CITY OF ELKHART, KANSAS
Elkhart, Kansas

FINANCIAL STATEMENTS
For the year ended December 31, 2021

CITY OF ELKHART, KANSAS

FINANCIAL STATEMENTS
For the year ended December 31, 2021

TABLE OF CONTENTS

	Page Number
FINANCIAL SECTION	
Independent Auditor's Report	1
Statement 1	
Summary Statement of Receipts, Expenditures and Unencumbered Cash – Regulatory Basis	5
Notes to the Financial Statements	7
REGULATORY–REQUIRED SUPPLEMENTARY INFORMATION	
Schedule 1	
Summary of Expenditures – Actual and Budget – Regulatory Basis	22
Schedules of Receipts and Expenditures – Actual and Budget – Regulatory Basis	
Schedule 2-1: General Fund	24
Schedule 2-2: Employees' Benefits Fund	27
Schedule 2-3: Fire Equipment Replacement Fund	28
Schedule 2-4: Special City Streets and Highways Fund	29
Schedule 2-5: Special Park and Recreation Fund	30
Schedule 2-6: Revenue Fund for Sales Tax Revenue Bonds Series 1994	31
Schedule 2-7: Water System Fund	32
Schedule 2-8: Water Equipment Replacement Fund	33
Schedule 2-9: Sanitation Service Fund	34
Schedule 2-10: Sanitation Equipment Replacement Fund	35
Schedule 2-11: Sewer System Fund	36
Schedule 2-12: Sewer Equipment Replacement Fund	37

CITY OF ELKHART, KANSAS

FINANCIAL STATEMENTS
For the year ended December 31, 2021

TABLE OF CONTENTS
(Continued)

		Page Number
REGULATORY–REQUIRED SUPPLEMENTARY INFORMATION (Continued)		
Schedules of Receipts and Expenditures – Regulatory Basis		
Schedule 2-13:	Bond and Interest Fund	39
Schedule 2-14:	Water Customer Deposits Fund	40
Schedule 2-15:	Whistle Stop Park Bequest Fund	41
Schedule 2-16:	Safe Park Equipment Fund	42
Schedule 2-17:	Piano Bequest Fund	43
Schedule 2-18:	Animal Foundation Fund	44
Schedule 2-19:	Special Law Enforcement Trust Fund	45
Schedule 2-20:	Fireworks Fund	46
Schedule 2-21:	WSP Trail Project Fund	47
Schedule 2-22:	Water Project Fund	48
Schedule 2-23:	ARPA Project Fund	49

CITY OF ELKHART, KANSAS

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Elkhart, 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 Elkhart, Kansas, as of and for the year ended December 31, 2021 and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Elkhart, Kansas 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 of Elkhart, Kansas 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 of Elkhart, Kansas, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City of Elkhart, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 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 of Elkhart'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 my 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 of Elkhart'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 of Elkhart's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide.* Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Elkhart, Kansas as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated July 13, 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 for the year ended December 31, 2021 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 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.

Hay•Rice & Associates, Chartered

Hay•Rice & Associates, Chartered

July 28, 2022

CITY OF ELKHART, KANSAS

Statement 1

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 & Accounts Payable	Ending Cash Balance
General	$ 639,774	$1,037,654	$1,021,804	$ 655,624	$ 15,128	$ 670,752
Special Purpose Funds:						
Employees' Benefits	150,354	180,417	228,808	101,963	3,007	104,970
Fire Equipment Replacement	256,087	23,048	26,228	252,907	11,311	264,218
Special City Streets and Highways	2,287	147,649	149,936	-	-	-
Special Park and Recreation	7,620	323	864	7,079	-	7,079
Revenue Fund for Sales Tax						
Revenue Bonds Series 1994	388,566	210,101	99,122	499,545	2,058	501,603
ARPA Project	-	134,143	-	134,143	-	134,143
Capital Project Funds:						
WSP Trail Project	-	947	947	-	-	-
Water Project	(3,000)	10,000	15,000	(8,000)	15,000	7,000
Business Funds – Enterprise Type Funds:						
Water System:						
Operating	204,424	457,194	452,891	208,727	4,369	213,096
Customer Deposit	-	7,073	7,073	-	103,345	103,345
Equipment Replacement	142,661	30,000	-	172,661	-	172,661
Sanitation System:						
Operating	160,147	243,132	162,826	240,453	1,236	241,689
Equipment Replacement	4,309	-	-	4,309	-	4,309
Sewer System:						
Operating	104,540	159,730	155,758	108,512	1,694	110,206
Equipment Replacement	31,632	6,000	16,424	21,208	-	21,208
Fiduciary Type Funds – Trust Funds:						
Whistle Stop Park Bequest	12,507	50	321	12,236	-	12,236
Safe Park Equipment	4,495	-	-	4,495	-	4,495
Piano Bequest	605	-	-	605	-	605
Animal Foundation	3,597	-	-	3,597	-	3,597
Special Law Enforcement Trust	15,092	3,826	6,180	12,738	574	13,312
Fireworks	(2,493)	10,220	6,597	1,130	-	1,130
Total Reporting Entity	$2,123,204	$2,661,507	$2,350,779	$2,433,932	$157,722	$2,591,654

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

CITY OF ELKHART, KANSAS

Statement 1
(Continued)

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH – REGULATORY BASIS
For the year ended December 31, 2021

Ending Cash Balance		$2,591,654
Composition of Cash:		
Cash on hand with City Clerk	$ 600	
Deposits in Local Depositories:		
Checking accounts	218,117	
Time deposits	2,372,937	
Total Reporting Entity		$2,591,654

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

CITY OF ELKHART, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2021

Note 1: Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Elkhart is a municipal corporation governed by an elected seven member council. This regulatory financial statement presents the City of Elkhart (the municipality). A related municipal entity is defined as an entity legally separate from the City, which has a significant dependence on, or relationship with the City. Based upon the criteria used to evaluate potential related municipal entities, it was determined there were no related municipal entities to present with the municipality's financial statement.

Advisory Boards

The City Council is responsible for appointing members of the Board of Appeals and the Planning Commission. Neither board has any budgetary or disbursing authority. Their function is solely to advise the City Council and, therefore, is a part of the municipality.

Jointly Governed Organizations

The City, in conjunction with Jones, Taloga and Cimarron Townships, has created the Elkhart Cemetery District. The Elkhart Cemetery District's board consists of one representative from each of the participating entities.

Fund Descriptions

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year of 2021:

Governmental Funds:

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

Note 1: Summary of Significant Accounting Policies (Continued)

Governmental Funds (Continued):

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

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

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

Business Funds:

Enterprise Funds – to account for operations that are financed and operated in a manner similar to private business enterprises – where the stated intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges – or where periodic determination of revenue earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary Funds:

Trust Funds – used to report assets held in trust for the benefit of the municipal financial reporting entity.

Agency Funds – used to report assets held by the municipal reporting entity in a purely custodial capacity.

Note 1: Summary of Significant Accounting Policies (Continued)

Basis of Accounting

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

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

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

The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. General capital assets that account for the land, buildings and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

Note 1: Summary of Significant Accounting Policies (Continued)

Other Accounting Policies

Cash and Time Deposits

These liquid assets are shown in aggregate. K.S.A. 12-1671 and 12-1672 allow these assets to be shown in aggregate. Deposits are carried at cost.

In accordance with K.S.A. 9-1402 and K.S.A. 12-1675, the City of Elkhart, Kansas deposited and/or invested all funds with the Heartland Tri-State Bank of Elkhart.

State statutes and local bond ordinances authorize the City to invest in obligations of the U. S. Treasury and certificates of deposit at local financial institutions.

Special Assessments

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

Temporary Notes

Upon authorization for the issuance of general obligation bonds for certain improvements, Kansas law permits the temporary financing of such improvements by the issuance of temporary notes. Temporary notes issued may not exceed the aggregate amount of bonds authorized, are interest bearing and have a maturity date not later than four years from the date of issuance of such temporary notes. Temporary notes outstanding are retired from the proceeds of the sale of general obligation bonds.

Vouchers Payable

Vouchers payable are classified on the basis of a claim for payment resulting from legal title to property.

Note 1: Summary of Significant Accounting Policies (Continued)

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds.

In addition, encumbrances do constitute expenditures of a fund.

Unencumbered Cash Balance

The unencumbered cash balance is the unobligated resources of cash and time deposits of a fund.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th. The City of Elkhart did not hold a revenue neutral rate hearing for this year.

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

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

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 municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

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

Water Customer Deposits Fund

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

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payments.

These taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at 12% per annum. This interest is retained by Morton County.

Note 1: Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

Taxes levied to finance the budget are made available to the City of Elkhart, Kansas after the first of the year and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed annually.

Note 2: Stewardship, Compliance and Accountability

Compliance with Kansas Statutes

Contrary to the provisions of KSA 10-1117 and KSA 79-2934, the City Clerk did not maintain a formal encumbrance record or an unencumbered budget balance record.

No other statutory violations were noted during the audit.

Fund Balances – Designated for Subsequent Year's Budget

Actual cash carryover was not sufficient for the following funds:

	2021 Unencumbered Cash Balance	2022 Budgeted Unencumbered Cash Carryover
Special Park and Recreation Fund	$ 7,079	$ 8,000
Special Highway Fund	-	50,000
Special Fire Fund	252,907	280,000
Sanitation Equipment Replacement	4,308	34,000
Sewer Equipment Replacement	21,208	37,000
Sewer Fund	108,512	112,000

Note 3: Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the City of Elkhart. The statute requires banks eligible to hold the City of Elkhart's funds have a main or branch bank in the county in which the City of Elkhart 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 of Elkhart has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City of Elkhart'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 of Elkhart 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 of Elkhart 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 of Elkhart's deposits may not be returned to it. State statutes require the City of Elkhart's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at December 31, 2021.

At December 31, 2021, the City of Elkhart's carrying amount of deposits was $2,591,654 and the bank balance was $2,594,830. Of the bank balance, $500,000 was covered by federal depository insurance, $2,279,086 was collateralized with securities held by the pledging financial institutions' agents in the City of Elkhart's name.

Custodial Credit Risk – Investments – For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City of Elkhart will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

Note 4: Capital Projects

Capital project authorizations with approved change orders compared with expenditures from inception are as follows:

	Project Authorization	Expenditures to Date
Water Project	$961,095	$ 18,000

Note 5: Interfund Transfers

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
Water Fund	Water Equipment Replacement Fund	KSA 12-825d	$ 30,000
Sewer Fund	Sewer Equipment Replacement Fund	KSA 12-6310	6,000
Sales Tax Revenue Fund	Special Highway		97,064
General Fund	Fireworks Fund		1,700
WSP Trail Project	Sales Tax Revenue Fund		947

Note 6: Defined Benefit Pension Plan

General Information about the Pension Plan

Plan Description

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

Note 6: Defined Benefit Pension Plan (Continued)

Contributions

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

State law provides that the employer contribution rates for KPERS 1, 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 8.87% for the fiscal year ended December 31, 2021. Contributions to the pension plan from the City of Elkhart were $93,398 for the year ended December 31, 2021.

Net Pension Liability

At December 31, 2021, the City of Elkhart's proportionate share of the collective net pension liability reported by KPERS was $384,886. 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 of Elkhart's proportion of the net pension liability was based on the ratio of the City of Elkhart's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

Note 7: Other Long-Term Obligations from Operations

Compensated Absences

Sick and Vacation Leave

All full-time regular employees are to accrue vacation leave as follows:

1 Full year of service – 10 Working days
10 Years of service – 15 Working days
15 Years of service – 20 Working days

Up to 5 days of unused vacation days may be carried over to the next year but must be used by June 30 of that year.

If an employee is in good standing upon termination of their employment, they may receive monetary compensation for any unused vacation leave.

All full-time regular employees are to accrue sick leave one day for each month of service, not to exceed 90 days. No employee is to receive monetary renumeration for unused sick leave upon termination of their employment.

Deferred Compensation

The City of Elkhart offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation assets, which are funded currently with third party investment companies, are not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the City, subject only to the claims of the City's general creditors. Participants' rights under the plan are equal to those of general creditors of the County in an amount equal to the fair market value of the deferred account for each participant. The City of Elkhart believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Note 7: Other Long-Term Obligations from Operations (Continued)

Deferred Compensation (Continued)

The following is a summary of activity for the year ended December 31, 2021:

Beginning account value	$163,307
Contributions	19,451
Fees	(302)
Change in investment value	29,047
Ending account balance	$211,503

Other Post Employment Benefits

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City of Elkhart, Kansas 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, 2021.

Note 8: COVID-19

On January 30, 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 spreads 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 of Elkhart's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the City of Elkhart is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2020.

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

Note 9: Subsequent Events

The City of Elkhart's management has evaluated events and transactions through July 28, 2022, the date which the financial statement was available to be issued.

Note 10: Long-Term Debt

Changes in long-term liabilities for the City of Elkhart 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
Capital Leases Payable:									
Vactor Trailer Jet (2017)	5.500%	06/21/18	$ 74,685	06/21/22	$ 30,607	-	$ 14,894	$ 15,713	$ 1,683
Envirosight Rovver X	5.500%	06/21/18	73,995	06/21/22	30,325	-	14,757	15,568	1,668
496 Dumpsters	5.500%	12/18/18	291,958	12/18/24	170,686	-	39,308	131,378	9,388
Peterbilt (2020)	4.500%	04/25/19	178,276	04/25/23	106,828	-	34,054	72,774	4,807
Total Contractual Indebtedness					$338,446	-	$103,013	$235,433	$17,546

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

	2022	2023	2024	Total
Principal:				
General obligation bond	$ -	$ -	$ -	$ -
Capital leases payable	108,337	80,939	46,157	235,433
Total principal	$108,337	$ 80,939	$ 46,157	$235,433
Interest:				
General obligation bond	$ -	$ -	$ -	$ -
Capital leases payable	12,221	6,618	2,539	21,378
Total interest	$ 12,221	$ 6,618	$ 2,539	$ 21,378
Total Principal and Interest	$120,558	$ 87,557	$ 48,696	$256,811

CITY OF ELKHART, KANSAS

REGULATORY–REQUIRED
SUPPLEMENTARY INFORMATION

CITY OF ELKHART, KANSAS

Schedule 1

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET
REGULATORY BASIS
For the year ended December 31, 2021

Funds	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
General	$1,496,113	$1,021,804	$ (474,309)
Special Purpose Funds:			
Employees' Benefits	275,000	228,808	(46,192)
Fire Equipment Replacement	282,500	26,228	(256,272)
Special City Streets and Highways	181,500	149,936	(31,564)
Special Park and Recreation	9,250	864	(8,386)
Revenue Fund for Sales Tax			
Revenue Bonds Series 1994	855,000	99,122	(755,878)
Business Funds – Enterprise Funds:			
Water System:			
Operating	591,000	452,891	(138,109)
Equipment Replacement	172,000	-	(172,000)
Sanitation System:			
Operating	364,000	162,826	(201,174)
Equipment Replacement	64,000	-	(64,000)
Sewer System:			
Operating	285,000	155,758	(129,242)
Equipment Replacement	54,000	16,424	(37,576)
	$4,629,363	$2,314,661	$ (2,314,702)

CITY OF ELKHART, KANSAS

Schedule 2

SCHEDULES OF RECEIPTS AND EXPENDITURES
ACTUAL AND BUDGET – REGULATORY BASIS
For the year ended December 31, 2021

CITY OF ELKHART, KANSAS

Schedule 2-1

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			
Receipts	Actual	Budget	Variance Over (Under)	Prior Year Actual
Taxes and Shared Receipts:				
Ad valorem property tax	$ 452,043	$475,146	$ (23,103)	$431,583
Delinquent tax	13,748	9,617	4,131	14,033
Motor vehicle tax	77,892	92,419	(14,527)	78,283
Recreational vehicle tax	1,050	1,109	(59)	1,083
16/20M vehicle tax	1,717	1,665	52	1,808
Commercial vehicle tax	-	2,754	(2,754)	-
Local sales tax	209,154	180,000	29,154	190,914
Total taxes	$ 755,604	$762,710	$ (7,106)	$717,704
Intergovernmental:				
Federal government taxes in lieu of	$ 4,835	$ 3,500	$ 1,335	$ 4,841
Liquor tax	323	250	73	254
Total intergovernmental	$ 5,158	$ 3,750	$ 1,408	$ 5,095
Licenses, Permits, and Fees:				
Permits	$ 908	$ 750	$ 158	$ 961
Licenses	1,012	750	262	1,034
Franchise tax	158,892	115,000	43,892	127,128
Total licenses, permits, and fees	$ 160,812	$116,500	$ 44,312	$129,123
Charges for Services:				
Swimming pool and concessions	$ 12,978	$ 16,000	$ (3,022)	$ 13,276
Fines, Forfeitures, and Penalties:				
Police	$ 36,550	$ 10,000	$ 26,550	$ 49,242
Dog pound	545	2,500	(1,955)	1,356
Fire	-	-	-	4,844
Total fines, forfeitures, & penalties	$ 37,095	$ 12,500	$ 24,595	$ 55,442
Use of Money and Property:				
Interest on time deposits	$ 2,187	$ 45,000	$ (42,813)	$ 9,748
Rentals and royalties	6,244	2,500	3,744	6,510
Total use of money and property	$ 8,431	$ 47,500	$ (39,069)	$ 16,258

CITY OF ELKHART, KANSAS

Schedule 2-1
(Continued)

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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts (Continued)				
Miscellaneous:				
Miscellaneous	$ 57,107	-	$ 57,107	$ 12,398
Street	469	-	469	192
Park and pools	-	-	-	14
Total miscellaneous	$ 57,576	-	$ 57,576	$ 12,604
Total Receipts	$1,037,654	$958,960	$ 78,694	$949,502
Expenditures				
General Government:				
Personal services	$ 185,843	$225,000	$ (39,157)	$204,267
Contractual services	59,940	60,000	(60)	42,099
Commodities	18,397	25,000	(6,603)	22,549
Capital outlay	2,113	498,613	(496,500)	1,328
Operating transfers	1,700	-	1,700	1,700
Total general government	$ 267,993	$808,613	$ (540,620)	$271,943
Public Safety – Police:				
Personal services	$ 121,561	$120,000	$ 1,561	$137,675
Contractual services	49,000	55,000	(6,000)	49,446
Commodities	10,392	20,000	(9,608)	15,565
Capital outlay	49,579	-	49,579	-
Total public safety – Police	$ 230,532	$195,000	$ 35,532	$202,686
Public Safety – Fire:				
Personal services	$ 8,975	$ 10,000	$ (1,025)	$ 8,900
Contractual services	19,113	30,000	(10,887)	23,231
Commodities	13,568	5,000	8,568	19,483
Capital outlay	-	-	-	20,480
Total public safety – Fire	$ 41,656	$ 45,000	$ (3,344)	$ 72,094

CITY OF ELKHART, KANSAS

Schedule 2-1
(Continued)

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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Expenditures (Continued)				
Public Safety – Animal Shelter:				
Personal services	$ 1,105	$ 7,500	$ (6,395)	$ 2,008
Contractual services	3,942	7,500	(3,558)	2,818
Commodities	965	2,500	(1,535)	1,801
Capital outlay	-	-	-	2,135
Total public safety – Animal shelter	$ 6,012	$ 17,500	$ (11,488)	$ 8,762
Highways and Streets:				
Personal services	$ 82,525	$ 75,000	$ 7,525	$ 54,795
Contractual services	36,809	50,000	(13,191)	31,121
Commodities	25,342	50,000	(24,658)	35,283
Capital outlay	127,562	25,000	102,562	31,937
Total highways and streets	$ 272,238	$ 200,000	$ 72,238	$153,136
Parks:				
Personal services	$ 49,265	$ 50,000	$ (735)	$ 47,841
Contractual services	19,122	25,000	(5,878)	20,343
Commodities	6,999	10,000	(3,001)	8,648
Capital outlay	-	-	-	4,883
Total parks	$ 75,386	$ 85,000	$ (9,614)	$ 81,715
Swimming Pool:				
Personal services	$ 23,049	$ 30,000	$ (6,951)	$ 17,970
Contractual services	18,668	20,000	(1,332)	14,350
Commodities	13,221	20,000	(6,779)	15,411
Capital outlay	-	5,000	(5,000)	9,700
Total swimming pool	$ 54,938	$ 75,000	$ (20,062)	$ 57,431
Street Lighting:				
Contractual services	$ 73,049	$ 70,000	$ 3,049	$ 72,223
Total Expenditures	$1,021,804	$1,496,113	$ (474,309)	$919,990
Receipts Over (Under) Expenditures	$ 15,850			$ 29,512
Unencumbered Cash, Beginning	639,774			610,262
Unencumbered Cash, Ending	$ 655,624			$639,774

CITY OF ELKHART, KANSAS

Schedule 2-2

EMPLOYEES' BENEFITS 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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Taxes and Shared Receipts:				
Ad valorem property tax	$142,088	$145,000	$ (2,912)	$161,787
Delinquent tax	5,507	1,283	4,224	6,123
Motor vehicle tax	30,170	34,645	(4,475)	36,111
Recreational vehicle tax	402	416	(14)	489
16/20M vehicle tax	730	624	106	973
Commercial vehicle tax	-	1,032	(1,032)	-
Total taxes	$178,897	$183,000	$ (4,103)	$205,483
Miscellaneous	-	-	-	517
Intergovernmental:				
Federal government taxes in lieu of	1,520	1,000	520	1,815
Total Receipts	$180,417	$184,000	$ (3,583)	$207,815
Expenditures				
Employees' Benefits:				
Social Security	$ 35,791	$ 42,500	$ (6,709)	$ 35,857
KPERS	37,808	42,500	(4,692)	39,619
Unemployment	470	2,500	(2,030)	471
Insurance	154,739	187,500	(32,761)	136,931
Total Expenditures	$228,808	$275,000	$ (46,192)	$212,878
Receipts Over (Under) Expenditures	$ (48,391)			$ (5,063)
Unencumbered Cash, Beginning	150,354			155,417
Unencumbered Cash, Ending	$101,963			$150,354

CITY OF ELKHART, KANSAS

Schedule 2-3

FIRE EQUIPMENT REPLACEMENT 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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Taxes and Shared Receipts:				
Ad valorem property tax	$ 18,716	$ 19,669	$ (953)	$ 18,543
Delinquent tax	634	947	(313)	730
Motor vehicle tax	3,376	3,971	(595)	3,597
16/20M vehicle tax	77	72	5	90
Recreational vehicle tax	45	48	(3)	49
Commercial vehicle tax	-	118	(118)	-
Total taxes	$ 22,848	$ 24,825	$ (1,977)	$ 23,009
Intergovernmental:				
Federal government taxes in lieu of	200	175	25	212
Total Receipts	$ 23,048	$ 25,000	$ (1,952)	$ 23,221
Expenditures				
Public Safety – Fire:				
Contractual services	$ 864	$ 2,500	$ (1,636)	$ 818
Commodities	105	2,500	(2,395)	-
Capital outlay	25,259	277,500	(252,241)	-
Total Expenditures	$ 26,228	$282,500	$ (256,272)	$ 818
Receipts Over (Under) Expenditures	$ (3,180)			$ 22,403
Unencumbered Cash, Beginning	256,087			233,684
Unencumbered Cash, Ending	$252,907			$256,087

CITY OF ELKHART, KANSAS

Schedule 2-4

SPECIAL CITY STREETS AND HIGHWAYS 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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Intergovernmental:				
Gasoline tax	$ 50,585	$ 50,000	$ 585	$ 46,567
Operating transfer	97,064	-	97,064	-
Total Receipts	$147,649	$ 50,000	$ 97,649	$ 46,567
Expenditures				
Highways and Streets:				
Contractual services	$ 865	$ 10,000	$ (9,135)	$ 818
Capital outlay	149,071	171,500	(22,429)	119,765
Total Expenditures	$149,936	$181,500	$ (31,564)	$120,583
Receipts Over (Under) Expenditures	$ (2,287)			$ (74,016)
Unencumbered Cash, Beginning	2,287			76,303
Unencumbered Cash, Ending	-			$ 2,287

CITY OF ELKHART, KANSAS

Schedule 2-5

SPECIAL PARK AND RECREATION 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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Intergovernmental:				
Liquor tax	$ 323	$ 250	$ 73	$ 254
Expenditures				
Contractual services	$ 864	$ 1,000	$ (136)	$ 818
Commodities	-	8,250	(8,250)	-
Total Expenditures	$ 864	$ 9,250	$ (8,386)	$ 818
Receipts Over (Under) Expenditures	$ (541)			$ (564)
Unencumbered Cash, Beginning	7,620			8,184
Unencumbered Cash, Ending	$ 7,079			$ 7,620

CITY OF ELKHART, KANSAS

Schedule 2-6

REVENUE FUND FOR SALES TAX
REVENUE BONDS SERIES 1994
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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Sales tax	$209,154	$180,000	$ 29,154	$ 190,913
Operating transfer	947	-	947	-
Total Receipts	$210,101	$180,000	$ 30,101	$ 190,913
Expenditures				
Contractual services	$ -	$ -	$ -	$ 2,108
Capital outlay	2,058	855,000	(852,942)	-
Operating transfers	97,064	-	97,064	361,469
Total Expenditures	$ 99,122	$855,000	$ (755,878)	$ 363,577
Receipts Over (Under) Expenditures	$110,979			$ (172,664)
Unencumbered Cash, Beginning	388,566			561,230
Unencumbered Cash, Ending	$499,545			$ 388,566

CITY OF ELKHART, KANSAS

Schedule 2-7

WATER SYSTEM 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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Charges for Services:				
Water sales to customers	$433,809	$385,000	$ 48,809	$447,346
Penalties and forfeitures	12,018	10,000	2,018	11,548
Other	9,899	10,000	(101)	6,870
Taps	1,200	1,000	200	-
Total charges for services	$456,926	$406,000	$ 50,926	$465,764
Use of Money and Property:				
Interest on time deposits	268	-	268	198
Total Receipts	$457,194	$406,000	$ 51,194	$465,962
Expenditures				
Personal services	$150,828	$150,000	$ 828	$141,743
Contractual services	124,570	190,000	(65,430)	100,621
Commodities	50,606	40,000	10,606	47,728
Capital outlay	96,887	181,000	(84,113)	154,300
Operating transfers	30,000	30,000	-	30,000
Total Expenditures	$452,891	$591,000	$ (138,109)	$474,392
Receipts Over (Under) Expenditures	$ 4,303			$ (8,430)
Unencumbered Cash, Beginning	204,424			212,854
Unencumbered Cash, Ending	$208,727			$204,424

CITY OF ELKHART, KANSAS

Schedule 2-8

WATER EQUIPMENT REPLACEMENT 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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	$ 30,000	$ 30,000	-	$ 30,000
Expenditures				
Capital outlay	-	$172,000	$ (172,000)	-
Receipts Over (Under) Expenditures	$ 30,000			$ 30,000
Unencumbered Cash, Beginning	142,661			112,661
Unencumbered Cash, Ending	$172,661			$142,661

CITY OF ELKHART, KANSAS

Schedule 2-9

SANITATION SERVICE 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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Charges for Services:				
Service charges	$243,113	$244,000	$ (887)	$241,834
Use of Money and Property:				
Interest on time deposits	19	-	19	14
Operating transfers:				
Transfer from reserve	-	-	-	30
Total Receipts	$243,132	$244,000	$ (868)	$241,878
Expenditures				
Personal services	$ 52,831	$ 50,000	$ 2,831	$ 48,979
Contractual services	9,853	125,000	(115,147)	5,001
Commodities	12,585	25,000	(12,415)	11,341
Capital outlay	87,557	134,000	(46,443)	95,428
Transfers out	-	30,000	(30,000)	-
Total Expenditures	$162,826	$364,000	$ (201,174)	$160,749
Receipts Over (Under) Expenditures	$ 80,306			$ 81,129
Unencumbered Cash, Beginning	160,147			79,018
Unencumbered Cash, Ending	$240,453			$160,147

CITY OF ELKHART, KANSAS

Schedule 2-10

SANITATION EQUIPMENT REPLACEMENT 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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	-	$ 30,000	$ (30,000)	-
Expenditures				
Capital outlay	-	$ 64,000	$ (64,000)	-
Receipts Over (Under) Expenditures	$ -			$ -
Unencumbered Cash, Beginning	4,309			4,309
Unencumbered Cash, Ending	$ 4,309			$ 4,309

CITY OF ELKHART, KANSAS

Schedule 2-11

SEWER SYSTEM 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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Charges for Services:				
Sewer service charge	$159,717	$160,000	$ (283)	$159,565
Use of Money and Property:				
Interest on time deposits	13	-	13	9
Total Receipts	$159,730	$160,000	$ (270)	$159,574
Expenditures				
Personal services	$ 89,541	$ 85,000	$ 4,541	$ 86,804
Contractual services	20,962	25,000	(4,038)	18,072
Commodities	20,038	15,000	5,038	21,254
Capital outlay	19,217	154,000	(134,783)	20,449
Operating transfers	6,000	6,000	-	6,000
Total Expenditures	$155,758	$285,000	$ (129,242)	$152,579
Receipts Over (Under) Expenditures	$ 3,972			$ 6,995
Unencumbered Cash, Beginning	104,540			97,545
Unencumbered Cash, Ending	$108,512			$104,540

CITY OF ELKHART, KANSAS

Schedule 2-12

SEWER EQUIPMENT REPLACEMENT 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			
	Actual	Budget	Variance Over (Under)	Prior Year Actual
Receipts				
Operating transfers	$ 6,000	$ 6,000	-	$ 6,000
Expenditures				
Capital outlay	16,424	$ 54,000	$ (37,576)	16,424
Receipts Over (Under) Expenditures	$ (10,424)			$ (10,424)
Unencumbered Cash, Beginning	31,632			42,056
Unencumbered Cash, Ending	$ 21,208			$ 31,632

CITY OF ELKHART, KANSAS

Schedule 2
(Continued)

SCHEDULES OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021

CITY OF ELKHART, KANSAS

Schedule 2-13

BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021
(with comparative actual totals for the prior year ended December 31, 2020)

	2021	2020
Receipts		
Taxes and Shared Receipts:		
Delinquent tax	-	$ 28
Operating transfers	-	68,116
Total Receipts	-	$ 68,144
Expenditures		
Bond principal	-	$100,000
Interest coupons	-	3,000
Miscellaneous	-	1
Total Expenditures	-	$103,001
Receipts Over (Under) Expenditures	-	$ (34,857)
Unencumbered Cash, Beginning	-	34,857
Unencumbered Cash, Ending	-	-

CITY OF ELKHART, KANSAS

Schedule 2-14

WATER CUSTOMER DEPOSITS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021
(with comparative actual totals for the prior year ended December 31, 2020)

	2021	2020
Receipts		
Customer deposits received	$ 7,073	$ 8,794
Expenditures		
Customer deposits returned, forfeited or forfeitable	7,073	8,794
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

CITY OF ELKHART, KANSAS

Schedule 2-15

WHISTLE STOP PARK BEQUEST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021
(with comparative actual totals for the prior year ended December 31, 2020)

	2021	2020
Receipts		
Donations	$ 50	$ 1,645
Expenditures		
Commodities	321	715
Receipts Over (Under) Expenditures	$ (271)	$ 930
Unencumbered Cash, Beginning	12,507	11,577
Unencumbered Cash, Ending	$ 12,236	$ 12,507

CITY OF ELKHART, KANSAS

Schedule 2-16

SAFE PARK EQUIPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021
(with comparative actual totals for the prior year ended December 31, 2020)

	2021	2020
Receipts	-	-
Expenditures	-	-
Receipts Over (Under) Expenditures	$ -	$ -
Unencumbered Cash, Beginning	4,495	4,495
Unencumbered Cash, Ending	$ 4,495	$ 4,495

CITY OF ELKHART, KANSAS

Schedule 2-17

PIANO BEQUEST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021
(with comparative actual totals for the prior year ended December 31, 2020)

	2021	2020
Receipts		
Miscellaneous	-	$ 50
Expenditures	-	-
Receipts Over (Under) Expenditures	$ -	$ 50
Unencumbered Cash, Beginning	605	555
Unencumbered Cash, Ending	$ 605	$ 605

CITY OF ELKHART, KANSAS

Schedule 2-18

ANIMAL FOUNDATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021
(with comparative actual totals for the prior year ended December 31, 2020)

	2021	2020
Receipts	-	-
Expenditures	-	-
Receipts Over (Under) Expenditures	$ -	$ -
Unencumbered Cash, Beginning	3,597	3,597
Unencumbered Cash, Ending	$ 3,597	$ 3,597

CITY OF ELKHART, KANSAS

Schedule 2-19

SPECIAL LAW ENFORCEMENT TRUST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021
(with comparative actual totals for the prior year ended December 31, 2020)

	2021	2020
Receipts		
Miscellaneous	$ 3,826	$ 18,753
Expenditures		
Contractual services	6,180	3,743
Receipts Over (Under) Expenditures	$ (2,354)	$ 15,010
Unencumbered Cash, Beginning	15,092	82
Unencumbered Cash, Ending	$ 12,738	$ 15,092

CITY OF ELKHART, KANSAS

Schedule 2-20

FIREWORKS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021
(with comparative actual totals for the prior year ended December 31, 2020)

	2021	2020
Receipts		
Donations	$ 8,520	$ 3,793
Operating transfers	1,700	1,700
Total Receipts	$ 10,220	$ 5,493
Expenditures		
Commodities	6,597	7,301
Receipts Over (Under) Expenditures	$ 3,623	$ (1,808)
Unencumbered Cash, Beginning	(2,493)	(685)
Unencumbered Cash, Ending	$ 1,130	$ (2,493)

CITY OF ELKHART, KANSAS

Schedule 2-21

WSP TRAIL PROJECT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021
(with comparative actual totals for the prior year ended December 31, 2020)

	2021	2020
Receipts		
Reimbursements	$ 947	$ -
Operating transfers	-	293,353
Total Receipts	$ 947	$ 293,353
Expenditures		
Construction	$ -	$ 176,913
Other costs	-	3,580
Operating transfers	947	-
Total Expenditures	$ 947	$ 180,493
Receipts Over (Under) Expenditures	-	$ 112,860
Unencumbered Cash, Beginning	-	(112,860)
Unencumbered Cash, Ending	-	-

CITY OF ELKHART, KANSAS

Schedule 2-22

WATER PROJECT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021
(with comparative actual totals for the prior year ended December 31, 2020)

	2021	2020
Receipts		
Miscellaneous	$ 10,000	$ -
Expenditures		
Other costs	15,000	3,000
Receipts Over (Under) Expenditures	$ (5,000)	$ (3,000)
Unencumbered Cash, Beginning	(3,000)	-
Unencumbered Cash, Ending	$ (8,000)	$ (3,000)

CITY OF ELKHART, KANSAS

Schedule 2-23

ARPA PROJECT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS
For the year ended December 31, 2021
(with comparative actual totals for the prior year ended December 31, 2020)

	2021	2020
Receipts		
Federal aid	$134,143	-
Expenditures	-	-
Receipts Over (Under) Expenditures	$134,143	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	$134,143	-