# CITY OF HALSTEAD, KANSAS

## Financial Statement

## For the Year Ended December 31, 2024

City of Halstead, Kansas

For the Year Ended December 31, 2024

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Knudsen Monroe & Company LLC

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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 entity, as of and for the year ended December 31, 2024, 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, 2024, 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, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

### *Basis for Adverse and Unmodified Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

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

As discussed in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### *Responsibilities of Management for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### *Auditor's Responsibilities for the Audit of the Financial Statement*

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the 2024 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 entity (Schedules 1, 2, and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2024 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 2024 basic financial statement. The 2024 information has been subjected to the auditing procedures applied in the audit of the 2024 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 2024 basic financial statement or to the 2024 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 2024 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, 2023 (not presented herein), and have issued our report thereon dated April 30, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget and the schedule of receipts and expenditures-related municipal entity for the year ended December 31, 2024 (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 2024 basic financial statement. Such 2023 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 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2023 basic financial statement or to the 2023 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2023 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, 2023, on the basis of accounting described in Note 1.

Knudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
February 11, 2025

City of Halstead, Kansas

# SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2024

| Funds | Beginning Unencumbered Cash Balance | Prior Year Canceled Encumbrances | Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Encumbrances and Accounts Payable | Ending Cash Balance |
|---|---|---|---|---|---|---|---|
| **General Fund:** | $ 1,416,210 | - | 3,850,127 | 3,866,261 | 1,400,076 | 63,565 | 1,463,641 |
| **Special Purpose Funds:** | | | | | | | |
| Library | 2,986 | - | 156,501 | 159,487 | - | 2,486 | 2,486 |
| Special liability | 47,690 | - | 90,481 | 90,000 | 48,171 | - | 48,171 |
| Special street and highway | 61,205 | - | 58,478 | 26,831 | 92,852 | - | 92,852 |
| Special parks and recreation | 743 | - | 1,263 | 1,000 | 1,006 | - | 1,006 |
| VIN inspection | 28,673 | - | 30,520 | 27,514 | 31,679 | - | 31,679 |
| Sales tax revenue reserve | - | - | 153,000 | 153,000 | - | - | - |
| Capital improvement | 362,985 | - | 906,597 | 737,525 | 532,057 | 279,249 | 811,306 |
| City equipment reserve | 517,911 | - | 499,624 | 482,041 | 535,494 | 458,723 | 994,217 |
| Cemetery perpetual care | 52,662 | - | 4,279 | 1,708 | 55,233 | - | 55,233 |
| Opioid settlement | 6,159 | | 6,304 | - | 12,463 | - | 12,463 |
| **Capital Project Fund:** | 278,130 | - | - | 87,302 | 190,828 | - | 190,828 |
| **Bond and Interest Fund:** | 146,096 | - | 285,664 | 325,536 | 106,224 | - | 106,224 |
| **Business Funds:** | | | | | | | |
| Waterworks operating | 387,005 | - | 930,358 | 898,695 | 418,668 | 8,132 | 426,800 |
| Waste water operating | 92,838 | - | 431,292 | 420,312 | 103,818 | 4,741 | 108,559 |
| Gas plant operating | 578,979 | - | 1,957,535 | 2,259,419 | 277,095 | 14,788 | 291,883 |
| Refuse | 47,037 | - | 149,262 | 136,690 | 59,609 | 581 | 60,190 |
| Storm water | 28,647 | - | 21,848 | 28,702 | 21,793 | - | 21,793 |
| Depreciation/replacement reserve | 656,403 | 17,050 | 186,000 | - | 859,453 | - | 859,453 |
| Gas reserve | 543,642 | - | 64,250 | 99,250 | 508,642 | - | 508,642 |
| Storm water reserve | 86,000 | - | 18,000 | - | 104,000 | - | 104,000 |
| **Trust Funds:** | | | | | | | |
| Drug forfeiture | 45 | - | - | - | 45 | - | 45 |
| Land bank | 25,062 | - | - | - | 25,062 | - | 25,062 |
| **Related Municipal Entity:** | | | | | | | |
| Halstead Public Library | 109,465 | - | 116,833 | 108,983 | 117,315 | - | 117,315 |
| **Total Reporting Entity** | $ 5,476,573 | 17,050 | 9,918,216 | 9,910,256 | 5,501,583 | 832,265 | 6,333,848 |

| **Composition of cash:** | |
|---|---|
| Cash in bank, The Halstead Bank | |
| General checking | $ 5,807,015 |
| Certificate of Deposit | 354,284 |
| Cash in bank, Central National Bank | |
| Certificate of Deposit | 55,233 |
| Related Municipal Entity: | |
| Petty cash | 26 |
| General checking | 1,424 |
| Savings | 42,339 |
| Certificates of Deposit | 73,527 |
| Total Reporting Entity | $ 6,333,848 |

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

The City of 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 entity. The related municipal entity is included in the City's reporting entity because it was established to benefit the City and/or its constituents.

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.

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.

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

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 cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Fund, and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

If the City is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been met. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The City did hold a revenue neutral rate hearing for this year.

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

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for the prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for certain Special Purpose Funds, Capital Project Funds, Business Reserve Funds, and Trust Funds.

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

Reimbursements

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

## 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

### Compliance with Kansas Statutes

The City is not aware of any violations occurring during the year ended December 31, 2024.

## 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, 2024.

At December 31, 2024, the carrying amount of the City's deposits, including the related municipal entity, was $6,333,822 and the bank balance was $6,403,734. The majority of the balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $424,776 was covered by federal depository insurance and the remaining $5,978,958 was collateralized with securities held by the pledging financial institution's agents in the City's name.

## 4. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2024, 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 Temporary Notes: | | | | | | | | | |
| Series A 2023 | 4.00% | 7/11/2023 | $2,050,000 | 12/1/2026 | $2,050,000 | - | - | 2,050,000 | 82,000 |
| General Obligation Bonds: | | | | | | | | | |
| 2012 Refunding | 1.50-2.50% | 11/20/2012 | 2,540,000 | 10/1/2029 | 600,000 | - | 95,000 | 505,000 | 14,275 |
| 2016 Refunding | 1.00-2.50% | 7/19/2016 | 1,380,000 | 10/1/2030 | 765,000 | - | 100,000 | 665,000 | 17,813 |
| 2018 Series A | 2.50-3.50% | 5/9/2018 | 235,000 | 9/1/2033 | 165,000 | - | 15,000 | 150,000 | 5,175 |
| 2023 Taxable Series A | 5.50-6.625% | 12/6/2023 | 750,000 | 10/1/2038 | 750,000 | - | 40,000 | 710,000 | 38,273 |
| | | | | | 2,280,000 | - | 250,000 | 2,030,000 | 75,536 |
| KDHE Loan: | | | | | | | | | |
| Water Pollution Control | 2.50% | 2/7/2007 | 325,000 | 3/1/2028 | 83,373 | - | 17,730 | 65,643 | 1,974 |
| State of Kansas Loan: | | | | | | | | | |
| City Utility Low-Interest Loan | 2.81% | 3/22/2021 | 2,000,000 | 3/1/2031 | 1,299,689 | - | 388,456 | 911,233 | 31,544 |
| Total contractual indebtedness | | | | | $5,713,062 | - | 656,186 | 5,056,876 | 191,054 |

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 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030-2034 | 2035-2038 | Total |
| **Principal** | | | | | | | | |
| General Obligation Temporary Notes | $ - | 2,050,000 | - | - | - | - | - | 2,050,000 |
| General Obligation Bonds | 250,000 | 260,000 | 260,000 | 275,000 | 270,000 | 445,000 | 270,000 | 2,030,000 |
| KDHE Loan | 18,176 | 18,634 | 19,102 | 9,731 | - | - | - | 65,643 |
| State of Kansas Loan | 139,765 | 142,772 | 145,843 | 148,980 | 152,184 | 181,689 | - | 911,233 |
| Total Principal | 407,941 | 2,471,406 | 424,945 | 433,711 | 422,184 | 626,689 | 270,000 | 5,056,876 |
| **Interest** | | | | | | | | |
| General Obligation Temporary Notes | 82,000 | 82,000 | - | - | - | - | - | 164,000 |
| General Obligation Bonds | 77,256 | 70,419 | 63,356 | 56,006 | 47,856 | 149,507 | 46,376 | 510,776 |
| KDHE Loan | 1,528 | 1,071 | 602 | 122 | - | - | - | 3,323 |
| State of Kansas Loan | 18,050 | 15,044 | 11,973 | 8,836 | 5,631 | 2,428 | - | 61,962 |
| Total Interest | 178,834 | 168,534 | 75,931 | 64,964 | 53,487 | 151,935 | 46,376 | 740,061 |
| Total Principal and Interest | $ 586,775 | 2,639,940 | 500,876 | 498,675 | 475,671 | 778,624 | 316,376 | 5,796,937 |

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 Annual Comprehensive 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 for the Death and Disability Program) and the statutory contribution rate was 9.26% for the fiscal year ended December 31, 2024. Contributions to the pension plan from the City were $143,043, for the year ended December 31, 2024.

Net Pension Liability

At December 31, 2024, the City's proportionate share of the collective net pension liability reported by KPERS was $1,485,537. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. 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.

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% for the year ended December 31, 2024.

Compensated Absences

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

| Year of service | Accrual |
|---|---|
| Date of hire | 1 week |
| Years 1 through 4 | 2 weeks |
| Years 5 through 9 | 3 weeks |
| After 10 years | 4 weeks |

Employees may carry over the equivalent of four working weeks of vacation leave regardless of years of service, hours in excess 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.

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 | 540,000 |
| General | City equipment reserve | K.S.A. 12-1,117 | 215,000 |
| General | Cemetery perpetual care | Ordinance #860 | 1,800 |
| 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 |
| Cemetery perpetual care | General | Ordinance #860 | 1,708 |
| Waterworks operating | General | K.S.A. 12-825d | 175,000 |
| Waterworks operating | Capital improvement | K.S.A. 12-1,118 | 75,000 |
| Waterworks operating | City equipment reserve | K.S.A. 12-1,117 | 75,000 |
| Waterworks operating | Depreciation/replacement reserve | K.S.A. 12-825d | 90,000 |
| Waste water operating | General | K.S.A. 12-825d | 25,000 |
| Waste water operating | Capital improvement | K.S.A. 12-1,118 | 10,000 |
| 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 | 96,000 |
| 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 | 45,750 |
| Gas plant operating | Gas reserve | K.S.A. 12-825d | 64,250 |
| Refuse | Capital improvement | K.S.A. 12-1,118 | 10,000 |
| Storm water | City equipment reserve | K.S.A. 12-1,117 | 5,000 |
| 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.

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. DATE OF MANAGEMENT REVIEW

Management has performed an analysis of the activities and transactions subsequent to December 31, 2024, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through February 11, 2024, which is the date at which the financial statement was available to be issued.

CITY OF HALSTEAD, KANSAS

REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2024

SCHEDULE 1

City of Halstead, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024

| Funds | Certified Budget | Adjustment for Qualifying Budget Credits | Total Budget for Comparison | Expenditures Chargeable to Current Year | Variance - Over (Under) |
|---|---|---|---|---|---|
| **General Fund:** | $ 4,642,250 | - | 4,642,250 | 3,866,261 | (775,989) |
| **Special Purpose Funds:** | | | | | |
| Library | 168,500 | - | 168,500 | 159,487 | (9,013) |
| Special liability | 140,000 | - | 140,000 | 90,000 | (50,000) |
| Special street and highway | 80,311 | - | 80,311 | 26,831 | (53,480) |
| Special parks and recreation | 1,495 | - | 1,495 | 1,000 | (495) |
| VIN inspection | 58,928 | - | 58,928 | 27,514 | (31,414) |
| Sales tax revenue reserve | 153,000 | - | 153,000 | 153,000 | - |
| **Bond and Interest Fund:** | 435,000 | - | 435,000 | 325,536 | (109,464) |
| **Business Funds:** | | | | | |
| Waterworks operating | 1,037,434 | - | 1,037,434 | 898,695 | (138,739) |
| Waste water operating | 484,071 | - | 484,071 | 420,312 | (63,759) |
| Gas plant operating | 2,646,047 | - | 2,646,047 | 2,259,419 | (386,628) |
| Refuse | 164,582 | - | 164,582 | 136,690 | (27,892) |
| Storm water | 49,080 | - | 49,080 | 28,702 | (20,378) |

City of Halstead, Kansas

**General Fund**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | Actual | Budget | Variance - Over (Under) |
| RECEIPTS | | | | |
| Ad valorem property tax | $ 860,378 | 961,080 | 950,626 | 10,454 |
| Vehicle tax | 129,054 | 120,402 | 131,558 | (11,156) |
| Local sales tax | 617,298 | 618,330 | 550,000 | 68,330 |
| Liquor tax | 1,368 | 1,263 | 1,000 | 263 |
| Transient guest tax | 231 | 876 | - | 876 |
| Franchise tax | 148,280 | 152,756 | 141,000 | 11,756 |
| Fines and fees | 240,277 | 242,680 | 226,075 | 16,605 |
| Ambulance - Harvey County | 315,669 | 334,305 | 330,000 | 4,305 |
| Fire protection fees | 85,025 | 88,465 | 87,500 | 965 |
| Interest | 359,699 | 337,688 | 175,000 | 162,688 |
| Cemetery fees and charges | 15,960 | 13,890 | 20,250 | (6,360) |
| Golf course fees | 276,180 | 287,029 | 214,000 | 73,029 |
| Recreation fees | 51,651 | 48,617 | 48,000 | 617 |
| Rent | 4,800 | 1,200 | 2,400 | (1,200) |
| Sale of assets | 19,340 | 33,930 | 9,000 | 24,930 |
| Other | 8,145 | 130,908 | 2,500 | 128,408 |
| Reimbursed expenses | - | - | 87,000 | (87,000) |
| Transfer from | | | | |
| Cemetery perpetual care | 180 | 1,708 | 2,000 | (292) |
| Waterworks operating | 175,000 | 175,000 | 175,000 | - |
| Waste water operating | 25,000 | 25,000 | 25,000 | - |
| Gas plant operating | 275,000 | 275,000 | 275,000 | - |
| | 3,608,535 | 3,850,127 | 3,452,909 | 397,218 |
| EXPENDITURES, page 15 | 3,310,743 | 3,866,261 | | |
| Receipts over (under) expenditures | 297,792 | (16,134) | | |
| UNENCUMBERED CASH, beginning | 1,118,418 | 1,416,210 | | |
| UNENCUMBERED CASH, ending | $ 1,416,210 | 1,400,076 | | |

City of Halstead, Kansas

**General Fund**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | Actual | Budget | Variance - Over (Under) |
| EXPENDITURES | | | | |
| Administration | $ 170,734 | 188,649 | 198,500 | (9,851) |
| Court and legal | 43,291 | 45,416 | 59,250 | (13,834) |
| City hall/support services | 80,643 | 98,921 | 118,000 | (19,079) |
| Police | 395,427 | 413,895 | 430,500 | (16,605) |
| Street | 74,477 | 70,773 | 101,500 | (30,727) |
| Fire | 118,084 | 123,153 | 169,000 | (45,847) |
| Park | 187,462 | 206,245 | 270,000 | (63,755) |
| Golf | 237,600 | 269,322 | 268,000 | 1,322 |
| Emergency medical services | 343,146 | 387,389 | 421,500 | (34,111) |
| Community betterment | 140,863 | 341,425 | 186,500 | 154,925 |
| Street lighting | 44,634 | 45,793 | 50,000 | (4,207) |
| Cemetery | 45,611 | 40,106 | 67,000 | (26,894) |
| Employee benefits | 627,450 | 652,140 | 884,500 | (232,360) |
| Flood control maintenance | 24,827 | 25,793 | 32,500 | (6,707) |
| Capital improvements/cash reserve | 15,000 | 47,441 | 475,000 | (427,559) |
| Transfer to | | | | |
| Sales tax revenue reserve | 153,000 | 153,000 | 153,000 | - |
| Capital improvement | 390,000 | 540,000 | 540,000 | - |
| City equipment reserve | 184,000 | 215,000 | 215,000 | - |
| City expansion | 31,954 | - | - | - |
| Cemetery perpetual care | 2,540 | 1,800 | 2,500 | (700) |
| TOTAL EXPENDITURES | $ 3,310,743 | 3,866,261 | 4,642,250 | (775,989) |

City of Halstead, Kansas

**Special Purpose Funds**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | Actual | Budget | Variance - Over (Under) |
| **LIBRARY** | | | | |
| RECEIPTS | | | | |
| Ad valorem property tax | $ 76,457 | 84,615 | 83,238 | 1,377 |
| Vehicle tax | 12,016 | 10,693 | 11,683 | (990) |
| Reimbursements and other | 58,838 | 61,193 | 67,000 | (5,807) |
| | 147,311 | 156,501 | 161,921 | (5,420) |
| EXPENDITURES | | | | |
| Appropriations to Library Board | 89,000 | 98,000 | 98,000 | - |
| Salaries and benefits | 58,971 | 61,457 | 67,000 | (5,543) |
| Commodities and other | 2,376 | 30 | 3,500 | (3,470) |
| | 150,347 | 159,487 | 168,500 | (9,013) |
| Receipts over (under) expenditures | (3,036) | (2,986) | | |
| UNENCUMBERED CASH, beginning | 6,022 | 2,986 | | |
| UNENCUMBERED CASH, ending | $ 2,986 | - | | |
| **SPECIAL LIABILITY** | | | | |
| RECEIPTS | | | | |
| Ad valorem property tax | $ 70,026 | 80,667 | 79,334 | 1,333 |
| Vehicle tax | 9,171 | 9,814 | 10,727 | (913) |
| | 79,197 | 90,481 | 90,061 | 420 |
| EXPENDITURES | | | | |
| Insurance premiums | 70,000 | 90,000 | 90,000 | - |
| Cash basis reserve | - | - | 50,000 | (50,000) |
| | 70,000 | 90,000 | 140,000 | (50,000) |
| Receipts over (under) expenditures | 9,197 | 481 | | |
| UNENCUMBERED CASH, beginning | 38,493 | 47,690 | | |
| UNENCUMBERED CASH, ending | $ 47,690 | 48,171 | | |

City of Halstead, Kansas

**Special Purpose Funds**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | Actual | Budget | Variance - Over (Under) |
| **SPECIAL STREET AND HIGHWAY** | | | | |
| RECEIPTS | | | | |
| Gasoline tax | $ 58,564 | 58,478 | 55,230 | 3,248 |
| EXPENDITURES | | | | |
| Contractual services | 26,139 | 24,460 | 62,500 | (38,040) |
| Commodities | 6,662 | 2,371 | 4,000 | (1,629) |
| Capital outlay | - | - | 13,811 | (13,811) |
| | 32,801 | 26,831 | 80,311 | (53,480) |
| Receipts over (under) expenditures | 25,763 | 31,647 | | |
| UNENCUMBERED CASH, beginning | 35,442 | 61,205 | | |
| UNENCUMBERED CASH, ending | $ 61,205 | 92,852 | | |
| **SPECIAL PARKS AND RECREATION** | | | | |
| RECEIPTS | | | | |
| Liquor tax | $ 1,368 | 1,263 | 1,000 | 263 |
| EXPENDITURES | | | | |
| Capital outlay | - | - | 495 | (495) |
| Transfer to City equipment reserve | 1,000 | 1,000 | 1,000 | - |
| | 1,000 | 1,000 | 1,495 | (495) |
| Receipts over (under) expenditures | 368 | 263 | | |
| UNENCUMBERED CASH, beginning | 375 | 743 | | |
| UNENCUMBERED CASH, ending | $ 743 | 1,006 | | |

City of Halstead, Kansas

**Special Purpose Funds**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | Actual | Budget | Variance - Over (Under) |
| **VIN INSPECTION** | | | | |
| RECEIPTS | | | | |
| Fees collected | $ 32,520 | 30,520 | 30,000 | 520 |
| EXPENDITURES | | | | |
| Contractual service | 41,775 | 27,514 | 58,928 | (31,414) |
| Receipts over (under) expenditures | (9,255) | 3,006 | | |
| UNENCUMBERED CASH, beginning | 37,928 | 28,673 | | |
| UNENCUMBERED CASH, ending | $ 28,673 | 31,679 | | |
| **SALES TAX REVENUE RESERVE** | | | | |
| 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, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | 2023 | 2024 |
|---|---|---|
| **CAPITAL IMPROVEMENT** | | |
| RECEIPTS | | |
| Transfer from | | |
| General | $ 390,000 | 540,000 |
| Sales tax revenue reserve | 44,875 | 44,875 |
| Waterworks operating | 75,000 | 75,000 |
| Waste water operating | 10,000 | 10,000 |
| Gas plant operating | 75,000 | 50,000 |
| Refuse | 20,000 | 10,000 |
| Grants | 127,350 | 176,722 |
| Reimbursed expenses | 107,085 | - |
| | 849,310 | 906,597 |
| EXPENDITURES | | |
| Capital outlay and maintenance | 1,197,331 | 737,525 |
| Receipts over (under) expenditures | (348,021) | 169,072 |
| UNENCUMBERED CASH, beginning | 711,006 | 362,985 |
| UNENCUMBERED CASH, ending | $ 362,985 | 532,057 |
| **CITY EQUIPMENT RESERVE** | | |
| RECEIPTS | | |
| Transfer from | | |
| General | $ 184,000 | 215,000 |
| Special parks and recreation | 1,000 | 1,000 |
| Waterworks operating | 75,000 | 75,000 |
| Waste water operating | 10,000 | 10,000 |
| Gas plant operating | 75,000 | 45,750 |
| Storm water | 2,500 | 5,000 |
| Grants | 294,701 | 84,637 |
| Sale of equipment and other | 15,238 | 63,237 |
| | 657,439 | 499,624 |
| EXPENDITURES | | |
| Capital outlay and maintenance | 702,837 | 482,041 |
| Receipts over (under) expenditures | (45,398) | 17,583 |
| UNENCUMBERED CASH, beginning | 563,309 | 517,911 |
| UNENCUMBERED CASH, ending | $ 517,911 | 535,494 |

City of Halstead, Kansas

**Special Purpose Funds**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | 2023 | 2024 |
|---|---|---|
| **CITY EXPANSION** | | |
| RECEIPTS | | |
| Bond proceeds | $ 742,500 | - |
| Transfer from General | 31,954 | - |
| | 774,454 | - |
| EXPENDITURES | | |
| Capital outlay | 754,670 | - |
| Issuance costs | 19,784 | - |
| | 774,454 | - |
| Receipts over (under) expenditures | - | - |
| UNENCUMBERED CASH, beginning | - | - |
| UNENCUMBERED CASH, ending | $ - | - |
| **CEMETERY PERPETUAL CARE** | | |
| RECEIPTS | | |
| Transfer from General | $ 2,540 | 1,800 |
| Interest | 1,576 | 2,479 |
| | 4,116 | 4,279 |
| EXPENDITURES | | |
| Transfer to General | 180 | 1,708 |
| Receipts over (under) expenditures | 3,936 | 2,571 |
| UNENCUMBERED CASH, beginning | 48,726 | 52,662 |
| UNENCUMBERED CASH, ending | $ 52,662 | 55,233 |

City of Halstead, Kansas

**Special Purpose Funds**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | 2023 | 2024 |
|---|---|---|
| **AMERICAN RESCUE PLAN ACT** | | |
| RECEIPTS | | |
| Grants | $ - | - |
| EXPENDITURES | | |
| Contractual services | 311,475 | - |
| Receipts over (under) expenditures | (311,475) | - |
| UNENCUMBERED CASH, beginning | 311,475 | - |
| UNENCUMBERED CASH, ending | $ - | - |
| **OPIOID SETTLEMENT** | | |
| RECEIPTS | | |
| State revenue | $ 5,661 | 6,304 |
| EXPENDITURES | - | - |
| Receipts over (under) expenditures | 5,661 | 6,304 |
| UNENCUMBERED CASH, beginning | 498 | 6,159 |
| UNENCUMBERED CASH, ending | $ 6,159 | 12,463 |

City of Halstead, Kansas

**Capital Project Fund**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | 2023 | 2024 |
|---|---|---|
| **STREET & SEWER IMPROVEMENTS** | | |
| RECEIPTS | | |
| Bond proceeds | $ 2,081,263 | - |
| EXPENDITURES | | |
| Capital outlay | 1,745,463 | 5,302 |
| Issuance costs | 25,781 | - |
| Bond payment | 31,889 | 82,000 |
| | 1,803,133 | 87,302 |
| Receipts over (under) expenditures | 278,130 | (87,302) |
| UNENCUMBERED CASH, beginning | - | 278,130 |
| UNENCUMBERED CASH, ending | $ 278,130 | 190,828 |

City of Halstead, Kansas

**Bond and Interest Fund**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | Actual | Budget | Variance - Over (Under) |
| RECEIPTS | | | | |
| Ad valorem property tax | $ 127,661 | 139,152 | 137,121 | 2,031 |
| Special assessments | 20,951 | 20,462 | 20,000 | 462 |
| Vehicle tax | 18,586 | 17,925 | 19,523 | (1,598) |
| Transfer from Sales tax revenue reserve | 108,125 | 108,125 | 108,125 | - |
| | 275,323 | 285,664 | 284,769 | 895 |
| EXPENDITURES | | | | |
| Bond principal | 210,000 | 250,000 | 210,000 | 40,000 |
| Interest | 41,538 | 75,536 | 40,000 | 35,536 |
| Cash basis reserve | - | - | 185,000 | (185,000) |
| | 251,538 | 325,536 | 435,000 | (109,464) |
| Receipts over (under) expenditures | 23,785 | (39,872) | | |
| UNENCUMBERED CASH, beginning | 122,311 | 146,096 | | |
| UNENCUMBERED CASH, ending | $ 146,096 | 106,224 | | |

City of Halstead, Kansas

**Business Funds**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | Actual | Budget | Variance - Over (Under) |
| **WATERWORKS OPERATING** | | | | |
| RECEIPTS | | | | |
| Sales | $ 888,206 | 898,294 | 816,380 | 81,914 |
| Service and other | 27,147 | 32,064 | - | 32,064 |
| | 915,353 | 930,358 | 816,380 | 113,978 |
| EXPENDITURES | | | | |
| Personal services | 201,650 | 231,995 | 236,000 | (4,005) |
| Contractual services | 36,306 | 43,367 | 58,000 | (14,633) |
| Water purchases | 115,685 | 121,607 | 125,000 | (3,393) |
| Commodities | 62,444 | 62,976 | 77,500 | (14,524) |
| Capital outlay | 20,757 | 23,750 | 125,934 | (102,184) |
| Transfer to | | | | |
| General | 175,000 | 175,000 | 175,000 | - |
| Capital improvement | 75,000 | 75,000 | 75,000 | - |
| City equipment reserve | 75,000 | 75,000 | 75,000 | - |
| Depreciation/replacement reserve | 90,000 | 90,000 | 90,000 | - |
| | 851,842 | 898,695 | 1,037,434 | (138,739) |
| Receipts over (under) expenditures | 63,511 | 31,663 | | |
| UNENCUMBERED CASH, beginning | 323,494 | 387,005 | | |
| UNENCUMBERED CASH, ending | $ 387,005 | 418,668 | | |

City of Halstead, Kansas

**Business Funds**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | Actual | Budget | Variance - Over (Under) |
| **WASTE WATER OPERATING** | | | | |
| RECEIPTS | | | | |
| User fees | $ 401,192 | 430,993 | 410,000 | 20,993 |
| Service and other | 213 | 299 | - | 299 |
| | 401,405 | 431,292 | 410,000 | 21,292 |
| EXPENDITURES | | | | |
| Personal services | 109,138 | 119,416 | 142,500 | (23,084) |
| Contractual services | 74,446 | 91,879 | 145,000 | (53,121) |
| Commodities | 45,833 | 48,313 | 52,500 | (4,187) |
| Transfer to | | | | |
| General | 25,000 | 25,000 | - | 25,000 |
| Capital improvement | 10,000 | 10,000 | 10,000 | - |
| City equipment reserve | 10,000 | 10,000 | 10,000 | - |
| Depreciation/replacement reserve | 96,000 | 96,000 | 96,000 | - |
| Debt service | 19,704 | 19,704 | 19,705 | (1) |
| Capital reserve | - | - | 8,366 | (8,366) |
| | 390,121 | 420,312 | 484,071 | (63,759) |
| Receipts over (under) expenditures | 11,284 | 10,980 | | |
| UNENCUMBERED CASH, beginning | 81,554 | 92,838 | | |
| UNENCUMBERED CASH, ending | $ 92,838 | 103,818 | | |

City of Halstead, Kansas

**Business Funds**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | Actual | Budget | Variance - Over (Under) |
| **GAS PLANT OPERATING** | | | | |
| RECEIPTS | | | | |
| Sales | $ 2,117,965 | 1,937,083 | 2,199,000 | (261,917) |
| Service and other | 19,179 | 20,452 | - | 20,452 |
| | 2,137,144 | 1,957,535 | 2,199,000 | (241,465) |
| EXPENDITURES | | | | |
| Personal services | 170,778 | 187,862 | 218,000 | (30,138) |
| Contractual services | 102,541 | 92,280 | 151,000 | (58,720) |
| Commodities | 43,753 | 45,776 | 56,000 | (10,224) |
| Gas purchased | 1,166,205 | 1,073,621 | 1,325,000 | (251,379) |
| Capital outlay | 10,978 | 4,880 | 10,000 | (5,120) |
| State utility loan payments | 420,000 | 420,000 | 420,000 | - |
| Transfer to | | | | |
| General | 275,000 | 275,000 | 275,000 | - |
| Capital improvement | 75,000 | 50,000 | 50,000 | - |
| City equipment reserve | 75,000 | 45,750 | 50,000 | (4,250) |
| Gas reserve | 90,000 | 64,250 | 60,000 | 4,250 |
| Capital reserve | - | - | 31,047 | (31,047) |
| | 2,429,255 | 2,259,419 | 2,646,047 | (386,628) |
| Receipts over (under) expenditures | (292,111) | (301,884) | | |
| UNENCUMBERED CASH, beginning | 871,090 | 578,979 | | |
| UNENCUMBERED CASH, ending | $ 578,979 | 277,095 | | |

City of Halstead, Kansas

**Business Funds**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | | Current Year | | |
|---|---|---|---|---|
| | Prior Year Actual | Actual | Budget | Variance - Over (Under) |
| **REFUSE** | | | | |
| RECEIPTS | | | | |
| User fees | $ 138,961 | 149,262 | 130,500 | 18,762 |
| EXPENDITURES | | | | |
| Personal services | 14,940 | 14,413 | 18,300 | (3,887) |
| Contractual services | 101,186 | 112,277 | 119,500 | (7,223) |
| Commodities and other | - | - | 5,000 | (5,000) |
| Transfer to Capital improvement | 20,000 | 10,000 | 10,000 | - |
| Capital reserve | - | - | 11,782 | (11,782) |
| | 136,126 | 136,690 | 164,582 | (27,892) |
| Receipts over (under) expenditures | 2,835 | 12,572 | | |
| UNENCUMBERED CASH, beginning | 44,202 | 47,037 | | |
| UNENCUMBERED CASH, ending | $ 47,037 | 59,609 | | |
| **STORM WATER** | | | | |
| RECEIPTS | | | | |
| User fees | $ 21,831 | 21,848 | 21,600 | 248 |
| EXPENDITURES | | | | |
| Contractual services | 65 | 17 | 7,000 | (6,983) |
| Commodities | - | 5,685 | 10,000 | (4,315) |
| Transfer to | | | | |
| City equipment reserve | 2,500 | 5,000 | 5,000 | - |
| Storm water reserve | 18,000 | 18,000 | 18,000 | - |
| Capital reserve | - | - | 9,080 | (9,080) |
| | 20,565 | 28,702 | 49,080 | (20,378) |
| Receipts over (under) expenditures | 1,266 | (6,854) | | |
| UNENCUMBERED CASH, beginning | 27,381 | 28,647 | | |
| UNENCUMBERED CASH, ending | $ 28,647 | 21,793 | | |

City of Halstead, Kansas

**Business Funds**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | 2023 | 2024 |
|---|---|---|
| **DEPRECIATION/REPLACEMENT RESERVE** | | |
| RECEIPTS | | |
| Transfer from | | |
| Waterworks operating | $ 235,109 | 90,000 |
| Waste water operating | 96,000 | 96,000 |
| | 331,109 | 186,000 |
| EXPENDITURES | | |
| Capital outlay | 236,799 | - |
| Receipts over (under) expenditures | 94,310 | 186,000 |
| UNENCUMBERED CASH, beginning | 562,093 | 656,403 |
| Prior year canceled encumbrances | - | 17,050 |
| UNENCUMBERED CASH, ending | $ 656,403 | 859,453 |
| **GAS RESERVE** | | |
| RECEIPTS | | |
| Transfer from Gas plant operating | $ 90,000 | 64,250 |
| EXPENDITURES | | |
| Capital outlay | - | 99,250 |
| Receipts over (under) expenditures | 90,000 | (35,000) |
| UNENCUMBERED CASH, beginning | 453,642 | 543,642 |
| UNENCUMBERED CASH, ending | $ 543,642 | 508,642 |
| **STORM WATER RESERVE** | | |
| RECEIPTS | | |
| Transfer from Storm water | $ 18,000 | 18,000 |
| EXPENDITURES | - | - |
| Receipts over (under) expenditures | 18,000 | 18,000 |
| UNENCUMBERED CASH, beginning | 68,000 | 86,000 |
| UNENCUMBERED CASH, ending | $ 86,000 | 104,000 |

City of Halstead, Kansas

**Trust Funds**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | 2023 | 2024 |
|---|---|---|
| **DRUG FORFEITURE** | | |
| RECEIPTS | | |
| Asset forfeiture funds | $ - | - |
| EXPENDITURES | | |
| Commodities | - | - |
| Receipts over (under) expenditures | - | - |
| UNENCUMBERED CASH, beginning | 45 | 45 |
| UNENCUMBERED CASH, ending | $ 45 | 45 |
| **LAND BANK** | | |
| RECEIPTS | | |
| City appropriation | $ 15,000 | - |
| EXPENDITURES | - | - |
| Receipts over (under) expenditures | 15,000 | - |
| UNENCUMBERED CASH, beginning | 10,062 | 25,062 |
| UNENCUMBERED CASH, ending | $ 25,062 | 25,062 |

City of Halstead, Kansas

**Related Municipal Entity**

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

| | 2023 | 2024 |
|---|---|---|
| **HALSTEAD PUBLIC LIBRARY** | | |
| RECEIPTS | | |
| City of Halstead | $ 89,000 | 98,000 |
| SCKLS and other grants | 9,812 | 10,646 |
| State aid | 610 | 608 |
| Memorial income | 600 | 1,067 |
| Interest and other | 30,791 | 6,512 |
| | 130,813 | 116,833 |
| EXPENDITURES | | |
| Personal services | 69,396 | 71,453 |
| Books, periodicals and materials | 11,633 | 11,215 |
| Operating supplies and commodities | 5,815 | 5,971 |
| Telephone and utilities | 6,526 | 6,657 |
| Capital outlay | 37,388 | 7,629 |
| Other | 2,904 | 6,058 |
| | 133,662 | 108,983 |
| Receipts over (under) expenditures | (2,849) | 7,850 |
| UNENCUMBERED CASH, beginning | 112,314 | 109,465 |
| UNENCUMBERED CASH, ending | $ 109,465 | 117,315 |