CITY OF MOUNT HOPE, KANSAS

Financial Statement

For the Year Ended December 31, 2023

City of Mount Hope, Kansas

For the Year Ended December 31, 2023

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Knudsen Monroe & Company LLC

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INDEPENDENT AUDITOR'S REPORT

City Council
City of Mount Hope
Mount Hope, 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 Mount Hope, Kansas (City), and its related municipal entity, as of and for the year ended December 31, 2023, and the related disclosures to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 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 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 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 2023 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-actual-related municipal entity and the summary of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2023 basic financial statement, but 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 2023 basic financial statement. The 2023 information has been subjected to the auditing procedures applied in the audit of the 2023 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2023 basic financial statement or to the 2023 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the 2023 basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City as of and for the year ended December 31, 2022 (not presented herein), and have issued our report thereon dated May 8, 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 are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2022 actual column (2022 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget and the schedule of regulatory basis receipts and expenditures-actual-related municipal entity for the year ended December 31, 2023 (Schedules 2 and 3 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the 2023 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 statement 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 1.

Knudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
May 8, 2024

City of Mount Hope, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended December 31, 2023

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	$ 134,740	699,257	651,709	182,288	18,696	200,984
Special Purpose Funds						
Employee Benefit	56,967	163,496	165,967	54,496	6,533	61,029
Library	3,502	21,507	25,009	-	386	386
Special Street and Highway	191,213	61,381	-	252,594	-	252,594
Equipment Replacement						
Police	31,534	25,000	500	56,034	-	56,034
Fire	50,894	26,501	14,119	63,276	-	63,276
Utility	7,636	8,500	-	16,136	-	16,136
ARPA	122,312	226	13,505	109,033	-	109,033
Bond and Interest Fund	1,851	54,457	55,800	508	-	508
Business Funds						
Electric	196,721	792,331	800,092	188,960	1,170	190,130
Sewer	24,829	83,425	89,442	18,812	1,004	19,816
Solid Waste	10,609	91,612	75,601	26,620	57	26,677
Water	2,744	110,799	99,135	14,408	668	15,076
Electric Maintenance Reserve	63,551	-	-	63,551	-	63,551
Sewer Reserve	10,340	-	-	10,340	-	10,340
Water Reserve	44,730	-	-	44,730	-	44,730
Trust Fund						
Special Law Enforcement Trust Fund	1,289	-	-	1,289	-	1,289
Related Municipal Entity						
Library Board	48,345	41,665	29,259	60,751	1,379	62,130
Total Reporting Entity						
(Excluding Agency funds)	$ 1,003,807	2,180,157	2,020,138	1,163,826	29,893	1,193,719
Composition of Cash						
Cash on hand						$ 200
First National Bank of Hutchinson						
Checking						653,713
Money Market						67,341
Certificates of Deposit						4,562
Legacy Bank						
Checking						109,832
Savings						15,387
Certificate of Deposit						278,993
Money Market						23,521
First National Bank of Hutchinson, Library						62,130
Total Cash						1,215,679
Less Agency Funds per Schedule 4						21,960
Total Reporting Entity						$ 1,193,719

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

The City of Mount Hope is a municipal corporation governed by an elected five-member council. This regulatory financial statement presents the City of Mount Hope (City) and its related municipal entity. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents.

Library Board – The City of Mount Hope Library Board operates the City's public library. The City provides funding for the library through special purpose and general fund appropriations. Acquisition or disposition of real property by the Board must be approved by the City. Bond issuances must also be approved by the City.

Regulatory Basis Fund Types

General Fund – used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund – used to account for the proceeds of specific 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.

Business Fund – used to account in whole or in part for fees charged to users of the goods or services (i.e., water fund, electric fund, etc.).

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

Agency Fund – used to report assets held by the City in a purely custodial capacity (i.e., sales tax collection account).

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 Fund 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 hold a revenue neutral rate hearing for this year.

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

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 the 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, Equipment Reserve Funds, Business Reserve Funds, Trust Funds or Agency Funds.

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

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under the KMAAG regulatory basis of accounting.

2. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

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 December 31, 2023, the City's carrying amount of deposits, including its related municipal entity, was $1,215,479 and the bank balance was $1,219,902. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, $566,431 was covered by federal depository insurance and $653,471 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

Per K.S.A. 9-1402, the City's financial institutions are required to pledge securities for deposits in excess of FDIC coverage. One of the City's financial institutions did not adequately secure the City's deposits during the year ended December 31, 2023.

4. LARSEN COMMUNITY CENTER PURCHASE AND OPERATION AGREEMENT

During the current year, the City purchased the local community center building and park with an electronic sign from a local nonprofit organization, in order to keep these facilities running for the community's benefit. The City has also entered into an initial 5 month agreement with Sedgwick County regarding the operation of the senior activities within the community center. The County will reimburse the City a portion of the operating costs. Future agreements will be negotiated based on program funding availability.

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									
Series 2010	4.00%	06/29/10	$ 685,000	12/01/30	$ 270,000	-	45,000	225,000	10,800
Finance Leases									
First National Bank	3.75%	05/21/14	500,000	05/21/24	90,401	-	63,254	27,147	2,440
Freightliner Tanker Truck	3.00%	07/19/19	77,034	04/25/25	39,845	-	12,915	26,930	1,204
Polaris Ranger 2022	3.00%	08/11/22	14,429	08/15/27	14,429	-	2,517	11,912	595
Community Center	4.95%	07/26/23	28,500	07/26/28	-	28,500	-	28,500	-
					144,675	28,500	78,686	94,489	4,239
Total contractual indebtedness					$ 414,675	28,500	123,686	319,489	15,039

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

	Year ending December 31						
	2024	2025	2026	2027	2028	2029-2030	Total
Principal							
General Obligation Bonds	$ 45,000	55,000	25,000	25,000	25,000	50,000	225,000
Finance Leases	48,537	21,926	8,674	9,073	6,279	-	94,489
Total principal	93,537	76,926	33,674	34,073	31,279	50,000	319,489
Interest							
General Obligation Bonds	9,000	7,200	5,000	4,000	3,000	3,000	31,200
Finance Leases	2,653	1,915	1,052	655	-	-	6,275
Total interest	11,653	9,115	6,052	4,655	3,000	3,000	37,475
Total principal and interest	$ 105,190	86,041	39,726	38,728	34,279	53,000	356,964

6. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General	Special Street and Highway	K.S.A. 12-1,119	$ 30,500
General	Equipment Replacement-Police	K.S.A. 12-1,117	25,000
General	Equipment Replacement-Fire	K.S.A. 12-1,117	22,500
Electric	General	K.S.A. 12-825d	85,600
Electric	Employee Benefit	K.S.A. 12-825d	60,000
Electric	Equipment Replacement-Utility	K.S.A. 12-825d	8,000
Sewer	Bond and Interest	K.S.A. 12-825d	20,000
Water	General	K.S.A. 12-825d	3,453
Water	Bond and Interest	K.S.A. 12-825d	11,000

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. Each retiree pays the full amount of the applicable premium.

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.

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

Full-time employees earn paid vacation according to the following schedule:

Years of continuous service	0 to 5	5 to 10	10 to 20	20+
Hours earned each month	6.66	8.50	10.00	13.20
Maximum hours of accumulation	80.00	104.00	120.00	160.00

Unused vacation time is paid to employees upon termination. Unused vacation time has not been recorded as a liability in the accompanying financial statement.

Full-time employees earn eight hours of sick leave for each month of service which can be accumulated to a maximum of 480 hours. Unused sick leave is not paid to employees upon termination. Unused sick leave has not been recorded as a liability in the accompanying financial statement.

8. DEFINED BENEFIT PENSION PLAN

Plan Description

The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Annual Comprehensive Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution

8. DEFINED BENEFIT PENSION PLAN (Continued)

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, 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 $22,645 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 $243,042. 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 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.

9. ELECTRIC BURIAL PROJECT

During the year, the City entered into a contract to complete the final portion of an ongoing electric burial project at a cost of $156,015. The project will be financed by KPP Energy. Payments are to begin when the project is 80-90% completed. A payment schedule will be available at that time.

10. 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; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

11. DATE OF MANAGEMENT REVIEW

Management has performed an analysis of the activities and transactions subsequent to December 31, 2023, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through May 8, 2024, which is the date at which the financial statement was available to be issued.

CITY OF MOUNT HOPE

REGULATORY – REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2023

City of Mount Hope, Kansas

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis

For the Year Ended December 31, 2023

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUND	$ 773,375	-	773,375	651,709	(121,666)
SPECIAL PURPOSE FUNDS					
Employee Benefit	193,050	-	193,050	165,967	(27,083)
Library	25,440	-	25,440	25,009	(431)
Special Street and Highway	210,000	-	210,000	-	(210,000)
Ambulance	3,500	-	3,500	-	(3,500)
BOND AND INTEREST FUND	55,800	-	55,800	55,800	-
BUSINESS FUNDS					
Electric	903,595	-	903,595	800,092	(103,503)
Sewer	100,500	-	100,500	89,442	(11,058)
Solid Waste	81,500	-	81,500	75,601	(5,899)
Water	170,000	-	170,000	99,135	(70,865)

City of Mount Hope, Kansas

General Fund

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
RECEIPTS				
Ad valorem property tax	$ 191,362	224,913	244,973	(20,060)
Delinquent tax	9,271	5,471	4,500	971
Vehicle tax	32,387	33,404	37,051	(3,647)
State assessed utilities tax	6,566	8,450	-	8,450
Local sales tax	161,511	172,244	135,000	37,244
Township payments	-	13,636	20,000	(6,364)
Fines and fees	34,252	36,325	30,000	6,325
Fire protection fees	5,567	3,000	-	3,000
Licenses and permits	5,658	6,901	5,500	1,401
Franchise tax	19,963	22,581	16,000	6,581
Interest	2,942	11,563	4,500	7,063
Late charges	20,073	14,634	15,000	(366)
Swimming pool	9,657	8,454	12,000	(3,546)
Neighborhood revitalization	4,909	4,161	20,000	(15,839)
Larsen Community Center	-	7,272	-	7,272
Other income and reimbursements	35,337	37,195	62,000	(24,805)
Transfers from				
Electric	-	85,600	80,000	5,600
Water	-	3,453	-	3,453
Total Receipts	539,455	699,257	686,524	12,733
EXPENDITURES, page 13	537,296	651,709		
Receipts over (under) expenditures	2,159	47,548		
UNENCUMBERED CASH, beginning	132,581	134,740		
UNENCUMBERED CASH, ending	$ 134,740	182,288		

City of Mount Hope, Kansas

General Fund

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
EXPENDITURES				
Administrative	$ 95,749	123,180	120,000	3,180
General business	14,444	18,591	-	18,591
Police	176,775	167,537	189,500	(21,963)
Fire	57,941	44,856	52,500	(7,644)
Ambulance subsidy	55,000	54,743	60,000	(5,257)
Swimming pool	53,934	67,671	59,000	8,671
Court	13,328	16,302	21,125	(4,823)
Park department	22,049	35,728	31,900	3,828
Ball park	739	1,936	4,200	(2,264)
Building Maintenance	-	1,058	28,500	(27,442)
Streets	25,092	3,477	60,000	(56,523)
Community projects	5,161	5,456	6,000	(544)
Economic development	2,000	2,067	5,000	(2,933)
Planning/zoning	-	-	5,000	(5,000)
Code enforcement	4,832	4,477	10,000	(5,523)
Library	2,150	9,772	6,000	3,772
Neighborhood revitalization	8,102	9,622	20,000	(10,378)
Larsen Community Center	-	7,236	-	7,236
Tree board	-	-	1,650	(1,650)
Recreation Department	-	-	15,000	(15,000)
Transfer to				
Special Street and Highway	-	30,500	30,500	-
Equipment Replacement-Police	-	25,000	25,000	-
Equipment Replacement-Fire	-	22,500	22,500	-
Total Expenditures	$ 537,296	651,709	773,375	(121,666)

City of Mount Hope, Kansas

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
EMPLOYEE BENEFIT				
RECEIPTS				
Ad valorem property tax	$ 50,285	68,466	74,575	(6,109)
Delinquent tax	2,424	1,401	-	1,401
State assessed utility tax	1,725	2,572	-	2,572
Vehicle tax	6,294	8,651	9,736	(1,085)
Interest and other	22,192	22,406	-	22,406
Transfer from				
Electric	47,764	60,000	70,000	(10,000)
Water	17,236	-	-	-
Total Receipts	147,920	163,496	154,311	9,185
EXPENDITURES				
Health insurance premiums	75,236	95,780	115,000	(19,220)
Unemployment tax	54	491	1,000	(509)
KPERS	22,794	24,001	40,000	(15,999)
Social security	22,891	24,109	27,000	(2,891)
Insurance claims paid	14,608	21,586	10,000	11,586
Miscellaneous	-	-	50	(50)
Total Expenditures	135,583	165,967	193,050	(27,083)
Receipts over (under) expenditures	12,337	(2,471)		
UNENCUMBERED CASH, beginning	44,630	56,967		
UNENCUMBERED CASH, ending	$ 56,967	54,496		

City of Mount Hope, Kansas

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
LIBRARY				
RECEIPTS				
Ad valorem property tax	$ 22,018	16,377	17,839	(1,462)
Delinquent tax	1,185	657	3,976	(3,319)
State assessed utility tax	757	616	500	116
Vehicle tax	3,983	3,857	287	3,570
Total Receipts	27,943	21,507	22,602	(1,095)
EXPENDITURES				
Appropriations to Library Board	24,900	25,009	25,440	(431)
Receipts over (under) expenditures	3,043	(3,502)		
UNENCUMBERED CASH, beginning	459	3,502		
UNENCUMBERED CASH, ending	$ 3,502	-		

City of Mount Hope, Kansas

Special Purpose Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SPECIAL STREET AND HIGHWAY				
RECEIPTS				
State payments	$ 21,480	21,438	22,270	(832)
County payments	9,534	9,443	9,660	(217)
Transfer from General	-	30,500	30,500	-
Total Receipts	31,014	61,381	62,430	(1,049)
EXPENDITURES				
Contractual services	-	-	150,000	(150,000)
Commodities	-	-	60,000	(60,000)
Total Expenditures	-	-	210,000	(210,000)
Receipts over (under) expenditures	31,014	61,381		
UNENCUMBERED CASH, beginning	160,199	191,213		
UNENCUMBERED CASH, ending	$ 191,213	252,594		
AMBULANCE				
RECEIPTS				
County Health Tax	$ -	-	3,500	(3,500)
EXPENDITURES				
Contractual services	-	-	3,500	(3,500)
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	$ -	-		

City of Mount Hope, Kansas

Special Purpose Funds

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	2023
EQUIPMENT REPLACEMENT-POLICE		
RECEIPTS		
Transfer from General	$ -	25,000
EXPENDITURES		
Capital outlay	622	-
Capital outlay - principal	-	392
Capital outlay - interest	-	108
Total expenditures	622	500
Receipts over (under) expenditures	(622)	24,500
UNENCUMBERED CASH, beginning	32,156	31,534
UNENCUMBERED CASH, ending	$ 31,534	56,034
EQUIPMENT REPLACEMENT-FIRE		
RECEIPTS		
Other income	$ 17,700	4,001
Transfer from General	-	22,500
Total receipts	17,700	26,501
EXPENDITURES		
Capital outlay	2,161	-
Capital outlay - principal	12,548	12,915
Capital outlay - interest	1,571	1,204
Total expenditures	16,280	14,119
Receipts over (under) expenditures	1,420	12,382
UNENCUMBERED CASH, beginning	49,474	50,894
UNENCUMBERED CASH, ending	$ 50,894	63,276

City of Mount Hope, Kansas

Special Purpose Funds

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	2023
EQUIPMENT REPLACEMENT-UTILITY		
RECEIPTS		
Proceeds from sale of equipment	$ -	500
Transfer from Electric Fund	-	8,000
Total receipts	-	8,500
EXPENDITURES	-	-
Receipts over (under) expenditures	-	8,500
UNENCUMBERED CASH, beginning	7,636	7,636
UNENCUMBERED CASH, ending	$ 7,636	16,136
ARPA GRANT		
RECEIPTS		
Grant income	$ 61,120	-
Interest income	68	226
Total receipts	61,188	226
EXPENDITURES	-	13,505
Receipts over (under) expenditures	61,188	(13,279)
UNENCUMBERED CASH, beginning	61,124	122,312
UNENCUMBERED CASH, ending	$ 122,312	109,033

City of Mount Hope, Kansas

Bond and Interest Fund

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
RECEIPTS				
Special assessments	$ 24,214	23,457	-	23,457
Transfer from				
Sewer	13,000	20,000	20,000	-
Water	12,000	11,000	25,000	(14,000)
Total Receipts	49,214	54,457	45,000	9,457
EXPENDITURES				
Principal	45,000	45,000	45,000	-
Interest	12,600	10,800	10,800	-
Total Expenditures	57,600	55,800	55,800	-
Receipts over (under) expenditures	(8,386)	(1,343)		
UNENCUMBERED CASH, beginning	10,237	1,851		
UNENCUMBERED CASH, ending	$ 1,851	508		

City of Mount Hope, Kansas

Business Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
ELECTRIC				
RECEIPTS				
Sales to consumers	$ 842,179	786,734	825,000	(38,266)
Reimbursements	-	-	25,000	(25,000)
Collections and other	3,903	5,597	10,000	(4,403)
Total Receipts	846,082	792,331	860,000	(67,669)
EXPENDITURES				
Personnel services	26,119	45,156	60,000	(14,844)
Contractual services	31,131	31,593	30,000	1,593
Commodities	22,664	27,631	40,000	(12,369)
Wholesale electricity	633,323	475,517	550,000	(74,483)
Lease purchase principal	60,898	64,038	63,257	781
Lease purchase interest	4,697	2,557	2,338	219
Transfer to				
General	-	85,600	80,000	5,600
Employee Benefit	47,764	60,000	70,000	(10,000)
Equipment Replacement-Utility	-	8,000	8,000	-
Total Expenditures	826,596	800,092	903,595	(103,503)
Receipts over (under) expenditures	19,486	(7,761)		
UNENCUMBERED CASH, beginning	177,235	196,721		
UNENCUMBERED CASH, ending	$ 196,721	188,960		

City of Mount Hope, Kansas

Business Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SEWER				
RECEIPTS				
Sales to consumers	$ 84,822	83,425	88,000	(4,575)
Other	50	-	-	-
Total Receipts	84,872	83,425	88,000	(4,575)
EXPENDITURES				
Personnel services	30,260	30,944	22,000	8,944
Contractual services	17,158	13,210	15,000	(1,790)
Commodities	18,384	24,077	27,000	(2,923)
Lease purchase principal	-	949	-	949
Lease purchase interest	-	262	-	262
Transfer to				
Equipment Replacement-Utility	-	-	8,500	(8,500)
Bond & Interest	13,000	20,000	20,000	-
Sewer Reserve	-	-	8,000	(8,000)
Total Expenditures	78,802	89,442	100,500	(11,058)
Receipts over (under) expenditures	6,070	(6,017)		
UNENCUMBERED CASH, beginning	18,759	24,829		
UNENCUMBERED CASH, ending	$ 24,829	18,812		

City of Mount Hope, Kansas

Business Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SOLID WASTE				
RECEIPTS				
Sales to consumers	$ 75,487	87,844	75,000	12,844
Miscellaneous	3,178	3,768	2,500	1,268
Other	-	-	1,000	(1,000)
Total Receipts	78,665	91,612	78,500	13,112
EXPENDITURES				
Personnel services	1,895	2,500	8,500	(6,000)
Contractual services	75,605	73,101	73,000	101
Total Expenditures	77,500	75,601	81,500	(5,899)
Receipts over (under) expenditures	1,165	16,011		
UNENCUMBERED CASH, beginning	9,444	10,609		
UNENCUMBERED CASH, ending	$ 10,609	26,620		

City of Mount Hope, Kansas

Business Funds

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)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
WATER				
RECEIPTS				
Sales to consumers	$ 109,343	110,799	140,000	(29,201)
Other	-	-	30,000	(30,000)
Total Receipts	109,343	110,799	170,000	(59,201)
EXPENDITURES				
Personnel services	26,212	20,221	35,000	(14,779)
Contractual services	33,410	34,346	40,000	(5,654)
Commodities	40,932	29,615	45,000	(15,385)
Lease purchase principal	-	392	-	392
Lease purchase interest	-	108	-	108
Transfer to				
General		3,453	-	3,453
Employee Benefit	17,236	-	-	-
Equipment Replacement-Utility	-	-	5,000	(5,000)
Bond and Interest	12,000	11,000	25,000	(14,000)
Water Reserve	-	-	20,000	(20,000)
Total Expenditures	129,790	99,135	170,000	(70,865)
Receipts over (under) expenditures	(20,447)	11,664		
UNENCUMBERED CASH, beginning	23,191	2,744		
UNENCUMBERED CASH, ending	$ 2,744	14,408		

City of Mount Hope, Kansas

Business Funds

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	2023
ELECTRIC MAINTENANCE RESERVE		
RECEIPTS	$ -	-
EXPENDITURES	-	-
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	63,551	63,551
UNENCUMBERED CASH, ending	$ 63,551	63,551
SEWER RESERVE		
RECEIPTS	$ -	-
EXPENDITURES	-	-
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	10,340	10,340
UNENCUMBERED CASH, ending	$ 10,340	10,340
WATER RESERVE		
RECEIPTS	$ -	-
EXPENDITURES	-	-
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	44,730	44,730
UNENCUMBERED CASH, ending	$ 44,730	44,730

City of Mount Hope, Kansas

Trust Fund

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	2023
SPECIAL LAW ENFORCEMENT TRUST FUND		
RECEIPTS	$ -	-
EXPENDITURES	-	-
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	1,289	1,289
UNENCUMBERED CASH, ending	$ 1,289	1,289

City of Mount Hope, Kansas

Related Municipal Entity

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	2023
LIBRARY BOARD		
RECEIPTS		
City of Mount Hope	$ 24,900	25,009
SCKLS and other grants	11,259	9,374
State of Kansas	298	281
Township appropriation	6,778	6,855
Fundraising	40	-
Interest	11	6
Other	51	140
Total Receipts	43,337	41,665
EXPENDITURES		
Personnel services	20,901	20,393
Books, periodicals and materials	5,742	5,189
Grant expenditures	7,532	-
Operating supplies and commodities	4,425	1,357
Telephone and utilities	1,753	2,320
Total Expenditures	40,353	29,259
Receipts over (under) expenditures	2,984	12,406
UNENCUMBERED CASH, beginning	45,361	48,345
UNENCUMBERED CASH, ending	$ 48,345	60,751

City of Mount Hope, Kansas

Agency Funds

SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis

For the Year Ended December 31, 2023

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
AMBULANCE ESCROW				
DEPARTMENT OF LABOR	$ 4,455	108	-	4,563
METER DEPOSITS	15,745	4,700	3,048	17,397
	$ 20,200	4,808	3,048	21,960