

CITY OF SOUTH HUTCHINSON, KANSAS

DECEMBER 31, 2019



CITY OF SOUTH HUTCHINSON, KANSAS

TABLE OF CONTENTS  
December 31, 2019

INDEPENDENT AUDITORS' REPORT.....	1-2
FINANCIAL STATEMENT	
Summary Statement of Receipts, Expenditures, and Unencumbered Cash - Regulatory Basis.....	3-4
NOTES TO THE FINANCIAL STATEMENT.....	5-12
SCHEDULE 1	
Summary of Expenditures - Regulatory Basis (Actual and Budget).....	13
SCHEDULE 2	
Schedule of Receipts and Expenditures - Regulatory Basis (Actual and Budget)	
General Fund.....	14-16
Flood Control Fund.....	17
Employee Benefits Fund.....	18
Special Highway Fund.....	19
Convention and Tourism Fund.....	20
Special Parks Fund.....	21
Street/Economic Development - Sales Tax Fund.....	22
Diversion Fund.....	23
Bond and Interest Fund.....	24
Water Fund.....	25
Sewer Fund.....	26
Schedule of Receipts and Expenditures - Regulatory Basis (Actual)	
Business Nonbudgeted Funds.....	27
Special Purpose Nonbudgeted Funds.....	28
Capital Projects Nonbudgeted Funds.....	29

Roger W. Field, CPA  
Gregory D. Daughhetee, CPA  
Kenneth D. Hamby, CPA  
Michael R. Meisenheimer, CPA  
Nick L. Muetting, CPA  
Billy J. Klug, CPA  
Randall R. Hofmeier, CPA  
Brent L. Knoche, CPA  
Brian W. Mapel, CPA  
Jeffrey D. Reece, CPA  
Brady H. Byrnes, CPA  
Alex P. Larson, CPA

## INDEPENDENT AUDITORS' REPORT

**Mayor and City Council  
City of South Hutchinson, Kansas**

### Report on the Financial Statement

We have audited the accompanying regulatory basis summary statement of receipts, expenditures, and unencumbered cash of City of South Hutchinson, Kansas (the City) as of and for the year ended December 31, 2019, and the related notes to the financial statement.

### Management's Responsibility for the Financial Statement

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and KMAAG. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

#### Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions permitted in KMAAG, 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.

#### Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matters discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly in accordance with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2019, or changes in net position or in cash flows thereof for the year then ended.

#### Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to in the first paragraph presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City, as of December 31, 2019, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions permitted in KMAAG described in Note 1.

#### Supplementary Information

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



Certified Public Accountants

Hutchinson, Kansas  
June 16, 2020

CITY OF SOUTH HUTCHINSON, KANSAS  
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH -  
REGULATORY BASIS  
For Year Ended December 31, 2019

Page 1 of 2

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
GENERAL FUND	\$ 479,887	\$ 2,435,910	\$ 1,677,484	\$ 1,238,313	\$ 43,086	\$ 1,281,399
SPECIAL PURPOSE FUNDS						
Flood Control	1,654	25,701	27,355	-	596	596
Employee Benefits	23,251	51,164	57,164	17,251	-	17,251
Special Highway	49,378	78,668	56,409	71,637	2,039	73,676
Convention and Tourism	-	55,875	55,875	-	-	-
Special Parks	3,693	65	-	3,758	-	3,758
Street/Economic Development	156,684	113,123	120,000	149,807	-	149,807
Diversion	10,984	1,075	1,629	10,430	-	10,430
ASAP	27,318	7,873	8,131	27,060	10	27,070
Technology	480	1,895	-	2,375	-	2,375
Donations	7,397	916	1,297	7,016	460	7,476
Community Center	11,186	10,390	10,308	11,268	934	12,202
Special Projects	902	-	64	838	-	838
Community Improvement District	33,710	18,374	-	52,084	-	52,084
Health Insurance	184,697	37,238	29,927	192,008	-	192,008
Building Reserve	262,882	185,489	24,752	423,619	985	424,604
Equipment Reserve	158,307	302,903	117,967	343,243	-	343,243
Special Law Enforcement	2,263	778	1,345	1,696	254	1,950
BOND AND INTEREST FUND						
Bond and Interest	194,316	676,308	857,653	12,971	-	12,971
CAPITAL PROJECTS						
	159,036	32,743	190,299	1,480	-	1,480
BUSINESS FUNDS						
Water	369,636	774,488	749,929	394,195	16,084	410,279
Water Reserve	52,923	274,500	-	327,423	-	327,423
Sewer	338,980	1,289,131	939,837	688,274	13,493	701,767
Sewer Replacement	37,841	-	23,683	14,158	5,413	19,571
TOTAL REPORTING ENTITY	<u>\$ 2,567,405</u>	<u>\$ 6,374,607</u>	<u>\$ 4,951,108</u>	<u>\$ 3,990,904</u>	<u>\$ 83,354</u>	<u>\$ 4,074,258</u>

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

## CITY OF SOUTH HUTCHINSON, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH -  
REGULATORY BASIS  
For Year Ended December 31, 2019

Page 2 of 2

COMPOSITION OF CASH	
Checking accounts	\$ 805,041
Money Market accounts	1,543,767
Certificates of deposit	1,725,000
Petty cash	<u>450</u>
TOTAL REPORTING ENTITY	<u>\$ 4,074,258</u>

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

## CITY OF SOUTH HUTCHINSON, KANSAS

NOTES TO THE FINANCIAL STATEMENT  
December 31, 2019

## NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

City of South Hutchinson, Kansas (the City) is a municipal corporation governed by an elected mayor and five-member council.

Fund 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.

Kansas Municipal Audit and Accounting Guide Regulatory Basis of Presentation Fund Definitions

The following types of funds comprise the financial activities of the City for the year of 2019:

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

Special Purpose Funds – to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are intended for specified purposes.

Capital Project Funds – to account for the financial resources segregated for the acquisition or construction of major capital facilities and improvements.

Bond and Interest Fund – to account for the accumulation of resources for the payment of interest and principal on long-term debt.

Business Funds – to account for operations financed in whole or in part by fees charged to users for goods and services.

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

The regulatory basis of accounting provisions in the Kansas Municipal Audit and Accounting Guide (KMAAG) 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 reporting the changes in unencumbered cash and investments of a fund resulting from the regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The 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 municipality to use the regulatory basis of accounting.

### Interest Income

Unless specifically designated, all investment income is credited to the General 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 or from other City funds.

### 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.

### Reimbursed Expenditures

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

### Use of Estimates

The process of preparing the financial statement requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates relate primarily to unsettled transactions and events as of the date of the financial statement. Accordingly, upon settlement, actual results may differ from estimated amounts.

### Budgetary Information

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no amended budgets for the year ended December 31, 2019.

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 modified accrual basis of accounting modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

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

Special Law Enforcement	ASAP	Donations
Equipment Reserve	Building Reserve	Technology
Community Center	Special Projects	Health Insurance
Community Improvement District		

Original appropriations are modified by supplemental appropriation and transfers among budget categories. The City Council approves all significant changes.

Taxes levied to finance the budget become a lien against all property November 1. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20 and May 10. These taxes are made available to the City after January 1 and are distributed by the County Treasurer generally in the months of January and June. Delinquent tax collections are distributed throughout the year.

#### NOTE 2—STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Management was not aware of any material statutory violations.

#### NOTE 3—DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the summary statement of receipts, expenditures, and unencumbered cash. In addition, investments are held separately by some of the City's funds. The cash balances of certain funds are restricted as to their use.

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 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 Federal Deposit Insurance Corporation (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 FDIC 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, 2019.

### Deposits

At year end, the carrying amount of the City's deposits, including certificates of deposit, was \$4,073,808. The bank balance was \$4,076,678. The bank balance was held by two banks with the majority held by one bank resulting in a concentration of credit risk. Of the bank balance, \$693,128 was covered by FDIC insurance and the remaining \$3,383,550 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name.

### Custodial Credit Risk – Investments

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

### NOTE 4—LONG-TERM DEBT

Terms of the City's long-term debt outstanding for the year ended December 31, 2019, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>
General Obligation Bonds				
Series 2012	3.00% to 3.25%	07/26/12	\$ 5,680,000	09/01/32
Series 2016	2.00% to 3.00%	09/15/16	3,845,000	11/01/36
Series 2017	4.75%	09/28/17	565,000	10/01/32
Series 2018	3.00% to 4.00%	09/27/18	1,755,000	10/01/38
Series 2019	3.00%	07/31/19	2,200,000	09/01/39

Changes in long-term debt for the City for the year ended December 31, 2019, were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
Series 2009	\$ 4,000	\$ -	\$ 4,000	\$ -	\$ 230
Series 2012	2,195,000	-	370,000	1,825,000	66,500
Series 2016	2,995,000	-	135,000	2,860,000	82,300
Series 2017	550,000	-	35,000	515,000	26,125
Series 2018	1,755,000	-	60,000	1,695,000	63,649
Series 2019	-	2,200,000	-	2,200,000	-
Temporary Improvement Note					
Series 2017	2,330,000	-	2,330,000	-	29,125
Other loans					
Street sweeper	43,560	-	43,560	-	1,436
Irrigation pivot	64,264	-	64,264	-	1,043
Total Bonded Indebtedness	<u>\$ 9,936,824</u>	<u>\$ 2,200,000</u>	<u>\$ 3,041,824</u>	<u>\$ 9,095,000</u>	<u>\$ 270,408</u>

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

General Obligation Bonds	Principal	Interest	Total
2020	\$ 695,000	\$ 290,946	\$ 985,946
2021	720,000	263,713	983,713
2022	745,000	241,412	986,412
2023	565,000	219,813	784,813
2024	405,000	203,662	608,662
2025-2029	2,180,000	834,250	3,014,250
2030-2034	2,245,000	470,551	2,715,551
2035-2039	1,540,000	127,000	1,667,000
	<u>\$ 9,095,000</u>	<u>\$ 2,651,347</u>	<u>\$ 11,746,347</u>

### Conduit Debt

The City has issued Industrial Revenue Bonds not directly obligated by the City. The total amount of indebtedness outstanding at December 31, 2019, was \$2,479,316. These bonds do not constitute an indebtedness or pledge of faith and credit of the City.

### NOTE 5—INTERFUND TRANSFERS

<u>From Fund</u>	<u>To Fund</u>	<u>Authority</u>	<u>Amount</u>
General	Equipment Reserve	K.S.A. 12-1,117	\$ 166,000
Water	Equipment Reserve	K.S.A. 12-1,117	30,000
Sewer	Equipment Reserve	K.S.A. 12-1,117	50,000
General	Building Reserve	K.S.A. 12-1,118	66,000
Water	Building Reserve	K.S.A. 12-1,118	10,000
Sewer	Building Reserve	K.S.A. 12-1,118	50,000
Water	Water Reserve	K.S.A. 12-825d	274,500
Sewer	Bond and Interest	K.S.A. 12-825d	302,495
General	Bond and Interest	Resolution	39,662

### NOTE 6—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 the Comprehensive Annual Financial Report, which can be found on KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

#### Contributions

K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009; KPERS 2 members were first employed in a covered position on or after July 1, 2009; and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law establishes the KPERS member-employee contribution rate at 6.00% of covered salary for KPERS 1, KPERS 2, or 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.

Kansas law provides that employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined annually based on the results of an annual actuarial valuation. The actuarially determined employer contribution rate (excluding the contribution rate for the Death and Disability program) and the statutory contribution rate for KPERS was 8.89% for the year ended December 31, 2019. Contributions to the pension plan from the City for KPERS were \$76,482 for the year ended December 31, 2019.

### Net Pension Liability

At December 31, 2019, KPERS has determined the City's proportionate share of the collective net pension liability for KPERS was \$663,780. The net pension liability was measured as of June 30, 2019, and the total pension liability was determined by an actuarial valuation as of December 31, 2018, which was rolled forward to June 30, 2019. The City's share of the allocation is based on the ratio of the City's employer contributions, relative to the total employer and nonemployer contributions for the plan groups the City participates in. Because the regulatory basis of accounting under KMAAG does not recognize long-term debt, this liability is not reported in the 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](http://www.kpers.org) or can be obtained as described in the first paragraph above.

### NOTE 7—OTHER LONG-TERM LIABILITIES

#### Compensated Absences

Vacation time is earned and vested and must be used within the employees anniversary date. Policies prohibit payment of vacation time in lieu of time off and all accumulated vacation pay is payable upon employment termination. The sick leave policy for the City permits employees to accumulate a maximum of 90 days sick leave. Policy prohibits payment of unused sick pay upon termination by the City.

#### Other Post-Employment Benefits – Death and Disability Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability 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 was set at 1% for the year ended December 31, 2019.

### NOTE 8—RISK MANAGEMENT

The City is subject to certain risks such as torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from third parties. There have been no significant reductions in insurance coverage from the prior year and there have been no settled claims in excess of insurance coverage for the prior three years.

The City self-insures certain risks related to employee health care costs. Total exposure is managed with aggregate limits on the total liability the City can incur in any given year. The City funds the liability based on actuarial estimated contributions and such additional amounts required to pay claims as incurred.

### NOTE 9—CONCENTRATIONS

A substantial portion of the City's water and sewer sales are to one customer. During 2019, water and sewer sales to the customer were 65% and 63%, respectively.

### NOTE 10—COMMITMENTS AND CONTINGENCIES

Subject to a certain lease agreement, the City is contingently liable for lease payments of \$3,513 per year through 2021, if certain countywide funding for the payments is not available.

The City acquired title to a grain elevator in 2014 and has not decided if the structure will be demolished or left standing. Potential costs associated with the elevator have not been reflected in the financial statement.

Litigation

The City may sometimes be a defendant in various legal actions pending or in process concerning personal injury, workers' compensation claims, and property damage. The ultimate liability that might result from the final resolution of these matters is not presently determinable. The financial statement does not include accruals or provisions for loss contingencies that may result from these proceedings.

## NOTE 11—SUBSEQUENT EVENTS

On March 11, 2020, the COVID-19 outbreak was declared a global pandemic, which resulted in federal, state, and local governments implementing restrictions and mitigation measures to slow the spread of the virus. The magnitude of COVID-19 and the related restrictions and mitigation measures effect on the City's operational and financial performance will depend upon the duration and severity of the pandemic. At this time, the effect of these uncertainties on the City's operations cannot be reasonably estimated; however, there could be a material adverse impact on the City's summary statement of receipts, expenditures, and unencumbered cash balances.

## CITY OF SOUTH HUTCHINSON, KANSAS

SUMMARY OF EXPENDITURES - REGULATORY BASIS (ACTUAL AND BUDGET)  
 (BUDGETED FUNDS ONLY)  
 For Year Ended December 31, 2019

Schedule 1

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUND	\$ 2,439,404	\$ -	\$ 2,439,404	\$ 1,677,484	\$ (761,920)
SPECIAL PURPOSE FUNDS					
Flood Control	27,089	-	27,089	27,355	266
Employee Benefits	61,000	-	61,000	57,164	(3,836)
Special Highway	78,740	-	78,740	56,409	(22,331)
Convention and Tourism	70,000	-	70,000	55,875	(14,125)
Special Parks	3,830	-	3,830	-	(3,830)
Street/Economic Development	120,000	-	120,000	120,000	-
Diversion	10,841	-	10,841	1,629	(9,212)
BOND AND INTEREST FUND					
Bond and Interest	887,640	-	887,640	857,653	(29,987)
BUSINESS FUNDS					
Water	750,000	-	750,000	749,929	(71)
Sewer	1,777,027	-	1,777,027	939,837	(837,190)

## CITY OF SOUTH HUTCHINSON, KANSAS

GENERAL FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
Page 1 of 16

	2019		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Taxes			
Ad valorem property tax	\$ 857,431	\$ 921,185	\$ (63,754)
Delinquent tax	17,804	10,129	7,675
Motor vehicle tax	66,095	58,726	7,369
Recreational vehicle tax	-	846	(846)
16/20M vehicle tax	-	603	(603)
Commercial vehicle tax	-	7,660	(7,660)
Watercraft tax	-	307	(307)
In lieu of tax	4,251	2,000	2,251
County sales tax	376,625	355,000	21,625
Local sales tax	226,246	210,000	16,246
Liquor tax	65	150	(85)
<b>Total Taxes</b>	<b>1,548,517</b>	<b>1,566,606</b>	<b>(18,089)</b>
Licenses, Fees, and Permits			
Utility franchise tax	614,308	580,000	34,308
Refuse	106,582	105,000	1,582
Permits and inspections	26,889	20,000	6,889
<b>Total Licenses, Fees, and Permits</b>	<b>747,779</b>	<b>705,000</b>	<b>42,779</b>
Fines, Forfeitures, and Penalties	58,845	100,000	(41,155)
Interest on Idle Funds	25,019	6,000	19,019
Other Receipts			
Reimbursed expense	1,905	30,000	(28,095)
Miscellaneous	53,845	30,000	23,845
<b>Total Other Receipts</b>	<b>55,750</b>	<b>60,000</b>	<b>(4,250)</b>
<b>TOTAL RECEIPTS</b>	<b>2,435,910</b>	<b>\$ 2,437,606</b>	<b>\$ (1,696)</b>



## CITY OF SOUTH HUTCHINSON, KANSAS

GENERAL FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
Page 2 of 16

	2019		Variance Over (Under)
	Actual	Budget	
<b>EXPENDITURES</b>			
General Administration			
Personal services	\$ 36,276	\$ 47,654	\$ (11,378)
Contractual services	79,843	61,000	18,843
Commodities	2,785	7,600	(4,815)
Transfer to - Building Reserve	6,000	6,000	-
Total General Administration	<u>124,904</u>	<u>122,254</u>	<u>2,650</u>
Police			
Personal services	354,019	680,000	(325,981)
Contractual services	85,161	103,400	(18,239)
Commodities	29,183	51,900	(22,717)
Transfer to:			
Equipment Reserve	32,000	32,000	-
Building Reserve	32,000	32,000	-
Total Police	<u>532,363</u>	<u>899,300</u>	<u>(366,937)</u>
Fire			
Personal services	141,361	217,900	(76,539)
Contractual services	58,334	65,950	(7,616)
Commodities	13,282	19,600	(6,318)
Capital outlay	15,852	66,000	(50,148)
Transfer to:			
Equipment Reserve	79,000	36,000	43,000
Building Reserve	3,000	-	3,000
Total Fire	<u>310,829</u>	<u>405,450</u>	<u>(94,621)</u>
Street			
Personal services	204,860	254,700	(49,840)
Contractual services	34,350	49,500	(15,150)
Commodities	10,903	15,200	(4,297)
Transfer to - Equipment Reserve	45,000	45,000	-
Total Street	<u>295,113</u>	<u>364,400</u>	<u>(69,287)</u>

## CITY OF SOUTH HUTCHINSON, KANSAS

GENERAL FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
Page 3 of 16

	2019		Variance Over (Under)
	Actual	Budget	
EXPENDITURES (Continued)			
Parks			
Contractual services	\$ 8,050	\$ 36,000	\$ (27,950)
Commodities	1,558	11,000	(9,442)
Capital outlay	-	2,000	(2,000)
Transfer to:			
Building Reserve	25,000	10,000	15,000
Equipment Reserve	10,000	25,000	(15,000)
Total Parks	44,608	84,000	(39,392)
Street Lighting			
Contractual services	72,604	75,000	(2,396)
Municipal Court			
Personal services	56,632	65,600	(8,968)
Contractual services	60,308	93,400	(33,092)
Commodities	1,216	3,000	(1,784)
Total Municipal Court	118,156	162,000	(43,844)
Nondepartmental			
Refuse	99,307	100,000	(693)
Capital improvements	32,999	200,000	(167,001)
Miscellaneous commodities	6,939	27,000	(20,061)
Transfer to - Bond and Interest	39,662	-	39,662
Total Nondepartmental	178,907	327,000	(148,093)
TOTAL EXPENDITURES	1,677,484	\$ 2,439,404	\$ (761,920)
RECEIPTS OVER (UNDER) EXPENDITURES	758,426		
UNENCUMBERED CASH, BEGINNING	479,887		
UNENCUMBERED CASH, ENDING	\$ 1,238,313		

CITY OF SOUTH HUTCHINSON, KANSAS  
 FLOOD CONTROL FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
Page 4 of 16

	2019		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Ad valorem property tax	\$ 21,905	\$ 23,526	\$ (1,621)
Delinquent tax	617	-	617
Motor vehicle tax	3,071	2,781	290
Recreational vehicle tax	-	40	(40)
16/20M vehicle tax	-	28	(28)
Commercial vehicle tax	-	363	(363)
Watercraft tax	-	15	(15)
In lieu of tax	108	-	108
	25,701	<u>\$ 26,753</u>	<u>\$ (1,052)</u>
<b>EXPENDITURES</b>			
Contractual services	27,355	<u>\$ 27,089</u>	<u>\$ 266</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(1,654)		
UNENCUMBERED CASH, BEGINNING	1,654		
UNENCUMBERED CASH, ENDING	<u>\$ -</u>		

## CITY OF SOUTH HUTCHINSON, KANSAS

EMPLOYEE BENEFITS FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
Page 5 of 16

	2019		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Ad valorem property tax	\$ 38,751	\$ 41,623	\$ (2,872)
Delinquent tax	2,271	8,000	(5,729)
Motor vehicle tax	2,986	2,576	410
Recreational vehicle tax	-	37	(37)
16/20M vehicle tax	-	26	(26)
Commercial vehicle tax	-	336	(336)
Watercraft tax	-	14	(14)
In lieu of tax	192	-	192
Reimbursed expense	6,964	-	6,964
<b>TOTAL RECEIPTS</b>	<u>51,164</u>	<u>\$ 52,612</u>	<u>\$ (1,448)</u>
<b>EXPENDITURES</b>			
Workers' compensation	52,413	\$ 55,000	\$ (2,587)
Disability insurance	4,451	6,000	(1,549)
Disability insurance	300	-	300
<b>TOTAL EXPENDITURES</b>	<u>57,164</u>	<u>\$ 61,000</u>	<u>\$ (3,836)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(6,000)		
UNENCUMBERED CASH, BEGINNING	<u>23,251</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 17,251</u>		

## CITY OF SOUTH HUTCHINSON, KANSAS

SPECIAL HIGHWAY FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
Page 6 of 16

	2019		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
State payments	\$ 68,611	\$ 68,840	\$ (229)
County payments	10,057	9,900	157
TOTAL RECEIPTS	78,668	\$ 78,740	\$ (72)
EXPENDITURES			
Contractual services	-	\$ 73,500	\$ (73,500)
Commodities	56,409	5,240	51,169
TOTAL EXPENDITURES	56,409	\$ 78,740	\$ (22,331)
RECEIPTS OVER (UNDER) EXPENDITURES	22,259		
UNENCUMBERED CASH, BEGINNING	49,378		
UNENCUMBERED CASH, ENDING	\$ 71,637		

CITY OF SOUTH HUTCHINSON, KANSAS  
 CONVENTION AND TOURISM FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
Page 7 of 16

	2019		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Guest tax	\$ 55,875	<u>\$ 70,000</u>	<u>\$ (14,125)</u>
EXPENDITURES			
Contractual services	<u>55,875</u>	<u>\$ 70,000</u>	<u>\$ (14,125)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	-		
UNENCUMBERED CASH, BEGINNING	<u>-</u>		
UNENCUMBERED CASH, ENDING	<u>\$ -</u>		

## CITY OF SOUTH HUTCHINSON, KANSAS

SPECIAL PARKS FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
 Page 8 of 16

	2019		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Alcohol tax	\$ 65	<u>\$ 150</u>	<u>\$ (85)</u>
EXPENDITURES			
Capital outlay	<u>-</u>	<u>\$ 3,830</u>	<u>\$ (3,830)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	65		
UNENCUMBERED CASH, BEGINNING	<u>3,693</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 3,758</u>		

CITY OF SOUTH HUTCHINSON, KANSAS

STREET/ECONOMIC DEVELOPMENT - SALES TAX FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
(ACTUAL AND BUDGET)  
For Year Ended December 31, 2019

Schedule 2  
Page 9 of 16

	2019		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Sales tax	\$ 113,123	\$ 110,000	\$ 3,123
Reimbursed expense	-	-	-
TOTAL RECEIPTS	<u>113,123</u>	<u>\$ 110,000</u>	<u>\$ 3,123</u>
EXPENDITURES			
Contractual services	120,000	\$ 100,000	\$ 20,000
Commodities	-	20,000	(20,000)
Capital outlay	-	-	-
TOTAL EXPENDITURES	<u>120,000</u>	<u>\$ 120,000</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(6,877)		
UNENCUMBERED CASH, BEGINNING	<u>156,684</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 149,807</u>		



## CITY OF SOUTH HUTCHINSON, KANSAS

DIVERSION FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
Page 10 of 16

	2019		Variance Over (Under)
	Actual	Budget	
RECEIPTS			
Fees and miscellaneous	\$ 1,075	\$ 3,500	\$ (2,425)
EXPENDITURES			
Contractual services	1,629	\$ 10,841	\$ (9,212)
Commodities	-	-	-
Capital outlay	-	-	-
TOTAL EXPENDITURES	1,629	\$ 10,841	\$ (9,212)
RECEIPTS OVER (UNDER) EXPENDITURES	(554)		
UNENCUMBERED CASH, BEGINNING	10,984		
UNENCUMBERED CASH, ENDING	\$ 10,430		

## CITY OF SOUTH HUTCHINSON, KANSAS

BOND AND INTEREST FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
Page 11 of 16

	2019		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Ad valorem property tax	\$ 42,339	\$ 45,472	\$ (3,133)
Delinquent tax	11,309	3,000	8,309
Motor vehicle tax	57,481	51,575	5,906
Recreational vehicle tax	-	743	(743)
16/20M vehicle tax	-	528	(528)
Commercial vehicle tax	-	6,727	(6,727)
Watercraft tax	-	271	(271)
In lieu of tax	210	-	210
Special assessments	222,812	363,371	(140,559)
Transfer from:			
Sewer Fund	302,495	302,495	-
General Fund	39,662	-	39,662
<b>TOTAL RECEIPTS</b>	<u>676,308</u>	<u>\$ 774,182</u>	<u>\$ (97,874)</u>
<b>EXPENDITURES</b>			
Principal	599,000	\$ 599,000	\$ -
Interest	256,281	238,640	17,641
Contractual services	2,372	-	2,372
Cash-basis reserve	-	50,000	(50,000)
<b>TOTAL EXPENDITURES</b>	<u>857,653</u>	<u>\$ 887,640</u>	<u>\$ (29,987)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	(181,345)		
<b>UNENCUMBERED CASH, BEGINNING</b>	<u>194,316</u>		
<b>UNENCUMBERED CASH, ENDING</b>	<u>\$ 12,971</u>		

## CITY OF SOUTH HUTCHINSON, KANSAS

WATER FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
 Page 12 of 16

	2019		Variance Over (Under)
	Actual	Budget	
<b>RECEIPTS</b>			
Charges for service	\$ 747,467	\$ 525,000	\$ 222,467
Reimbursed expense	9,736	30,000	(20,264)
Interest income	11,285	5,000	6,285
Miscellaneous	6,000	5,000	1,000
<b>TOTAL RECEIPTS</b>	<b>774,488</b>	<b>\$ 565,000</b>	<b>\$ 209,488</b>
<b>EXPENDITURES</b>			
Personal services	233,515	\$ 339,172	\$ (105,657)
Contractual services	87,805	89,500	(1,695)
Commodities	50,406	55,000	(4,594)
Capital outlay	-	216,328	(216,328)
Sales tax	63,703	50,000	13,703
Transfer to:			
Water Reserve	274,500	-	274,500
Equipment Reserve	30,000	-	30,000
Building Reserve	10,000	-	10,000
<b>TOTAL EXPENDITURES</b>	<b>749,929</b>	<b>\$ 750,000</b>	<b>\$ (71)</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	24,559		
<b>UNENCUMBERED CASH, BEGINNING</b>	369,636		
<b>UNENCUMBERED CASH, ENDING</b>	<b>\$ 394,195</b>		

## CITY OF SOUTH HUTCHINSON, KANSAS

SEWER FUND  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL AND BUDGET)  
 For Year Ended December 31, 2019

Schedule 2  
 Page 13 of 16

	2019		Variance Over (Under)
	<u>Actual</u>	<u>Budget</u>	
<b>RECEIPTS</b>			
Charges for service	\$ 1,281,658	\$ 1,250,000	\$ 31,658
Reimbursed expense	<u>7,473</u>	<u>30,000</u>	<u>(22,527)</u>
<b>TOTAL RECEIPTS</b>	<u>1,289,131</u>	<u>\$ 1,280,000</u>	<u>\$ 9,131</u>
<b>EXPENDITURES</b>			
Operations			
Personal services	202,149	\$ 356,371	\$ (154,222)
Contractual services	211,407	232,000	(20,593)
Commodities	72,449	49,500	22,949
Capital outlay	51,337	564,806	(513,469)
Transfer to:			
Equipment Reserve	50,000	271,855	(221,855)
Building Reserve	50,000	-	50,000
Bond and Interest	<u>302,495</u>	<u>302,495</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<u>939,837</u>	<u>\$ 1,777,027</u>	<u>\$ (837,190)</u>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	349,294		
<b>UNENCUMBERED CASH, BEGINNING</b>	<u>338,980</u>		
<b>UNENCUMBERED CASH, ENDING</b>	<u>\$ 688,274</u>		

CITY OF SOUTH HUTCHINSON, KANSAS  
 BUSINESS NONBUDGETED FUNDS  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL)  
 For Year Ended December 31, 2019

	Sewer System Replacement	Water Reserve
RECEIPTS		
Reimbursed expense	\$ -	\$ -
Operating transfers in	-	274,500
TOTAL RECEIPTS	-	274,500
EXPENDITURES		
Contractual services	-	-
Capital outlay	23,683	-
TOTAL EXPENDITURES	23,683	-
RECEIPTS OVER (UNDER) EXPENDITURES	(23,683)	274,500
UNENCUMBERED CASH, BEGINNING	37,841	52,923
UNENCUMBERED CASH, ENDING	\$ 14,158	\$ 327,423

CITY OF SOUTH HUTCHINSON, KANSAS  
SPECIAL PURPOSE NONBUDGETED FUNDS  
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
(ACTUAL)  
For Year Ended December 31, 2019

Schedule 2  
Page 15 of 16

	ASAP	Technology	Donations	Community Center	Special Projects	Community Improvement District	Health Insurance	Building Reserve	Equipment Reserve	Special Law Enforcement
<b>RECEIPTS</b>										
Fines and fees	\$ 2,573	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Claim reserve payments	-	-	-	-	-	-	36,056	-	-	-
Sales tax	-	-	-	-	-	18,374	-	-	-	-
Donations	-	-	762	-	-	-	-	-	-	-
Reimbursed expense	-	-	-	-	-	-	-	-	21,178	-
Interest income	-	-	-	-	-	-	-	-	8,970	5
Miscellaneous	5,300	1,895	154	10,390	-	-	1,182	59,489	26,755	773
Operating transfers in	-	-	-	-	-	-	-	126,000	246,000	-
<b>TOTAL RECEIPTS</b>	<b>7,873</b>	<b>1,895</b>	<b>916</b>	<b>10,390</b>	<b>-</b>	<b>18,374</b>	<b>37,238</b>	<b>185,489</b>	<b>302,903</b>	<b>778</b>
<b>EXPENDITURES</b>										
Employee benefits	-	-	-	-	-	-	18,108	-	-	-
Contractual services	8,131	-	1,297	9,306	64	-	11,819	-	-	1,345
Commodities	-	-	-	1,002	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	24,752	117,967	-
<b>TOTAL EXPENDITURES</b>	<b>8,131</b>	<b>-</b>	<b>1,297</b>	<b>10,308</b>	<b>64</b>	<b>-</b>	<b>29,927</b>	<b>24,752</b>	<b>117,967</b>	<b>1,345</b>
<b>RECEIPTS OVER (UNDER) EXPENDITURES</b>	<b>(258)</b>	<b>1,895</b>	<b>(381)</b>	<b>82</b>	<b>(64)</b>	<b>18,374</b>	<b>7,311</b>	<b>160,737</b>	<b>184,936</b>	<b>(567)</b>
<b>UNENCUMBERED CASH, BEGINNING</b>	<b>27,318</b>	<b>480</b>	<b>7,397</b>	<b>11,186</b>	<b>902</b>	<b>33,710</b>	<b>184,697</b>	<b>262,882</b>	<b>158,307</b>	<b>2,263</b>
<b>UNENCUMBERED CASH, ENDING</b>	<b>\$ 27,060</b>	<b>\$ 2,375</b>	<b>\$ 7,016</b>	<b>\$ 11,268</b>	<b>\$ 838</b>	<b>\$ 52,084</b>	<b>\$ 192,008</b>	<b>\$ 423,619</b>	<b>\$ 343,243</b>	<b>\$ 1,696</b>

CITY OF SOUTH HUTCHINSON, KANSAS  
 CAPITAL PROJECTS NONBUDGETED FUNDS  
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS  
 (ACTUAL)  
 For Year Ended December 31, 2019

Schedule 2  
 Page 16 of 16

	<u>Various Street Improvements</u>	<u>Walnut Street Improvement</u>	<u>Cost of Issuance</u>	<u>Totals</u>
RECEIPTS				
Bond proceeds	\$ -	\$ -	\$ 32,743	\$ 32,743
EXPENDITURES				
Cost of issuance	-	-	31,263	31,263
Returned temporary note proceeds	52,335	106,701	-	159,036
TOTAL EXPENDITURES	<u>52,335</u>	<u>106,701</u>	<u>31,263</u>	<u>190,299</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(52,335)	(106,701)	1,480	(157,556)
UNENCUMBERED CASH, BEGINNING	<u>52,335</u>	<u>106,701</u>	-	<u>159,036</u>
UNENCUMBERED CASH, ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,480</u>	<u>\$ 1,480</u>