497)
Coupon books	2,790	3,160	3,000	160
Concessions	10,192	12,525	13,000	(475)
Lessons	3,443	3,146	3,000	146
Total charges for services	44,499	51,091	52,000	(909)
Use of money and property				
Rentals	3,600	4,800	2,000	2,800
Interest on investments	137	640	200	440
Total use of money & property	3,737	5,440	2,200	3,240
Operating transfers	150,000	100,000	150,000	(50,000)
Total cash receipts	199,197	157,690	$ 205,300	$ (47,610)
Expenditures				
Regular Salaries	617	0	$ 0	$ 0
Temporary help	53,693	61,461	95,000	(33,539)
Overtime	3,846	4,792	3,000	1,792
Professional services	228	0	0	0
Telephone	1,247	1,426	1,200	226
Training, travel, dues	0	2,160	2,400	(240)
Advertising	1,268	1,593	2,000	(407)
Insurance	5,029	5,548	5,600	(52)
Utilities	9,354	11,319	13,500	(2,181)
Other contractual	4,622	5,404	3,000	2,404
General office supplies	217	0	200	(200)
Operational supplies	17,540	13,607	12,000	1,607
Equipment maintenance	370	460	1,000	(540)
Building & maintenance	0	250	1,000	(750)
Cleaning	185	137	300	(163)
Uniforms	1,838	1,452	2,000	(548)
Concession supplies	7,532	7,953	10,000	(2,047)
Equipment and plant	20,378	261	10,000	(9,739)

City of Paola, Kansas

Schedule 2d

SPECIAL PURPOSE FUNDS
FAMILY AQUATICS CENTER FUND - 07
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Expenditures - continued				
Refunds	$ 370	$ 0	$ 0	$ 0
Sales tax	888	1,167	1,500	(333)
Total expenditures	129,222	118,990	163,700	(44,710)
Operating transfers	25,000	25,000	25,000	0
Appropriated reserve	0	0	48,171	(48,171)
Total expenditures and transfers subject to budget	154,222	143,990	$ 236,871	$ (92,881)
Receipts over (under) expenditures	44,975	13,700		
Unencumbered cash, January 1	45,371	90,346		
Unencumbered cash, December 31	$ 90,346	$ 104,046		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2e

SPECIAL PURPOSE FUNDS
COMMUNITY CENTER - 08
SCHEDULE RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Charges for services				
Rentals	$ 30,316	$ 32,928	$ 25,000	$ 7,928
Concessions	121	324	500	(176)
Ticket sales	585	16	2,000	(1,984)
Program and events	0	104	2,000	(1,896)
Total charges for services	31,022	33,372	29,500	3,872
Intergovernmental				
Grants	7,530	0	8,000	(8,000)
Use of money and property				
Interest on investments	15	30	100	(70)
Other				
Reimbursed expenses	0	280	0	280
Miscellaneous	287	46	0	46
Sales Tax	65	24	100	(76)
Total other	352	350	100	250
Operating transfers	100,000	100,000	100,000	0
Total cash receipts	138,919	133,752	$ 137,700	$ (3,948)
Expenditures				
Full time salaries	64,557	57,111	$ 67,800	$ (10,689)
Part time help	4,746	2,839	4,000	(1,161)
Overtime	0	0	150	(150)
Telephone	2,057	3,398	2,400	998
Training and travel	100	672	600	72
Advertising	865	951	3,700	(2,749)
Insurance	11,412	14,347	12,600	1,747
Lease Payments	5,041	0	0	0
Utilities	14,206	12,958	16,000	(3,042)
Other contractual	7,123	9,285	3,000	6,285
Event and program costs	1,112	731	2,000	(1,269)
General office supplies	949	49	300	(251)
Postage	0	0	300	(300)
Gifts/memorials	76	0	100	(100)
Operating supplies	1,107	1,402	3,000	(1,598)
Building maintenance	10,540	2,125	3,500	(1,375)

City of Paola, Kansas

Schedule 2e

SPECIAL PURPOSE FUNDS
COMMUNITY CENTER - 08
SCHEDULE RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual	2023 Budget	Variance Over (Under)
Expenditures - continued				
Cleaning supplies	$ 39	$ 151	$ 500	$ (349)
Non Sufficient Funds Checks	0	0	100	(100)
Concession supplies	42	323	400	(77)
Office Equip. Furniture	0	0	150	(150)
Miscellaneous	29	0	50	(50)
Computer equipment and software	836	70	200	(130)
Equip/Bldg. and Grounds	0	1,538		
Sales tax	65	19	175	(156)
Real Estate taxes	410	271	1,000	(729)
Refunds	0	150	0	150
Total expenditures	125,312	108,390	122,025	(15,173)
Operating transfers	13,500	20,800	20,800	0
Appropriated reserve	0	0	119	(119)
Total expenditures and transfers subject to budget	138,812	129,190	$ 142,944	$ (15,292)
Receipts over (under) expenditures	107	4,562		
Unencumbered cash, January 1	5,045	5,152		
Unencumbered cash, December 31	$ 5,152	$ 9,714		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2f

SPECIAL PURPOSE FUNDS
STORM WATER MANAGEMENT - 12
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Charges for services				
Storm water management fees	$ 86,499	$ 87,217	$ 85,000	$ 2,217
Use of money and property				
Interest on investments	424	3,050	0	3,050
Other Income	0	9		
Total cash receipts	86,923	90,276	$ 85,000	$ 5,267
Expenditures				
Professional Services	0	0	$ 20,000	$ (20,000)
Other contractual	1,919	0	5,000	(5,000)
Construction materials	25,163	17,791	30,000	(12,209)
Lease payments	7,150	7,350	6,800	550
Equipment/plant	0	0	2,500	(2,500)
Storm water construction	18,018	24,973	25,000	(27)
Total expenditures	52,250	50,114	89,300	(39,186)
Appropriated reserve	0	0	255,150	(255,150)
Total expenditures and transfers subject to budget	52,250	50,114	$ 344,450	$ (294,336)
Receipts over (under) expenditures	34,673	40,162		
Unencumbered cash, January 1	262,348	297,021		
Unencumbered cash, December 31	$ 297,021	$ 337,183		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2g

SPECIAL PURPOSE FUNDS
SPECIAL PARK AND RECREATION FUND - 14
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Intergovernmental				
Local liquor tax	$ 21,043	$ 21,326	$ 22,000	$ (674)
Use of money and property				
Interest on investment	47	19	0	19
Total cash receipts	21,090	21,345	$ 22,000	$ (655)
Expenditures				
Other contractual	33,489	8,039	$ 8,000	$ 39
Operational supplies	344	3,999	1,500	2,499
Equip/Bldg. & Grounds	14,893	13,937	16,000	(2,063)
Construction materials	409	0	0	0
Total expenditures	49,135	25,975	25,500	475
Appropriated reserve	0	0	1,563	(1,563)
Total expenditures subject to budget	49,135	25,975	$ 27,063	$ (1,088)
Receipts over (under) expenditures	(28,045)	(4,630)		
Unencumbered cash, January 1	39,534	11,489		
Unencumbered cash, December 31	$ 11,489	$ 6,859		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2h

SPECIAL PURPOSE FUNDS
STREET REPAIR - SPECIAL HIGHWAY FUND - 17
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Taxes				
Gas tax	$ 154,862	$ 155,812	$ 159,010	$ (3,198)
Use of money and property				
Interest on investments	340	1,661	0	1,661
Total cash receipts	155,202	157,473	$ 159,010	$ (1,537)
Expenditures				
Construction material	150,000	149,900	$ 150,000	$ (100)
Total expenditures	150,000	149,900	150,000	(100)
Appropriated reserve	0	0	197,941	(197,941)
Total expenditures subject to budget	150,000	149,900	$ 347,941	$ (198,041)
Receipts over (under) expenditures	5,202	7,573		
Unencumbered cash, January 1	182,330	187,532		
Unencumbered cash, December 31	$ 187,532	$ 195,105		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2i

SPECIAL PURPOSE FUNDS
SPECIAL LAW ENFORCEMENT ACCOUNT - 18
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Cash receipts		
Use of money and property		
Interest on investment	$ 11	$ 48
Total cash receipts	11	48
Expenditures		
Miscellaneous	0	3,000
Total expenditures	0	3,000
Receipts over (under) expenditures	11	(2,952)
Unencumbered cash, January 1	7,525	7,536
Unencumbered cash, December 31	$ 7,536	$ 4,584

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2j

SPECIAL PURPOSE FUNDS
TRANSIENT GUEST TAX - 20
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Taxes				
Transient guest tax	$ 37,798	$ 39,346	$ 25,000	$ 14,346
Use of money and property				
Interest on investment	85	508	0	508
Total cash receipts	37,883	39,854	$ 25,000	$ 14,854
Expenditures				
Advertising	5,642	0	$ 0	$ 0
Economic Development Chamber	4,000	10,000	15,000	(5,000)
Promotional campaigns	30,150	39,050	30,000	9,050
Other	0	1,351	0	1,351
Total expenditures	39,792	50,401	45,000	5,401
Appropriated reserve	0	0	29,828	(29,828)
Total expenditures and transfers subject to budget	39,792	50,401	$ 74,828	$ (24,427)
Receipts over (under) expenditures	(1,909)	(10,547)		
Unencumbered cash, January 1	64,828	62,919		
Unencumbered cash, December 31	$ 62,919	$ 52,372		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2k

SPECIAL PURPOSE FUNDS
FAMILY AQUATICS CENTER EQUIPMENT RESERVE - 23
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Cash receipts		
Taxes		
City Sales Tax	$ 0	$ 137,500
Use of money and property		
Interest on investments	0	1,214
Operating transfers	0	100,118
Total cash receipts	0	238,832
Expenditures		
Operating transfers	0	100,000
Total expenditures and transfers	0	100,000
Receipts over (under) expenditures	0	138,832
Unencumbered cash, January 1	(118)	(118)
Unencumbered cash, December 31	$ (118)	$ 138,714

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2l

SPECIAL PURPOSE FUNDS
COVID-19 - 26
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Cash receipts		
Intergovernmental		
State Grants	$ 686,386	$ 0
Total cash receipts	686,386	0
Expenditures		
Professional Services	0	10,000
Other contractual	248,098	16,537
Operating supplies	0	40,053
Construction materials	65,510	74,823
Other	146,177	13,965
Total expenditures	459,785	155,378
Receipts over (under) expenditures	226,601	(155,378)
Unencumbered cash, January 1	436,386	662,987
Unencumbered cash, December 31	$ 662,987	$ 507,609

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2m

SPECIAL PURPOSE FUNDS
BOND ISSUE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Cash receipts		
Use of money and property		
Bond proceeds	$ 3,129,997	$ 7,570,000
Bond Premium	0	588,918
Other		
Interest Income	0	80,647
Reimbursed expense	135	0
Total cash receipts	3,130,132	8,239,565
Expenditures		
Professional services	18,298	57,496
Other contractual	2,260,310	742,642
Construction materials	164,448	2,075,015
Miscellaneous	0	3,380
Underwriting discount	23,325	75,700
Principal Payments	0	3,110,000
Interest expense	56,153	17,969
Bond Insurance	0	19,430
Total expenditures	2,522,534	6,101,632
Operating transfers	0	5,000
Total expenditures and transfers	2,522,534	6,106,632
Receipts over (under) expenditures	607,598	2,132,933
Unencumbered cash, January 1	0	607,598
Unencumbered cash, December 31	$ 607,598	$ 2,740,531

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2n

SPECIAL PURPOSE FUNDS
ESCROW FUND - 46
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Cash receipts		
Escrow receipts	$ 330	$ 1,979
Total cash receipts	330	1,979
Expenditures		
Interest Expense	0	6
Escrow disbursements	0	2,279
Total expenditures	0	2,285
Receipts over (under) expenditures	330	(306)
Unencumbered cash, January 1	2,946	3,276
Unencumbered cash, December 31	$ 3,276	$ 2,970

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2o

SPECIAL PURPOSE FUNDS
MENNENOAH CEMETERY - 47
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Cash receipts		
Use of money and property		
Interest on investment	$ 3	$ 23
Total cash receipts	3	23
Expenditures		
Other Contractual	0	0
Total expenditures	0	0
Receipts over (under) expenditures	3	23
Unencumbered cash, January 1	2,295	2,298
Unencumbered cash, December 31	$ 2,298	$ 2,321

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2p

SPECIAL PURPOSE FUNDS
SPECIAL GRANTS FUND - 70
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Cash receipts		
Intergovernmental		
Grants	$ 88,666	$ 94,998
Use of money and property		
Donations and Gifts	3,500	3,200
Total cash receipts	92,166	98,198
Expenditures		
Library materials	70,741	54,727
Children's programming	400	400
Other contractual	0	25,630
Equipment	10,583	9,387
Other	30,462	15,350
Total expenditures	112,186	105,494
Receipts over (under) expenditures	(20,020)	(7,296)
Unencumbered cash, January 1	43,848	23,828
Unencumbered cash, December 31	$ 23,828	$ 16,532

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2q

SPECIAL PURPOSE FUNDS
DRUG ENFORCEMENT ACCOUNT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Cash receipts		
Other		
Reimbursement	$ 1,058	$ 4,100
Expenditures		
Other services	60	4,856
Receipts over (under) expenditures	998	(756)
Unencumbered cash, January 1	1,093	2,091
Unencumbered cash, December 31	$ 2,091	$ 1,335

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2r

DEBT SERVICE FUND
BOND & INTEREST - 06
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Taxes				
Ad valorem property tax	$ 279,473	$ 393,297	$ 400,000	$ (6,703)
Back tax collections	4,388	4,860	3,000	1,860
Motor vehicle tax	29,183	24,209	24,525	(316)
Special assessments	114,083	21,854	10,000	11,854
Total taxes	427,127	444,220	437,525	6,695
Use of money and property				
Interest on investments	2,767	17,273	3,000	14,273
Total use of money and property	2,767	17,273	3,000	14,273
Operating transfers	451,650	456,750	451,750	5,000
Total cash receipts	881,544	918,243	$ 892,275	$ 25,968
Expenditures				
Bond principal	785,000	780,000	$ 780,000	$ 0
Interest expense	173,963	150,412	150,413	(1)
Total expenditures	958,963	930,412	930,413	(1)
Appropriated reserve	0	0	239,240	(239,240)
Total expenditures subject to budget	958,963	930,412	1,169,653	(239,241)
Receipts over (under) expenditures	(77,419)	(12,169)		
Unencumbered cash, January 1	444,109	366,690		
Unencumbered cash, December 31	$ 366,690	$ 354,521		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2s

CAPITAL PROJECTS FUNDS
EQUIPMENT REPLACEMENT - 80
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Cash receipts		
Intergovernmental		
Grants	$ 0	$ 0
Other		
Reimbursed Expenses	$ 47,679	$ 0
Sale of surplus equipment	33,950	6,400
Miscellaneous	6,048	3,227
Total other	87,677	9,627
Operating Transfers	0	202,000
Total cash receipts	87,677	211,627
Expenditures		
Equipment/plant	61,750	300
Motor vehicle	0	24,980
Total expenditures	61,750	25,280
Receipts over (under) expenditures	25,927	186,347
Unencumbered cash, January 1	102,827	128,754
Unencumbered cash, December 31	$ 128,754	$ 315,101

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2t

CAPITAL PROJECTS FUNDS
CAPITAL PROJECTS - 90
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Cash receipts		
Taxes and shared revenues		
City sales tax	$ 1,518,947	$ 1,594,552
Other		
Interest	2,237	18,212
Miscellaneous	200	35,290
Reimbursements	6,769	15,943
Grants	73,790	70,295
Donations and gifts	1,364	132
Total other	84,360	139,872
Operating transfers	60,884	10,000
Total cash receipts	1,664,191	1,744,424
Expenditures		
Construction materials	218,298	248,711
Other contractual	63,976	417,046
Motor Vehicle/Equipment	77,208	615,900
Equip/Bldg. & Grounds	73,000	6,100
Capital improvements	31,147	19,164
Professional services	0	7,500
Principal Payment	0	455,000
Interest Payment	0	171,825
Other	9,192	62,780
Total expenditures	472,821	2,004,026
Operating transfers	210,684	100,118
Total expenditures and transfers	683,505	2,104,144
Receipts over (under) expenditures	980,686	(359,720)
Unencumbered cash, January 1	2,233,362	3,214,048
Unencumbered cash, December 31	$ 3,214,048	$ 2,854,328

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2u

BUSINESS FUNDS
SEWER SERVICE FUND - 04
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
Charges for services				
Connect & disconnect	$ 71,500	$ 194,018	$ 30,000	$ 164,018
Inspection charges	3,700	3,200	1,000	2,200
Sewer service charges	1,305,095	1,291,665	1,300,000	(8,335)
Total charges for services	1,380,295	1,488,883	1,331,000	157,883
Use of money and property				
Interest on investments	1,203	8,554	1,000	7,554
Other				
Reimbursed expenses	3,362	2,672	3,000	(328)
Operating transfers	0	0	0	0
Total cash receipts	1,384,860	1,500,109	$ 1,335,000	$ 165,109
Expenditures				
Administration				
Telephone services	758	521	$ 0	$ 521
Training, Travel, Dues	0	0	1,200	(1,200)
Insurance	31,762	40,518	34,100	6,418
Other contractual	5,394	5,604	5,000	604
General office supplies	700	872	600	272
Postage	5,091	6,032	4,500	1,532
Total administration	43,705	53,547	45,400	8,147
Production				
Full time salaries	58,345	49,892	62,730	(12,838)
Overtime	4,627	4,310	5,500	(1,190)
Telephone services	1,016	1,137	1,300	(163)
Training, travel, dues	266	364	600	(236)
Lease payments	19,777	0	0	0
Utilities	98,297	91,309	103,000	(11,691)
Testing and analytical	9,556	5,520	10,000	(4,480)
Other contractual	27,784	21,385	32,000	(10,615)
General office supplies	136	334	250	84
Operational supplies	10,173	14,636	20,000	(5,364)
Vehicle maintenance	0	228	1,500	(1,272)
Equipment maintenance	604	1,672	1,500	172
Building maintenance	1,221	142	2,000	(1,858)
Motor fuel and lubricants	1,257	4,231	3,000	1,231
Uniforms	236	548	400	148

City of Paola, Kansas

Schedule 2u

BUSINESS FUNDS
SEWER SERVICE FUND - 04
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Expenditures - continued	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Production - continued				
Miscellaneous	$ 0	$ 0	$ 10,000	$ (10,000)
Computer Equipment and Software	99	3,837	6,000	(2,163)
Equipment, Plant	22,805	29,827	30,000	(173)
Equipment, building and grounds	2,631	2,678	8,000	(5,322)
Total production	258,830	232,050	297,780	(65,730)
Distribution				
Full time salaries	98,770	268,056	312,000	(43,944)
Overtime	8,729	15,227	4,000	11,227
Telephone services	683	4,424	3,000	1,424
Training, travel, dues	1,182	238	1,500	(1,262)
Advertising	78	0	500	(500)
Lease Payments	0	0	16,000	(16,000)
Utilities	7,185	6,421	12,000	(5,579)
Other contractual	15,069	14,499	16,000	(1,501)
General office supplies	190	445	400	45
Operational supplies	11,326	16,359	14,000	2,359
Vehicle maintenance	1,649	2,916	2,000	916
Equipment maintenance	5,290	9,774	15,000	(5,226)
Building maintenance	2,053	1,479	2,000	(521)
Construction materials	4,902	2,807	5,000	(2,193)
Motor fuel and lubricants	14,222	12,400	12,500	(100)
Uniforms	495	935	900	35
Computer equipment and software	284	1,134	600	534
Motor vehicle/equipment	16,049	17,028	20,000	(2,972)
Equipment, building and grounds	2,107	825	8,500	(7,675)
Distribution lines	49,734	33,555	50,000	(16,445)
Total distribution	239,997	408,522	495,900	(87,378)
Operating transfers	854,650	652,270	652,270	0
Appropriated reserve	0	0	513,674	(513,674)
Total expenditures and transfers subject to budget	1,397,182	1,346,389	$ 2,005,024	$ (658,635)
Receipts over (under) expenditures	(12,322)	153,720		
Unencumbered cash, January 1	794,125	781,803		
Unencumbered cash, December 31	$ 781,803	$ 935,523		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2v

BUSINESS FUNDS
WATER UTILITY FUND - 09
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
Charges for services				
Sale of water	$ 2,048,273	$ 2,308,552	$ 2,000,000	$ 308,552
Water for resale	47,745	2,169	45,000	(42,831)
Sales tax	32,070	37,543	30,000	7,543
Tank sales	6,768	7,934	7,500	434
Installation charges	58,600	94,592	10,000	84,592
Connection fees	8,214	8,257	8,000	257
Total charges for services	2,201,670	2,459,047	2,100,500	358,547
Use of money and property				
Interest on investments	27	3,128	500	2,628
Total use of money and property	27	3,128	500	2,628
Other				
Reimbursed expenses	4,230	13,414	5,000	8,414
KS setoff reimbursement	4,562	3,865	5,000	(1,135)
Miscellaneous	350	350	350	0
Long/short	(21)	6	0	6
	9,121	17,635	10,350	7,285
Total cash receipts	2,210,818	2,479,810	$ 2,111,350	$ 368,460
Expenditures				
Administration				
Telephone services	512	521	$ 0	$ 521
Insurance and bonds	13,145	14,636	13,400	1,236
Other contractual	5,384	5,663	5,000	663
General office supplies	700	872	700	172
Postage	5,091	6,133	5,000	1,133
Operational supplies	1,147	0	1,000	(1,000)
Refunds	123	5,944	0	5,944
Sales tax remittance	50,016	53,678	40,000	13,678
Total administration	76,118	87,447	65,100	22,347

City of Paola, Kansas

Schedule 2v

BUSINESS FUNDS
WATER UTILITY FUND - 09
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Expenditures - continued	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Production				
Training, travel, dues	$ 348	$ 179	$ 0	$ 179
Utilities	7,518	8,303	7,000	1,303
Water purchase	1,771,804	1,737,041	1,800,000	(62,959)
Total production	1,779,670	1,745,523	1,807,000	(61,477)
Distribution				
Full time salaries	70,713	0	0	0
Overtime	1,756	0	0	0
Tank maintenance	10,686	10,686	10,700	(14)
Legal	0	0	0	0
Telephone services	974	2,817	3,000	(183)
Training, travel, dues	2,836	2,130	2,500	(370)
Advertising	35	112	500	(388)
Utilities	1,428	1,447	3,000	(1,553)
Testing analytical	2,901	2,288	3,000	(712)
Other contractual	16,865	17,313	16,000	1,313
General office supplies	136	417	500	(83)
Postage	176	10	600	(590)
Operational supplies	44,049	43,437	35,000	8,437
Vehicle maintenance	3,413	3,232	3,000	232
Equipment maintenance	4,315	4,086	8,000	(3,914)
Building and maintenance	2,939	861	2,500	(1,639)
Construction materials	29,317	27,264	30,000	(2,736)
Motor fuel and lubrication	10,047	12,639	12,000	639
Uniforms	275	743	1,000	(257)
Motor vehicle/equipment	16,016	17,060	20,000	(2,940)
Equip/Bldg. & Grounds	0	4,382	0	4,382
Computer equipment and software	647	1,408	1,000	408
Mains and meters	62,287	0	0	0
Total distribution	281,811	152,332	152,300	32

City of Paola, Kansas

Schedule 2v

BUSINESS FUNDS
WATER UTILITY FUND - 09
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
	2022 Actual	Actual	Budget	Variance Over (Under)
Expenditures - continued				
Operating transfers	$ 35,417	$ 0	$ 0	$ 0
Appropriated reserve	0	0	109,054	(109,054)
Total expenditures and transfers subject to budget	2,173,016	1,985,302	$ 2,133,454	$ (148,152)
Receipts over (under) expenditures	37,802	494,508		
Unencumbered cash, January 1	30,702	68,504		
Unencumbered cash, December 31	$ 68,504	$ 563,012		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2w

BUSINESS FUNDS
HEALTH AND SANITATION FUND - 13
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

		2023		
Cash receipts	**2022 Actual**	**Actual**	**Budget**	**Variance Over (Under)**
Charges for services				
Haulers' permits	$ 1,500	$ 1,650	$ 1,500	$ 150
Landfill charges and collections	417,067	438,847	400,000	38,847
Total charges for services	418,567	440,497	401,500	38,997
Use of money and property				
KS setoff reimbursement	232	147	0	147
Interest on investments	91	746	0	746
Total use of money & property	323	893	0	893
Fees	450	630	0	630
Total cash receipts	419,340	442,020	$ 401,500	$ 40,373
Expenditures				
Advertising	465	465	$ 500	$ (35)
Insurance	1,379	1,498	1,600	(102)
Other contractual	395,795	442,636	395,400	47,236
General office supplies	397	843	600	243
Total expenditures	398,036	445,442	398,100	47,342
Operating transfers	16,000	0	25,000	(25,000)
Appropriated reserve	0	0	56,396	(56,396)
Total expenditures and transfers subject to budget	414,036	445,442	$ 479,496	$ (34,054)
Receipts over (under) expenditures	5,304	(3,422)		
Unencumbered cash, January 1	90,271	95,575		
Unencumbered cash, December 31	$ 95,575	$ 92,153		

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2x

BUSINESS FUNDS
WATER TREATMENT PLANT FUND - 15
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2022 Actual
Cash receipts		
Use of money and property		
Interest	$ 317	$ 2,074
Total cash receipts	317	2,074
Expenditures		
Other Contractual	15,423	0
Total expenditures and transfers subject to budget	15,423	0
Receipts over (under) expenditures	(15,106)	2,074
Unencumbered cash, January 1	223,896	208,790
Unencumbered cash, December 31	$ 208,790	$ 210,864

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 2y

BUSINESS FUNDS
WASTEWATER TREATMENT PLANT - 16
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2023
(With Comparative Actual Totals for the Prior Year Ended December 31, 2022)

	2022 Actual	2023 Actual
Cash receipts		
Use of money and property		
Interest income	$ 1,659	$ 8,662
Other		
Reimbursed expense	19,485	4,021
Operating transfers	0	0
Total cash receipts	21,144	12,683
Expenditures		
Other contractual	36,974	0
Computer equip/software	747	0
Equipment/Plant	0	136,983
Total expenditures	37,721	136,983
Operating transfer	0	0
Total expenditures and transfers	37,721	136,983
Receipts over (under) expenditures	(16,577)	(124,300)
Unencumbered cash, January 1	929,712	913,135
Unencumbered cash, December 31	$ 913,135	$ 788,835

See Independent Auditor's Report.

City of Paola, Kansas

Schedule 3

AGENCY FUNDS
SCHEDULE OF RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
For the Year Ended December 31, 2023

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Police bond	$ 14,266	$ 40,983	$ 37,438	$ 17,810
Payroll withholding	5,403	330,366	328,595	7,174
TIF/CID	0	300,525	0	300,525
TIF/Taxes	6	31,495	0	31,501
	$ 19,675	$ 703,369	$ 366,033	$ 357,011

See Independent Auditor's Report.