

CITY OF HALSTEAD, KANSAS

Financial Statement

For the Year Ended December 31, 2021

City of Halstead, Kansas
For the Year Ended December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

City Council
City of Halstead
Halstead, 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 Halstead, Kansas (City), and its related municipal entities, as of and for the year ended December 31, 2021, 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, 2021, 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, 2021, 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 Audit of 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 Responsibility 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 2021 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and schedule of regulatory basis receipts and expenditures-actual-related municipal entities (Schedules 1, 2, and 3 as listed in the table of contents) are presented for additional analysis and are not a required part of the 2021 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 2021 basic financial statement. The 2021 information has been subjected to the auditing procedures applied in the audit of the 2021 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 2021 basic financial statement or to the 2021 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 2021 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, 2020 (not presented herein), and have issued our report thereon dated June 10, 2021, which contained an unmodified opinion on the basic financial statement. The 2020 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/oar/municipal-services>. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget and the schedules of receipts and expenditures-related municipal entities for the year ended December 31, 2021 (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 2021 basic financial statement. Such 2020 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 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 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 2020 basic financial statement or to the 2020 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 2020 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, 2020, on the basis of accounting described in Note 1.

Krudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
May 18, 2022

City of Halstead, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2021

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund:	\$ 1,003,984	2,993,076	3,040,196	956,864	50,073	1,006,937
Special Purpose Funds:						
Library	4,809	147,766	152,575	-	1,149	1,149
Special liability	1,579	58,532	30,000	30,111	-	30,111
Special street and highway	140,170	59,054	116,140	83,084	390	83,474
Special parks and recreation	1,083	1,155	1,000	1,238	-	1,238
VIN inspection	37,663	21,240	16,562	42,341	-	42,341
Sales tax revenue reserve	-	153,000	153,000	-	-	-
Capital improvement	613,689	460,553	378,278	695,964	10,000	705,964
City equipment reserve	560,075	600,626	469,932	690,769	-	690,769
Cemetery perpetual care	45,300	3,096	2,881	45,515	-	45,515
American rescue plan act	-	155,738	-	155,738	-	155,738
Bond and Interest Fund:	81,171	266,941	249,588	98,524	-	98,524
Business Funds:						
Waterworks operating	195,347	860,336	812,113	243,570	9,703	253,273
Waste water operating	44,013	370,291	338,306	75,998	4,688	80,686
Gas plant operating	245,560	4,541,676	3,889,927	897,309	14,881	912,190
Refuse	53,349	142,837	142,228	53,958	417	54,375
Storm water	27,595	20,651	19,000	29,246	-	29,246
Depreciation/replacement reserve	503,122	162,000	-	665,122	-	665,122
Gas reserve	301,290	55,000	15,790	340,500	-	340,500
Storm water reserve	32,000	18,000	-	50,000	-	50,000
Trust Funds:						
Drug forfeiture	3,604	5,376	6,500	2,480	-	2,480
Land bank	10,000	-	-	10,000	-	10,000
Related Municipal Entities:						
Halstead Public Library	119,154	112,549	114,486	117,217	-	117,217
Total Reporting Entity	<u>\$ 4,024,557</u>	<u>11,209,493</u>	<u>9,948,502</u>	<u>5,285,548</u>	<u>91,301</u>	<u>5,376,849</u>

Composition of cash:

Cash in bank, The Halstead Bank	
General checking	\$ 4,898,850
Certificates of Deposit	315,267
Cash in bank, Central National Bank	
Certificates of Deposit	45,515
Related Municipal Entities:	
General checking	526
Savings	47,700
Certificates of Deposit	68,991
Total Reporting Entity	<u>\$ 5,376,849</u>

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

NOTES TO FINANCIAL STATEMENT

December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

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

Halstead Library Board - The City of Halstead Library Board operates the City's public library. The City provides funding for the library through special revenue and general fund appropriations.

Halstead Recreation Commission - The City of Halstead Recreation Commission previously oversaw recreational activities and operated as a separate governing body for which the City levied the taxes. During 2020, the City and the recreation commission deemed it advisable to combine the operation of the recreation system with the City's park department, and close the recreation commission as of December 31, 2020.

Related Organization

The Halstead Housing Authority is a related organization that is not included in the financial reporting entity. The Authority was created to administer public housing programs authorized by the United States Housing Act of 1937, as amended. Revenues consist of housing assistance payments from the U.S. Department of Housing and Urban Development and rent received from eligible low income tenants.

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 for fees charged to users of the goods or services (i.e. water fund, gas 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.).

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

NOTES TO FINANCIAL STATEMENT

December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

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. During the year the Gas Fund was amended.

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 Business Reserve Funds, Trust Funds and certain Special Purpose 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.

NOTES TO FINANCIAL STATEMENT

December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

K.S.A. 10-130 requires municipalities to remit payments for any principal or interest to the state fiscal agent at least twenty days before the date of maturity. Two of the general obligation bond payments and two of the city utility low-interest loan payments were not made timely in accordance with this statute.

3. DEPOSITS AND INVESTMENTS

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

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, 2021.

At December 31, 2021, the carrying amount of the City's deposits, including related municipal entities, was \$5,376,849 and the bank balance was \$5,495,802. The majority of the balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$413,030 was covered by federal depository insurance and the remaining \$5,082,772 was collateralized with securities held by the pledging financial institution's agents in the City's name.

City of Halstead, Kansas

NOTES TO FINANCIAL STATEMENT

December 31, 2021

4. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2021, 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:									
2012 Refunding	1.50-2.50%	11/20/2012	\$ 2,540,000	10/1/2029	\$ 860,000	-	85,000	775,000	19,475
2016 Refunding	1.00-2.50%	7/19/2016	1,380,000	10/1/2030	1,070,000	-	100,000	970,000	23,513
2018 Series A	2.50-3.50%	5/9/2018	235,000	9/1/2033	210,000	-	15,000	195,000	6,600
					<u>2,140,000</u>	<u>-</u>	<u>200,000</u>	<u>1,940,000</u>	<u>49,588</u>
KDHE Loan:									
Water Pollution Control	2.50%	2/7/2007	325,000	3/1/2028	133,995	-	16,457	117,538	3,247
State of Kansas Loan:									
City Utility Low-Interest Loan	0.25%	3/22/2021	2,000,000	3/1/2031	-	2,000,000	117,391	1,882,609	3,802
Total contractual indebtedness					<u>\$ 2,273,995</u>	<u>2,000,000</u>	<u>333,848</u>	<u>3,940,147</u>	<u>56,637</u>

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

	Year ending December 31							
	2022	2023	2024	2025	2026	2027-2031	2032-2034	Total
Principal								
General Obligation Bonds	\$ 200,000	210,000	210,000	215,000	225,000	840,000	40,000	1,940,000
KDHE Loan	16,871	17,295	17,730	18,176	18,633	28,833	-	117,538
State of Kansas Loan	<u>203,286</u>	<u>203,794</u>	<u>204,304</u>	<u>204,816</u>	<u>205,328</u>	<u>861,081</u>	<u>-</u>	<u>1,882,609</u>
Total Principal	<u>420,157</u>	<u>431,089</u>	<u>432,034</u>	<u>437,992</u>	<u>448,961</u>	<u>1,729,914</u>	<u>40,000</u>	<u>3,940,147</u>
Interest								
General Obligation Bonds	45,563	41,537	37,263	32,750	27,838	58,862	2,100	245,913
KDHE Loan	2,834	2,409	1,974	1,528	1,071	724	-	10,540
State of Kansas Loan	<u>4,474</u>	<u>3,965</u>	<u>3,455</u>	<u>2,943</u>	<u>2,431</u>	<u>4,582</u>	<u>-</u>	<u>21,850</u>
Total Interest	<u>52,871</u>	<u>47,911</u>	<u>42,692</u>	<u>37,221</u>	<u>31,340</u>	<u>64,168</u>	<u>2,100</u>	<u>278,303</u>
Total Principal and Interest	<u>\$ 473,028</u>	<u>479,000</u>	<u>474,726</u>	<u>475,213</u>	<u>480,301</u>	<u>1,794,082</u>	<u>42,100</u>	<u>4,218,450</u>

NOTES TO FINANCIAL STATEMENT

December 31, 2021

5. DEFINED BENEFIT PENSION PLAN

Plan Description

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

Contributions

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, 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 with a 0% moratorium for the period July 1, 2021 through June 30, 2022 for the Death and Disability Program) and the statutory contribution rate was 8.87% for the fiscal year ended December 31, 2021. Contributions to the pension plan from the City were \$119,338, for the year ended December 31, 2021.

Net Pension Liability

At December 31, 2021, the City's proportionate share of the collective net pension liability reported by KPERS was \$841,409. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. 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.

NOTES TO FINANCIAL STATEMENT

December 31, 2021

6. 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 their applicable premium. The City does not currently have any retirees that participate.

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% through June 30, 2021, with a 0% moratorium for the period July 1, 2021 through June 30, 2022.

Compensated Absences

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

<u>Year of service</u>	<u>Accrual</u>
After 1 year	1 week
Years 2 through 10	2 weeks
Years 11 through 15	3 weeks
After 15 years	4 weeks

Employees may carryover 120 hours of vacation leave regardless of years of service, hours in excess of 120 are forfeited. Accrued vacation time has not been recorded as a liability in the accompanying financial statement.

Full-time employees earn 4 hours of sick leave for each 2 week pay period worked, which can be accumulated to a maximum of 720 hours. Unused sick leave is not paid to employees upon termination. On retirement at age 62 or after 20 years of service to the City, payment for unused sick leave will be made at a ratio of 1 day per 4 days of accrued leave. Unused sick leave has not been recorded as a liability in the accompanying financial statement.

City of Halstead, Kansas

NOTES TO FINANCIAL STATEMENT

December 31, 2021

7. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Total
General	Sales tax revenue reserve	K.S.A. 12-197	\$ 153,000
General	Capital improvement	K.S.A. 12-1,118	290,000
General	City equipment reserve	K.S.A. 12-1,117	176,500
General	Cemetery perpetual care	Ordinance #860	510
Cemetery Perpetual Care	General	Ordinance #860	451
Special parks and recreation	City equipment reserve	K.S.A. 12-1,117	1,000
Sales tax revenue reserve	Capital improvement	K.S.A. 12-197	44,875
Sales tax revenue reserve	Bond and Interest	K.S.A. 12-197	108,125
Waterworks operating	General	K.S.A. 12-825d	175,000
Waterworks operating	Capital improvement	K.S.A. 12-1,118	50,000
Waterworks operating	City equipment reserve	K.S.A. 12-1,117	120,000
Waterworks operating	Depreciation/replacement reserve	K.S.A. 12-825d	90,000
Waste water operating	General	K.S.A. 12-825d	20,000
Waste water operating	Capital improvement	K.S.A. 12-1,118	5,000
Waste water operating	City equipment reserve	K.S.A. 12-1,117	10,000
Waste water operating	Depreciation/replacement reserve	K.S.A. 12-825d	72,000
Gas plant operating	General	K.S.A. 12-825d	275,000
Gas plant operating	Capital improvement	K.S.A. 12-1,118	50,000
Gas plant operating	City equipment reserve	K.S.A. 12-1,117	75,000
Gas plant operating	Gas Reserve	K.S.A. 12-825d	55,000
Refuse	Capital improvement	K.S.A. 12-1,118	10,000
Storm water	City equipment reserve	K.S.A. 12-1,117	1,000
Storm water	Storm water reserve	K.S.A. 12-825d	18,000

8. 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 participates in the Kansas County Association Multi-Line Pool (KCAMP), which is a public entity risk pool operating as a common risk management and insurance program for participating members. The City also participates in the Kansas Municipal Insurance Trust (KMIT), for its workers' compensation coverage.

The City pays an annual premium to KCAMP for property and liability insurance coverage and to KMIT for workers' compensation coverage. The agreements to participate in these public entity risk pools provide that they will be self-sustaining through member premiums, and that KCAMP and KMIT will reinsure through commercial companies for claims in excess of specified amounts for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated. The Pool is authorized by K.S.A. 12-2616, et seq.

NOTES TO FINANCIAL STATEMENT

December 31, 2021

8. RISK MANAGEMENT (Continued)

The City continues to carry commercial insurance for all other risks of loss. There were no significant reductions in coverage during the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years. Medical benefits were provided to employees and their eligible dependents through commercial insurance.

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

9. CORONAVIRUS PANDEMIC

In January 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the City's financial condition, liquidity and future results of operations. Management continues to monitor the global and local situation on its financial condition, liquidity, operations, suppliers, and workforce. Given the evolution of the COVID-19 outbreak and the global response to curb its spread, the City is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity on future years.

As a result of COVID-19, numerous Federal and State grants have been made available to the City to assist with the risks and help offset costs incurred by the City.

10. DATE OF MANAGEMENT REVIEW

Management has performed an analysis of the activities and transactions subsequent to December 31, 2021, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through May 18, 2022, which is the date at which the financial statement was available to be issued.

CITY OF HALSTEAD
REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

City of Halstead, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
 Regulatory Basis
 For the Year Ended December 31, 2021

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund:	\$ 3,301,000	-	3,301,000	3,040,196	(260,804)
Special Purpose Funds:					
Library	160,000	-	160,000	152,575	(7,425)
Special liability	60,000	-	60,000	30,000	(30,000)
Special street and highway	199,566	-	199,566	116,140	(83,426)
Special parks and recreation	1,708	-	1,708	1,000	(708)
VIN inspection	56,965	-	56,965	16,562	(40,403)
Sales tax revenue reserve	153,000	-	153,000	153,000	-
Bond and Interest Fund:	349,588	-	349,588	249,588	(100,000)
Business Funds:					
Waterworks operating	1,015,835	-	1,015,835	812,113	(203,722)
Waste water operating	417,781	-	417,781	338,306	(79,475)
Gas plant operating	4,314,612	-	4,314,612	3,889,927	(424,685)
Refuse	189,274	-	189,274	142,228	(47,046)
Storm water	40,653	-	40,653	19,000	(21,653)

City of Halstead, Kansas

General Fund**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
RECEIPTS				
Ad valorem property tax	\$ 860,287	789,264	781,732	7,532
Vehicle tax	126,535	144,786	131,826	12,960
Local sales tax	450,322	494,322	410,000	84,322
Liquor tax	992	1,154	960	194
Transient guest tax	43	37	100	(63)
Franchise tax	143,410	145,446	147,500	(2,054)
Fines and fees	177,089	277,254	220,675	56,579
Ambulance - Harvey County	263,991	285,632	285,000	632
Fire protection fees	76,749	78,396	78,400	(4)
Interest	22,085	4,143	9,000	(4,857)
Cemetery fees and charges	11,740	23,830	18,000	5,830
Golf course fees	188,891	213,101	128,000	85,101
Recreation fees	-	45,256	45,000	256
Rent	4,800	4,800	4,800	-
Sale of assets	6,962	9,156	8,000	1,156
Other	5,444	6,048	2,500	3,548
CARES Act reimbursement	172,069	-	-	-
Transfer from				
Recreation	54,088	-	-	-
Cemetery perpetual care	328	451	250	201
Waterworks operating	150,000	175,000	175,000	-
Waste water operating	15,000	20,000	20,000	-
Gas plant operating	250,000	275,000	275,000	-
	2,980,825	2,993,076	2,741,743	251,333
EXPENDITURES, page 15	2,980,697	3,040,196		
Receipts over (under) expenditures	128	(47,120)		
UNENCUMBERED CASH, beginning	1,003,856	1,003,984		
UNENCUMBERED CASH, ending	\$ 1,003,984	956,864		

City of Halstead, Kansas

General Fund**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
EXPENDITURES				
Administration	\$ 142,996	173,686	180,500	(6,814)
Court and legal	39,427	38,120	57,000	(18,880)
City hall/support services	88,746	76,505	94,500	(17,995)
Police	299,764	316,503	333,500	(16,997)
Street	58,263	58,524	88,500	(29,976)
Fire	166,772	171,362	183,500	(12,138)
Park	100,136	197,337	213,500	(16,163)
Golf	198,516	192,251	184,000	8,251
Emergency medical services	401,650	339,050	322,500	16,550
Community betterment	106,450	145,725	144,000	1,725
Street lighting	44,446	44,226	52,000	(7,774)
Cemetery	56,582	50,996	60,000	(9,004)
Employee benefits	555,385	592,065	742,000	(149,935)
Flood control maintenance	11,656	23,836	30,000	(6,164)
Transfer to				
Sales tax revenue reserve	153,000	153,000	153,000	-
Capital improvement	370,000	290,000	285,000	5,000
City equipment reserve	185,975	176,500	176,500	-
Cemetery perpetual care	933	510	1,000	(490)
TOTAL EXPENDITURES	<u>\$ 2,980,697</u>	<u>3,040,196</u>	<u>3,301,000</u>	<u>(260,804)</u>

City of Halstead, Kansas

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year	Actual	Budget	Variance -
	Actual			Over
				(Under)
<u>LIBRARY</u>				
RECEIPTS				
Ad valorem property tax	\$ 81,250	79,509	79,409	100
Vehicle tax	13,204	13,276	12,416	860
Reimbursements and other	51,819	54,981	60,000	(5,019)
	<u>146,273</u>	<u>147,766</u>	<u>151,825</u>	<u>(4,059)</u>
EXPENDITURES				
Appropriations to Library Board	101,000	98,000	100,000	(2,000)
Salaries and benefits	51,653	54,551	60,000	(5,449)
Commodities and other	-	24	-	24
	<u>152,653</u>	<u>152,575</u>	<u>160,000</u>	<u>(7,425)</u>
Receipts over (under) expenditures	(6,380)	(4,809)		
UNENCUMBERED CASH, beginning	<u>11,189</u>	<u>4,809</u>		
UNENCUMBERED CASH, ending	<u>\$ 4,809</u>	<u>-</u>		
<u>SPECIAL LIABILITY</u>				
RECEIPTS				
Ad valorem property tax	\$ 2,129	58,187	58,147	40
Vehicle tax	339	345	321	24
	<u>2,468</u>	<u>58,532</u>	<u>58,468</u>	<u>64</u>
EXPENDITURES				
Insurance premiums	3,500	30,000	55,000	(25,000)
Cash basis reserve	-	-	5,000	(5,000)
	<u>3,500</u>	<u>30,000</u>	<u>60,000</u>	<u>(30,000)</u>
Receipts over (under) expenditures	(1,032)	28,532		
UNENCUMBERED CASH, beginning	<u>2,611</u>	<u>1,579</u>		
UNENCUMBERED CASH, ending	<u>\$ 1,579</u>	<u>30,111</u>		

City of Halstead, Kansas

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<u>SPECIAL STREET AND HIGHWAY</u>				
RECEIPTS				
Gasoline tax	\$ 52,881	59,054	46,430	12,624
EXPENDITURES				
Contractual services	24,540	110,878	130,000	(19,122)
Commodities	6,263	5,262	13,000	(7,738)
Capital outlay	-	-	56,566	(56,566)
	30,803	116,140	199,566	(83,426)
Receipts over (under) expenditures	22,078	(57,086)		
UNENCUMBERED CASH, beginning	118,092	140,170		
UNENCUMBERED CASH, ending	\$ 140,170	83,084		

City of Halstead, Kansas

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		Variance -
	Prior Year			Over
	Actual	Actual	Budget	(Under)
<u>SPECIAL PARKS AND RECREATION</u>				
RECEIPTS				
Liquor tax	\$ 992	1,155	960	195
EXPENDITURES				
Capital outlay	-	-	708	(708)
Transfer to City equipment reserve	2,000	1,000	1,000	-
	2,000	1,000	1,708	(708)
Receipts over (under) expenditures	(1,008)	155		
UNENCUMBERED CASH, beginning	2,091	1,083		
UNENCUMBERED CASH, ending	\$ 1,083	1,238		
<u>RECREATION</u>				
RECEIPTS				
Ad valorem property tax	\$ 26,686	-	-	-
Vehicle tax	4,286	-	-	-
Reimbursements and other	51,295	-	-	-
Transfer from Recreation Commission	42,402	-	-	-
	124,669	-	-	-
EXPENDITURES				
Appropriation to Recreation Commission	32,669	-	-	-
Salaries and benefits	47,036	-	-	-
Supplies and other	1,253	-	-	-
Transfer to General	53,969	-	-	-
	134,927	-	-	-
Receipts over (under) expenditures	(10,258)	-		
UNENCUMBERED CASH, beginning	10,258	-		
UNENCUMBERED CASH, ending	\$ -	-		

City of Halstead, Kansas

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<u>VIN INSPECTION</u>				
RECEIPTS				
Fees collected	\$ 24,933	21,240	20,000	1,240
EXPENDITURES				
Contractual service	11,235	16,562	56,965	(40,403)
Receipts over (under) expenditures	13,698	4,678		
UNENCUMBERED CASH, beginning	23,965	37,663		
UNENCUMBERED CASH, ending	\$ 37,663	42,341		
 <u>SALES TAX REVENUE RESERVE</u>				
RECEIPTS				
Transfer from General	\$ 153,000	153,000	153,000	-
EXPENDITURES				
Transfer to				
Capital improvement	44,875	44,875	44,875	-
Bond and Interest	108,125	108,125	108,125	-
	153,000	153,000	153,000	-
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	-	-		
UNENCUMBERED CASH, ending	\$ -	-		

City of Halstead, Kansas

Special Purpose Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u>	<u>2021</u>
<u>CAPITAL IMPROVEMENT</u>		
RECEIPTS		
Transfer from		
General	\$ 370,000	290,000
Sales tax revenue reserve	44,875	44,875
Waterworks operating	50,000	50,000
Waste water operating	10,000	5,000
Gas plant operating	35,000	50,000
Refuse	-	10,000
Storm water	1,000	-
Grants	-	10,678
	<u>510,875</u>	<u>460,553</u>
EXPENDITURES		
Capital outlay and maintenance	<u>416,958</u>	<u>378,278</u>
Receipts over (under) expenditures	93,917	82,275
UNENCUMBERED CASH, beginning	<u>519,772</u>	<u>613,689</u>
UNENCUMBERED CASH, ending	<u>\$ 613,689</u>	<u>695,964</u>
 <u>CITY EQUIPMENT RESERVE</u>		
RECEIPTS		
Transfer from		
General	\$ 185,975	176,500
Special parks and recreation	2,000	1,000
Waterworks operating	120,000	120,000
Waste water operating	10,000	10,000
Gas plant operating	75,000	75,000
Storm water	1,000	1,000
CARES Act reimbursement	76,129	-
Grants	-	79,066
Sale of equipment and other	69,443	138,060
	<u>539,547</u>	<u>600,626</u>
EXPENDITURES		
Capital outlay and maintenance	<u>922,068</u>	<u>469,932</u>
Receipts over (under) expenditures	(382,521)	130,694
UNENCUMBERED CASH, beginning	905,596	560,075
Prior Year Canceled Encumbrances	<u>37,000</u>	<u>-</u>
UNENCUMBERED CASH, ending	<u>\$ 560,075</u>	<u>690,769</u>

City of Halstead, Kansas

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u>	<u>2021</u>
<u>CEMETERY PERPETUAL CARE</u>		
RECEIPTS		
Transfer from General	\$ 933	510
Interest	422	156
Other	<u>2,420</u>	<u>2,430</u>
	<u>3,775</u>	<u>3,096</u>
EXPENDITURES		
Appropriation to Halstead Cemetery Assn	2,420	2,430
Transfer to General	<u>328</u>	<u>451</u>
	<u>2,748</u>	<u>2,881</u>
Receipts over (under) expenditures	1,027	215
UNENCUMBERED CASH, beginning	<u>44,273</u>	<u>45,300</u>
UNENCUMBERED CASH, ending	<u><u>\$ 45,300</u></u>	<u><u>45,515</u></u>
 <u>AMERICAN RESCUE PLAN ACT</u>		
RECEIPTS		
Grants	\$ -	155,738
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	-	155,738
UNENCUMBERED CASH, beginning	<u>-</u>	<u>-</u>
UNENCUMBERED CASH, ending	<u><u>\$ -</u></u>	<u><u>155,738</u></u>

City of Halstead, Kansas

Bond and Interest Fund**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
RECEIPTS				
Ad valorem property tax	\$ 75,732	124,415	127,241	(2,826)
Special assessments	20,349	22,001	22,000	1
Vehicle tax	19,050	12,400	11,343	1,057
Transfer from Sales tax revenue reserve	108,125	108,125	108,125	-
	<u>223,256</u>	<u>266,941</u>	<u>268,709</u>	<u>(1,768)</u>
EXPENDITURES				
Bond principal	200,000	200,000	200,000	-
Interest	53,187	49,588	49,588	-
Cash basis reserve	-	-	100,000	(100,000)
	<u>253,187</u>	<u>249,588</u>	<u>349,588</u>	<u>(100,000)</u>
Receipts over (under) expenditures	(29,931)	17,353		
UNENCUMBERED CASH, beginning	<u>111,102</u>	<u>81,171</u>		
UNENCUMBERED CASH, ending	<u>\$ 81,171</u>	<u>98,524</u>		

City of Halstead, Kansas

Business Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		Variance -
	Prior Year			Over
	Actual	Actual	Budget	(Under)
<u>WATERWORKS OPERATING</u>				
RECEIPTS				
Sales	\$ 748,085	838,445	770,300	68,145
Service and other	21,583	21,891	-	21,891
CARES Act reimbursement	717	-	-	-
	<u>770,385</u>	<u>860,336</u>	<u>770,300</u>	<u>90,036</u>
EXPENDITURES				
Personal services	175,276	185,543	206,500	(20,957)
Contractual services	40,153	36,856	128,500	(91,644)
Water purchases	114,691	108,384	105,000	3,384
Commodities	50,744	28,239	55,000	(26,761)
Capital outlay	38,015	18,091	85,835	(67,744)
Transfer to				
General	150,000	175,000	175,000	-
Capital improvement	50,000	50,000	50,000	-
City equipment reserve	120,000	120,000	120,000	-
Depreciation/replacement reserve	60,000	90,000	90,000	-
	<u>798,879</u>	<u>812,113</u>	<u>1,015,835</u>	<u>(203,722)</u>
Receipts over (under) expenditures	(28,494)	48,223		
UNENCUMBERED CASH, beginning	<u>223,841</u>	<u>195,347</u>		
UNENCUMBERED CASH, ending	\$ 195,347	243,570		

City of Halstead, Kansas

Business Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<u>WASTE WATER OPERATING</u>				
RECEIPTS				
User fees	\$ 340,430	368,469	367,290	1,179
Service and other	1,135	1,822	-	1,822
CARES Act reimbursement	430	-	-	-
	<u>341,995</u>	<u>370,291</u>	<u>367,290</u>	<u>3,001</u>
EXPENDITURES				
Personal services	113,224	114,343	126,000	(11,657)
Contractual services	101,647	69,873	105,000	(35,127)
Commodities	19,073	27,386	38,000	(10,614)
Transfer to				
General	15,000	20,000	20,000	-
Capital improvement	10,000	5,000	5,000	-
City equipment reserve	10,000	10,000	10,000	-
Depreciation/replacement reserve	36,000	72,000	72,000	-
Debt service	82,851	19,704	19,705	(1)
Capital reserve	-	-	22,076	(22,076)
	<u>387,795</u>	<u>338,306</u>	<u>417,781</u>	<u>(79,475)</u>
Receipts over (under) expenditures	(45,800)	31,985		
UNENCUMBERED CASH, beginning	<u>89,813</u>	<u>44,013</u>		
UNENCUMBERED CASH, ending	<u>\$ 44,013</u>	<u>75,998</u>		

City of Halstead, Kansas

Business Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<u>GAS PLANT OPERATING</u>				
RECEIPTS				
Sales	\$ 1,193,664	2,523,798	2,064,000	459,798
Service and other	14,465	17,878	-	17,878
State utility loan proceeds	-	2,000,000	2,000,000	-
CARES Act reimbursement	755	-	-	-
	<u>1,208,884</u>	<u>4,541,676</u>	<u>4,064,000</u>	<u>477,676</u>
EXPENDITURES				
Personal services	163,547	160,959	199,500	(38,541)
Contractual services	82,758	121,402	130,500	(9,098)
Commodities	20,574	19,269	46,000	(26,731)
Gas purchased	609,532	3,005,503	3,000,000	5,503
Capital outlay	2,563	6,601	15,000	(8,399)
State utility loan payments	-	121,193	250,000	(128,807)
Transfer to				
General	250,000	275,000	275,000	-
Capital improvement	35,000	50,000	50,000	-
City equipment reserve	75,000	75,000	75,000	-
Gas reserve	60,000	55,000	60,000	(5,000)
Capital reserve	-	-	213,612	(213,612)
	<u>1,298,974</u>	<u>3,889,927</u>	<u>4,314,612</u>	<u>(424,685)</u>
Receipts over (under) expenditures	(90,090)	651,749		
UNENCUMBERED CASH, beginning	<u>335,650</u>	<u>245,560</u>		
UNENCUMBERED CASH, ending	<u>\$ 245,560</u>	<u>897,309</u>		

City of Halstead, Kansas

Business Funds**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year			Variance -
	Actual	Actual	Budget	Over
				(Under)
<u>REFUSE</u>				
RECEIPTS				
User fees	\$ 134,194	142,837	137,724	5,113
Recycle fees	8	-	-	-
CARES Act reimbursement	133	-	-	-
	<u>134,335</u>	<u>142,837</u>	<u>137,724</u>	<u>5,113</u>
EXPENDITURES				
Personal services	7,429	9,992	24,000	(14,008)
Contractual services	118,274	122,236	122,000	236
Commodities and other	-	-	5,000	(5,000)
Transfer to Capital improvement	-	10,000	10,000	-
Capital reserve	-	-	28,274	(28,274)
	<u>125,703</u>	<u>142,228</u>	<u>189,274</u>	<u>(47,046)</u>
Receipts over (under) expenditures	8,632	609		
UNENCUMBERED CASH, beginning	<u>44,717</u>	<u>53,349</u>		
UNENCUMBERED CASH, ending	<u>\$ 53,349</u>	<u>53,958</u>		
<u>STORM WATER</u>				
RECEIPTS				
User fees	\$ 19,287	20,651	20,520	131
EXPENDITURES				
Contractual services	2,258	-	7,000	(7,000)
Commodities	531	-	10,000	(10,000)
Transfer to				
Capital improvement	1,000	-	-	-
City equipment reserve	1,000	1,000	1,000	-
Storm water reserve	12,000	18,000	18,000	-
Capital reserve	-	-	4,653	(4,653)
	<u>16,789</u>	<u>19,000</u>	<u>40,653</u>	<u>(21,653)</u>
Receipts over (under) expenditures	2,498	1,651		
UNENCUMBERED CASH, beginning	<u>25,097</u>	<u>27,595</u>		
UNENCUMBERED CASH, ending	<u>\$ 27,595</u>	<u>29,246</u>		

City of Halstead, Kansas

Business Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL
 Regulatory Basis
 For the Year Ended December 31, 2021
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u>	<u>2021</u>
<u>DEPRECIATION/REPLACEMENT RESERVE</u>		
RECEIPTS		
Transfer from		
Waterworks operating	\$ 60,000	90,000
Waste water operating	<u>36,000</u>	<u>72,000</u>
	<u>96,000</u>	<u>162,000</u>
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	96,000	162,000
UNENCUMBERED CASH, beginning	<u>407,122</u>	<u>503,122</u>
UNENCUMBERED CASH, ending	<u>\$ 503,122</u>	<u>665,122</u>

GAS RESERVE

RECEIPTS		
Transfer from Gas plant operating	\$ 60,000	55,000
EXPENDITURES	<u>-</u>	<u>15,790</u>
Receipts over (under) expenditures	60,000	39,210
UNENCUMBERED CASH, beginning	<u>241,290</u>	<u>301,290</u>
UNENCUMBERED CASH, ending	<u>\$ 301,290</u>	<u>340,500</u>

STORM WATER RESERVE

RECEIPTS		
Transfer from Storm water	\$ 12,000	18,000
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	12,000	18,000
UNENCUMBERED CASH, beginning	<u>20,000</u>	<u>32,000</u>
UNENCUMBERED CASH, ending	<u>\$ 32,000</u>	<u>50,000</u>

City of Halstead, Kansas

Trust Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021

(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u>	<u>2021</u>
<u>DRUG FORFEITURE</u>		
RECEIPTS		
Asset forfeiture funds	\$ 750	5,376
EXPENDITURES		
Commodities	<u>-</u>	<u>6,500</u>
Receipts over (under) expenditures	750	(1,124)
UNENCUMBERED CASH, beginning	<u>2,854</u>	<u>3,604</u>
UNENCUMBERED CASH, ending	<u><u>\$ 3,604</u></u>	<u><u>2,480</u></u>
 <u>LAND BANK</u>		
RECEIPTS	\$ -	-
EXPENDITURES	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	<u>10,000</u>	<u>10,000</u>
UNENCUMBERED CASH, ending	<u><u>\$ 10,000</u></u>	<u><u>10,000</u></u>

City of Halstead, Kansas

Related Municipal Entities**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL**
Regulatory BasisFor the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	<u>2020</u>	<u>2021</u>
<u>HALSTEAD PUBLIC LIBRARY</u>		
RECEIPTS		
City of Halstead	\$ 101,000	98,000
SCKLS and other grants	11,441	11,192
State aid	583	580
Memorial income	1,226	500
Interest and other	8,322	2,277
	<u>122,572</u>	<u>112,549</u>
EXPENDITURES		
Personal services	64,506	67,528
Books, periodicals and materials	13,308	9,553
Operating supplies and commodities	5,567	4,590
Telephone and utilities	4,960	9,260
Capital outlay	13,856	16,929
Other	5,876	6,626
	<u>108,073</u>	<u>114,486</u>
Receipts over (under) expenditures	14,499	(1,937)
UNENCUMBERED CASH, beginning	<u>104,655</u>	<u>119,154</u>
UNENCUMBERED CASH, ending	<u>\$ 119,154</u>	<u>117,217</u>
 <u>HALSTEAD RECREATION</u>		
RECEIPTS		
City of Halstead	\$ 39,595	-
Athletic programs and pool receipts	13,862	-
Interest and other	330	-
	<u>53,787</u>	<u>-</u>
EXPENDITURES		
Personal services	36,806	-
Athletic programs and pool	45,645	-
Other	1,072	-
Transfer to Recreation	42,402	-
	<u>125,925</u>	<u>-</u>
Receipts over (under) expenditures	(72,138)	-
UNENCUMBERED CASH, beginning	<u>72,138</u>	<u>-</u>
UNENCUMBERED CASH, ending	<u>\$ -</u>	<u>-</u>