

CITY OF LOGAN

Logan, Kansas

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

December 31, 2011

**MAPES & MILLER
Certified Public Accountants
Phillipsburg, Kansas 67661**

**CITY OF LOGAN
Logan, Kansas**

December 31, 2011

City Council

James McDonald – President

J.T. Plummer

Toby Shellito

Craig Snider

Trent Gottschalk

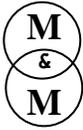
**Max Lowry, Mayor
Kristy West, Clerk
Linda Toll, Treasurer**

CITY OF LOGAN
Logan, Kansas

For the Year Ended December 31, 2011

TABLE OF CONTENTS

		<u>Page Numbers</u>
	INDEPENDENT AUDITOR'S REPORT	1-2
	<u>FINANCIAL SECTION</u>	
Statement 1	Summary of Cash Receipts, Cash Expenditures and Unencumbered Cash	3-4
	Notes to Financial Statement	5-13
	<u>SUPPLEMENTARY INFORMATION</u>	
Schedule 1	Summary of Expenditures – Actual and Budget	14
Schedule 2	Schedule of Cash Receipts and Expenditures – Actual and Budget	
	<u>General Fund</u>	
2-1	General Operating Fund	15-18
	<u>Special Revenue Funds</u>	
2-2	Community Building Fund	19
2-3	Library Fund	20
2-4	Special City Highway Fund	21
2-5	Employee Benefits Fund	22
2-6	Equipment Reserve Fund	23
2-7	Gifts & Grants Fund	24
2-8	Capital Improvements Fund	25
	<u>Enterprise Funds</u>	
2-9	Water Fund	26
2-10	Water Debt Fund	27
2-11	Sewer Rental Fund	28
2-12	Sewer Debt Fund	29
	<u>Private Purpose Trust Fund</u>	
2-13	Veterans Memorial Fund	30
2-14	Episcopal Church Trust Fund	31



MAPES & MILLER LLP

CERTIFIED PUBLIC ACCOUNTANTS

A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

JOHN D. MAPES, CPA, CHTD
DENIS W. MILLER, CPA, PA
THOMAS B. CARPENTER, CPA, PA
DON E. TILTON, CPA, PA
BRIAN S. THOMPSON, CPA, PA
REBECCA A. LIX, CPA, PA

418 E HOLME
NORTON, KS 67654
(785)877-5833

P.O. BOX 266
711 3RD STREET
PHILLIPSBURG, KS 67661
(785)543-6561

P.O. BOX 508
503 MAIN STREET
STOCKTON, KS 67669
(785)425-6764

306 N POMEROY
HILL CITY, KS 67642
(785)421-2163

PO BOX 412
QUINTER, KS 67752
(785)754-211

117 N MAIN ST
WAKEENEY, KS 67672
(785)743-5513

INDEPENDENT AUDITOR'S REPORT

**Mayor and City Council
City of Logan
Logan, KS 67646**

We have audited the summary statement of cash receipts, expenditures, and unencumbered cash balances of the City of Logan, Kansas, as of and for the year ended December 31, 2011, which comprises the basic financial statement of the City's primary government, as listed in the table of contents. This financial statement is the responsibility of the City of Logan, Kansas' management. 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 the Kansas Municipal Audit Guide. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statement does not include financial data for the City's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the City's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for its component units. The City has not issued such reporting entity financial statements. The effect on the financial statement of the omission of the component units, although not reasonably determinable, is presumed to be material.

As described more fully in Note 1, the City of Logan, Kansas has prepared this financial statement using accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these statutory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Mayor and City Council
Logan, Kansas
August 6, 2012
Page Two

In our opinion, because of the omission of the component units, as discussed above, and because of the effects of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Logan, Kansas as of December 31, 2011, or the respective changes in its financial position for the year then ended.

Also, in our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the primary government of the City of Logan, Kansas, as of December 31, 2011, and the aggregate cash receipts and expenditures for the year then ended, on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the financial statement. The summary of expenditures-actual and budget and individual fund schedules of cash receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the statutory financial statements. 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 financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the 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 financial statement as a whole.

Respectfully submitted,

Mapes & Miller LLP
Certified Public Accountants

August 6, 2012
Phillipsburg, Kansas

CITY OF LOGAN
Logan, Kansas

Statement 1
Page 1 of 2

SUMMARY OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
For the Year Ended December 31, 2011

FUNDS	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:							
General Fund							
General Operating Fund	\$ 86,872	\$ -	\$ 324,983	\$ 354,649	\$ 57,206	\$ 16,457	\$ 73,663
Special Revenue Funds							
Community Building Fund	1,379	-	12,524	12,142	1,761	298	2,059
Library Fund	1,315	-	8,540	8,000	1,855	-	1,855
Special City Highway Fund	10,471	-	14,563	19,482	5,552	-	5,552
Employee Benefits Fund	5,682	-	49,690	42,770	12,602	1,827	14,429
Equipment Reserve Fund	38,946	-	20,000	-	58,946	-	58,946
Gifts & Grants Fund	63,492	-	18,877	35,670	46,699	-	46,699
Capital Improvements Fund	1,908	-	46,031	-	47,939	-	47,939
Proprietary Type Funds:							
Enterprise Funds							
Water Fund	2,028	2,100	86,521	84,485	6,164	3,370	9,534
Water Debt Fund	18,104	-	51,693	44,896	24,901	-	24,901
Sewer Rental Fund	7,816	-	65,049	64,516	8,349	2,319	10,668
Sewer Debt Fund	12,126	-	31,600	33,110	10,616	-	10,616
Fiduciary Type Funds:							
Private Purpose Trust Fund							
Veterans Memorial Fund	299	-	-	-	299	-	299
Episcopal Church Trust Fund	* 22,914	-	432	1,529	21,817	-	21,817
Total Primary Government	\$ 273,352	\$ 2,100	\$ 730,503	\$ 701,249	\$ 304,706	\$ 24,271	\$ 328,977

* See Note 11 (Restatement of Beginning Balance)

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

CITY OF LOGAN
Logan, Kansas

Statement 1
Page 2 of 2

SUMMARY OF CASH RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
For the Year Ended December 31, 2011

	<u>Ending Cash Balance</u>
Composition of Cash:	
Cash on Hand	\$ 200
First National Bank - Logan, Kansas	
Checking Account	1,229
NOW Account	20,316
Savings Accounts	3,296
Certificates of Deposit	113,483
Farmers National Bank - Logan, Kansas	
Checking Account	77,216
Savings Accounts	<u>113,237</u>
Total Primary Government	<u><u>\$ 328,977</u></u>

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

CITY OF LOGAN
Logan, Kansas

NOTES TO FINANCIAL STATEMENT
December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The City of Logan, Kansas, the primary government, was incorporated on April 19, 1880, and operates as a third class city in accordance with the laws of the State of Kansas. The City operates under a mayor-council form of government and provides the following services: public safety (police and fire protection), highways and streets, water, sewer, sanitation, health and social services, culture and recreation services, planning and zoning, public improvements, and general administrative services.

Accounting principles generally accepted in the United States of America require government financial statements to include the primary government and its component units. Component units of a governmental entity are legally separate entities for which the primary government is considered to be financially accountable and for which the nature and significance of their relationship with the primary government are such that exclusion would cause the combined financial statements to be misleading or incomplete. The primary government is considered to be financially accountable if it appoints a majority of an organization's governing body and imposes its will on that organization. The primary government may also be financially accountable if an organization is fiscally dependent on the primary government, regardless of the authority of the organization's governing board.

Based on the application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that the Housing Authority, Library, Logan Manor and Hansen Memorial Plaza are component units of the City. Financial information for the component units have not been reported in the City's financial statements. Accordingly, these financial statements present the activities of the primary government only and are not a complete presentation in accordance with generally accepted accounting principles.

The following component units of the City are not presented in the financial statements:

Logan Public Library-The Logan Library Board operates the City's Public Library. Acquisition or disposition of real property by the board must be approved by the City. The City levies taxes for the Library. Bond issuances must be approved by the City. Upon request, separate financial statements are available at the Logan Public Library, 109 W Main, Logan, Kansas, 67646.

Logan Housing Authority-The Logan Housing Authority Board operates the City's housing projects. The housing authority can sue and be sued, and can buy, sell, or lease real property. Bond issuance must be approved by the City. Upon request, separate financial statements are available at the Logan Housing Authority, 307 W Main, Logan, Kansas 67646.

Logan Manor-The Logan Manor Board operates the City's adult care facility. The City Council appoints members to the Board of Trustees of the manor. Upon request, separate audited financial statements are available at the Logan Manor, 108 S Adams Street, Logan, Kansas 67646.

Hansen Memorial Plaza – The Hansen Memorial Plaza operates the Plaza. The City Council appoints members to the board of the Plaza. Upon request, separate audited financial statements are available at the Hansen Memorial Plaza at 110 West Main Street, Logan, Kansas.

FUND ACCOUNTING

The accounts of the City are organized on the basis of funds. 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. Funds are classified into three categories: governmental, proprietary, and fiduciary. Within each of these three categories there are one or more fund types. The City uses the following fund types:

Governmental Type Funds

General Fund - The general fund is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specified purposes only.

Proprietary Type Funds

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

Fiduciary Type Funds

Private Purpose Trust Funds – Private Purpose Trust Funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Private purpose trust funds are used to report trust agreements where both the principal and interest are used to benefit individuals, private organizations and other governmental units.

BASIS OF ACCOUNTING

Statutory Basis of Accounting - The statutory basis of accounting, as used in the preparation of this statutory basis financial statement, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

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 statutory basis of accounting.

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

LEAVE POLICIES

Vacation Pay

Vacation pay is a liability of the employer to the employee. Each employee who has worked at least one year but less than five years receives twelve days paid vacation per year. An employee who has worked five years but less than ten years receives fifteen days paid vacation per year. For every five years worked after ten years the employee receives an additional three days vacation. Employees may carry over a maximum of five days of their vacation time from one year to the next and authorized accrued leave will be payable upon termination in good standing.

Sick Pay

Sick leave is an accumulated liability of the employer to the employee. Each full-time employee is credited with twelve days sick leave as of the first day of employment and on each anniversary date. Sick leave can be accumulated up to sixty days and is payable up to one-half the number of days accrued upon termination in good standing.

The cost of accumulated vacation and sick pay as of December 31, 2011 was estimated to be \$7,446 for the City of Logan, Kansas. This total liability is included in the compensated absences line in Note 12.

REIMBURSEMENTS

Reimbursements are defined as repayments of amounts remitted on behalf of another party. All reimbursements shown in the financial statements meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursement was directly tied to the amount of the original cash disbursement.

2. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise 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 hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in 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 such budget amendments for the year ended December 31, 2011.

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 statements 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 statutory basis of accounting, in which revenues are recognized when cash is received, and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital projects funds, fiduciary funds, permanent funds, and the following special revenue funds:

Equipment Reserve Fund
Gifts & Grants Fund
Capital Improvements Fund

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

3. PROPERTY TAXES

Property taxes are levied November 1st of the calendar year. A lien is placed on the property when the taxes are levied. The taxes are due ½ on December 20th and ½ the following May 10th. Any taxes unpaid at the due dates are considered delinquent. Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year: such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operation of the City and therefore are not susceptible to accrual.

It is not practical to apportion delinquent taxes held by the County Treasurer at the end of the audit period and, further, the amounts thereof are not material to the financial statements taken as a whole.

4. COMPLIANCE WITH KANSAS STATUTES

- A. K.S.A. 10-1117 requires fund encumbrance records be maintained during the year for each fund. The City maintains encumbrances at year-end only, thus violating K.S.A. 10-1117.
- B. The City is not aware of any other noncompliance with Kansas Statutes.

5. DEFINED CONTRIBUTION PLAN

The City of Logan provides pension benefits for all its full time employees through 401(a) Money Purchase Pension Plan established by the City of Logan, Kansas. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. All employees who work 1,000 hours or more per year will be eligible for the plan on the first day of the month following the date on which they have both completed one year of service and attained age eighteen.

The employer contribution is required to be 4.00 percent of an employee's annual salary. The employee is required to contribute 3.00 percent of their annual salary. This contribution is generally made each pay period.

The employer is also required to contribute for past service for each employee and that contribution will be equal to 7.00 percent of an employee's annual salary on the effective date of the plan multiplied by the number of completed years of continuous service between the time the employee attained age eighteen and completed one year of service and the effective date of the plan.

The employer's past service contribution will be amortized in equal monthly installments from the effective date of the plan to the employee's normal retirement date. The employer is also contributing 2.30 percent of the pension contribution for a disability waiver.

The City's contributions for each employee are vested at 20.00 percent after three years and then increase at the rate of 20.00 percent per year until the employee is 100.00 percent vested after seven years of service. Pension records for the City of Logan, Kansas are not maintained separately from the records of Logan Community Health Services, therefore, information for the City of Logan, Kansas for covered pension payroll, employer and employee required contributions are not available.

6. DEPOSITS AND INVESTMENTS

Deposits

As of December 31, 2011, the City of Logan had no investments, other than certificates of deposit, which are considered deposits under GASB Statements No. 3. 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 an 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, except during the designated "peak periods" when required coverage is 50%. All deposits were legally secured at December 31, 2011.

At December 31, 2011, the City's carrying amount of deposits was \$328,777 and the bank balance was \$331,396. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance \$331,396 was covered by federal depository insurance.

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.

7. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Operating Fund	Equipment Reserve Fund	K.S.A. 12-1,117	\$ 20,000
Water Fund	Water Debt Fund	K.S.A. 12-825d	19,400
Sewer Rental Fund	Sewer Debt Fund	K.S.A. 12-825d	31,600

8. OTHER POST EMPLOYMENT BENEFITS

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

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. There is no cost to the City under this program.

9. 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 for which the City purchases commercial insurance.

During the year ended December 31, 2011, the City did not reduce insurance coverage from levels in place during the prior year. No settlements have exceeded coverage levels in place during the past three fiscal years.

10. RELATED PARTIES

The Mayor of the City owns the insurance company that obtains insurance coverage for the City. In 2011, the City paid \$12,048 to the insurance company. As of December 31, 2011, the City did not owe the insurance company for any other insurance costs. During 2012, the City continued to receive insurance coverage from this company.

The City paid \$8,326 in 2011 for construction costs to make improvements to the City building. The contracted construction company is owned and operated by a member of the City Council. As of December 31, 2011, the City did not owe the construction company for any other services.

11. RESTATEMENT OF BEGINNING BALANCE

The unencumbered cash balance of \$22,914 in the Episcopal Church Trust Fund was omitted on the prior year financial statements. It has been determined that these monies belong to the City. Therefore, they have been included in the financial statement for the year ended December 31, 2011.

12. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2011, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Beginning Balance 1/1/2011	Additions	Reductions/Payments	Net Change	Ending Balance 12/31/2011	Interest/Service Fees Paid
KDHE Loans										
Kansas Public Water Supply	4.04%	04/15/99	\$ 650,000	8/1/2020	\$ 366,352	\$ -	\$ 30,400	\$ -	\$ 335,952	\$ 14,496
Kansas Water Pollution Control	2.68%	05/11/05	540,837	9/1/2026	428,519	-	21,771	-	406,748	11,339
Total KDHE Loans			1,190,837		794,871	-	52,171	-	742,700	25,835
Capital Lease										
Distributor	2.50%	06/21/11	15,000	3/14/2014	-	15,000	-	-	15,000	-
Total Contractual Indebtedness			\$ 1,205,837		794,871	15,000	52,171	-	757,700	25,835
Compensated Absences										
Accrued Vacation Leave					3,670	-	-	(219)	3,451	-
Accrued Sick Leave					6,039	-	-	(2,044)	3,995	-
Total Compensated Absences					9,709	-	-	(2,263)	7,446	-
Total Long-Term Debt					\$ 804,580	\$ 15,000	\$ 52,171	\$ (2,263)	\$ 765,146	\$ 25,835

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

Year	KDHE Loans		Capital Lease		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 53,998	\$ 24,008	\$ 4,952	\$ 261	\$ 58,950	\$ 24,269
2013	55,892	22,114	4,962	251	60,854	22,365
2014	57,856	20,150	5,086	127	62,942	20,277
2015	59,891	18,116	-	-	59,891	18,116
2016	62,000	16,006	-	-	62,000	16,006
2017-2021	299,087	46,048	-	-	299,087	46,048
2022-2026	153,976	11,574	-	-	153,976	11,574
	\$ 742,700	\$ 158,016	\$ 15,000	\$ 639	\$ 757,700	\$ 158,655

CITY OF LOGAN, KANSAS
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2011

CITY OF LOGAN
Logan, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
(Budgeted Funds Only)
For the Year Ended December 31, 2011

FUNDS	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds:					
General Fund					
General Operating Fund	\$ 356,930	\$ -	\$ 356,930	\$ 354,649	\$ (2,281)
Special Revenue Funds					
Community Building Fund	12,768	-	12,768	12,142	(626)
Library Fund	8,240	-	8,240	8,000	(240)
Special City Highway Fund	24,002	-	24,002	19,482	(4,520)
Employee Benefits Fund	53,518	-	53,518	42,770	(10,748)
Proprietary Type Funds:					
Enterprise Funds					
Water Fund	112,350	-	112,350	84,485	(27,865)
Water Debt Fund	47,155	-	47,155	44,896	(2,259)
Sewer Rental Fund	80,898	-	80,898	64,516	(16,382)
Sewer Debt Fund	33,607	-	33,607	33,110	(497)

CITY OF LOGAN
Logan, Kansas

Schedule 2-1
Page 1 of 4

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

GENERAL OPERATING FUND

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Taxes			
Ad Valorem Tax	\$ 96,066	\$ 96,329	\$ (263)
Delinquent Tax	953	1,213	(260)
Motor Vehicle Tax	24,041	23,919	122
Recreational Vehicle Tax	488	619	(131)
16/20M Vehicle Tax	655	726	(71)
Intangibles Tax	58,648	58,640	8
Local Alcoholic Liquor Tax	336	668	(332)
Fines	5,615	1,896	3,719
Dog Tags	99	129	(30)
Liquor License	300	125	175
Camping Fee	690	447	243
Fishing Rights Lease	-	258	(258)
Occupation Tax	-	150	(150)
Franchise Fees	19,161	17,000	2,161
Rent	26,615	3,400	23,215
Cemetery	2,280	1,600	680
Trash Collection	57,754	54,000	3,754
Sales Tax	20,281	-	20,281
Street Lights	1,448	1,328	120
Pool Receipts	4,091	4,600	(509)
Donations	-	50	(50)
Interest Income	1,929	3,400	(1,471)
Miscellaneous	3,049	6,950	(3,901)
Reimbursements	484	3,600	(3,116)
	<u>324,983</u>	<u>\$ 281,047</u>	<u>\$ 43,936</u>
Total Cash Receipts			
EXPENDITURES			
General Government			
Salaries	38,283	\$ 25,000	\$ 13,283
Utilities	2,516	1,500	1,016
Phone & Internet	1,945	2,500	(555)
Postage	812	1,000	(188)
Supplies	3,139	3,000	139
Equipment	230	3,000	(2,770)
Maintenance	8,668	8,569	99
Trash Service	247	500	(253)
Professional Fees	10,862	10,000	862
Insurance	2,951	5,000	(2,049)
Miscellaneous	1,194	3,361	(2,167)
	<u>70,847</u>	<u>63,430</u>	<u>7,417</u>
Total General Government			

CITY OF LOGAN
Logan, Kansas

Schedule 2-1
Page 2 of 4

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

GENERAL OPERATING FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
EXPENDITURES (Cont.)			
Street Lights			
Utilities	\$ 14,658	\$ 17,000	\$ (2,342)
Street			
Salaries	14,879	22,000	(7,121)
Uniforms	134	450	(316)
Phone & Internet	318	300	18
Postage	-	50	(50)
Supplies	14,018	2,050	11,968
Equipment	4,318	200	4,118
Maintenance	4,456	5,500	(1,044)
Fuel	5,348	2,650	2,698
Insurance	1,856	3,300	(1,444)
Miscellaneous	-	200	(200)
Professional Fees	2,978	-	2,978
Total Street	<u>48,305</u>	<u>36,700</u>	<u>11,605</u>
Shop			
Salaries	3,932	2,500	1,432
Utilities	4,175	4,200	(25)
Supplies	2,663	2,600	63
Equipment	-	1,200	(1,200)
Maintenance	53	1,000	(947)
Trash Service	334	400	(66)
Insurance	417	600	(183)
Miscellaneous	-	500	(500)
Total Shop	<u>11,574</u>	<u>13,000</u>	<u>(1,426)</u>
Fire Protection			
Salaries	765	1,000	(235)
Utilities	2,894	2,600	294
Phone & Internet	674	1,000	(326)
Supplies	1,638	1,100	538
Equipment	-	5,000	(5,000)
Maintenance	4,054	1,000	3,054
Trash Service	217	200	17
Professional Fees	-	100	(100)
Insurance	766	800	(34)
Miscellaneous	672	500	172
Total Fire Protection	<u>11,680</u>	<u>13,300</u>	<u>(1,620)</u>

CITY OF LOGAN
Logan, Kansas

Schedule 2-1
Page 3 of 4

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

GENERAL OPERATING FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
EXPENDITURES (Cont.)			
Swimming Pool			
Salaries	\$ 16,756	\$ 17,000	\$ (244)
Utilities	2,847	2,200	647
Phone & Internet	139	200	(61)
Supplies	2,423	500	1,923
Equipment	-	500	(500)
Maintenance	2,784	9,000	(6,216)
Insurance	316	500	(184)
Miscellaneous	23	600	(577)
Total Swimming Pool	25,288	30,500	(5,212)
Youth Center			
Utilities	1,596	1,600	(4)
Supplies	27	-	27
Maintenance	114	400	(286)
Insurance	-	500	(500)
Total Youth Center	1,737	2,500	(763)
Library Maintenance			
Utilities	2,153	1,800	353
Phone & Internet	433	500	(67)
Supplies	-	70	(70)
Maintenance	314	250	64
Insurance	740	380	360
Total Library Maintenance	3,640	3,000	640
Park & Lake			
Salaries	6,430	8,800	(2,370)
Utilities	1,831	1,300	531
Supplies	1,798	1,300	498
Equipment	-	1,000	(1,000)
Maintenance	1,428	6,000	(4,572)
Fuel	951	1,000	(49)
Insurance	365	200	165
Miscellaneous	-	100	(100)
Total Park & Lake	12,803	19,700	(6,897)

CITY OF LOGAN
Logan, Kansas

Schedule 2-1
Page 4 of 4

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

GENERAL OPERATING FUND

	Actual	Budget	Variance Over (Under)
EXPENDITURES (Cont.)			
Cemetery			
Salaries	\$ 1,663	\$ 1,000	\$ 663
Contract Labor	11,693	12,000	(307)
Supplies	-	500	(500)
Insurance	108	200	(92)
Miscellaneous	76	-	76
Total Cemetery	13,540	13,700	(160)
Water Tower			
Maintenance	-	1,000	(1,000)
Insurance	530	100	430
Total Water Tower	530	1,100	(570)
Audit	13,975	4,000	9,975
Refuse Collection	54,072	56,000	(1,928)
Police Department	18,000	18,000	-
Street Reoil	-	15,000	(15,000)
Dane G Hansen Memorial Museum & Plaza	24,000	-	24,000
Logan Manor Nursing Home	10,000	10,000	-
Outgoing Transfers			
Equipment Reserve Fund	20,000	20,000	-
Capital Improvements Fund	-	20,000	(20,000)
Total Expenditures	354,649	\$ 356,930	\$ (2,281)
Cash Receipts Over (Under) Expenditures	(29,666)		
UNENCUMBERED CASH, January 1, 2011	86,872		
UNENCUMBERED CASH, December 31, 2011	<u>\$ 57,206</u>		

CITY OF LOGAN
Logan, Kansas

Schedule 2-2

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

COMMUNITY BUILDING FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Taxes			
Ad Valorem Tax	\$ 7,670	\$ 7,527	\$ 143
Delinquent Tax	58	50	8
Motor Vehicle Tax	1,774	1,791	(17)
Recreational Vehicle Tax	37	46	(9)
16/20M Vehicle Tax	-	54	(54)
Hall Rent	2,985	1,400	1,585
	<u>12,524</u>	<u>\$ 10,868</u>	<u>\$ 1,656</u>
EXPENDITURES			
Personal Services	2,449	\$ 2,000	\$ 449
Maintenance	3,278	4,795	(1,517)
Utilities	3,043	2,800	243
Supplies	498	1,500	(1,002)
Trash Service	743	1,000	(257)
Miscellaneous	-	673	(673)
Insurance	2,131	-	2,131
	<u>12,142</u>	<u>\$ 12,768</u>	<u>\$ (626)</u>
Cash Receipts Over (Under) Expenditures	382		
UNENCUMBERED CASH, January 1, 2011	<u>1,379</u>		
UNENCUMBERED CASH, December 31, 2011	<u>\$ 1,761</u>		

CITY OF LOGAN
Logan, Kansas

Schedule 2-3

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

LIBRARY FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Taxes			
Ad Valorem Tax	\$ 6,893	\$ 6,734	\$ 159
Delinquent Tax	57	100	(43)
Motor Vehicle Tax	1,519	1,512	7
Recreational Vehicle Tax	31	39	(8)
16/20M Vehicle Tax	40	46	(6)
Total Cash Receipts	<u>8,540</u>	<u>\$ 8,431</u>	<u>\$ 109</u>
EXPENDITURES			
Appropriation	<u>8,000</u>	<u>\$ 8,240</u>	<u>\$ (240)</u>
Cash Receipts Over (Under) Expenditures	540		
UNENCUMBERED CASH, January 1, 2011	<u>1,315</u>		
UNENCUMBERED CASH, December 31, 2011	<u>\$ 1,855</u>		

CITY OF LOGAN
Logan, Kansas

Schedule 2-4

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

SPECIAL CITY HIGHWAY FUND

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
State Aid	\$ 14,563	\$ 14,650	\$ (87)
EXPENDITURES			
Personal Services	-	\$ 608	\$ (608)
Maintenance	4,743	17,662	(12,919)
Supplies	14,739	5,168	9,571
Fuel	-	564	(564)
Total Expenditures	19,482	\$ 24,002	\$ (4,520)
Cash Receipts Over (Under) Expenditures	(4,919)		
UNENCUMBERED CASH, January 1, 2011	10,471		
UNENCUMBERED CASH, December 31, 2011	\$ 5,552		

CITY OF LOGAN
Logan, Kansas

Schedule 2-5

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

EMPLOYEE BENEFITS FUND

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Taxes			
Ad Valorem Tax	\$ 42,094	\$ 42,451	\$ (357)
Delinquent Tax	310	400	(90)
Motor Vehicle Tax	6,930	6,880	50
Recreational Vehicle Tax	140	178	(38)
16/20M Vehicle Tax	216	209	7
Reimbursements	-	3,400	(3,400)
	49,690	\$ 53,518	\$ (3,828)
EXPENDITURES			
Social Security & Medicare Tax	6,205	\$ 9,500	\$ (3,295)
Pension	2,174	1,600	574
Health Insurance	26,130	31,918	(5,788)
Workers Compensation Insurance	8,121	10,000	(1,879)
Miscellaneous	140	500	(360)
	42,770	\$ 53,518	\$ (10,748)
Cash Receipts Over (Under) Expenditures	6,920		
UNENCUMBERED CASH, January 1, 2011	5,682		
UNENCUMBERED CASH, December 31, 2011	\$ 12,602		

CITY OF LOGAN
Logan, Kansas

Schedule 2-6

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
For the Year Ended December 31, 2011

EQUIPMENT RESERVE FUND

	<u>Actual</u>
CASH RECEIPTS	
Incoming Transfer	
General Operating Fund	<u>\$ 20,000</u>
EXPENDITURES	
	<u>-</u>
Cash Receipts Over (Under) Expenditures	20,000
UNENCUMBERED CASH, January 1, 2011	<u>38,946</u>
UNENCUMBERED CASH, December 31, 2011	<u><u>\$ 58,946</u></u>

CITY OF LOGAN
Logan, Kansas

Schedule 2-7

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
For the Year Ended December 31, 2011

GIFTS & GRANTS FUND

	<u>Grants and Donations Fund</u>	<u>Patterson Grant Fund</u>	<u>Total</u>
CASH RECEIPTS			
Grants and Donations	<u>\$ 15,613</u>	<u>\$ 3,264</u>	<u>\$ 18,877</u>
EXPENDITURES			
Contractual Services	9,583	-	9,583
Equipment	5,486	-	5,486
Maintenance	<u>20,601</u>	<u>-</u>	<u>20,601</u>
Total Expenditures	<u>35,670</u>	<u>-</u>	<u>35,670</u>
Cash Receipts Over (Under) Expenditures	(20,057)	3,264	(16,793)
UNENCUMBERED CASH, January 1, 2011	<u>51,242</u>	<u>12,250</u>	<u>63,492</u>
UNENCUMBERED CASH, December 31, 2011	<u><u>\$ 31,185</u></u>	<u><u>\$ 15,514</u></u>	<u><u>\$ 46,699</u></u>

CITY OF LOGAN
Logan, Kansas

Schedule 2-8

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
For the Year Ended December 31, 2011

CAPITAL IMPROVEMENTS FUND

	<u>Actual</u>
CASH RECEIPTS	
Insurance Proceeds	<u>\$ 46,031</u>
EXPENDITURES	
	<u>-</u>
Cash Receipts Over (Under) Expenditures	46,031
UNENCUMBERED CASH, January 1, 2011	<u>1,908</u>
UNENCUMBERED CASH, December 31, 2011	<u><u>\$ 47,939</u></u>

CITY OF LOGAN
Logan, Kansas

Schedule 2-9

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

WATER FUND

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Collections	\$ 86,521	\$ 100,000	\$ (13,479)
Miscellaneous	-	30	
Reconnect Fee	-	50	(50)
	<u>86,521</u>	<u>100,080</u>	<u>(13,529)</u>
Total Cash Receipts		<u>\$ 100,080</u>	<u>\$ (13,529)</u>
 EXPENDITURES			
Personal Services	21,786	\$ 22,000	\$ (214)
Social Security & Medicare Tax	1,666	1,500	166
Pension	857	800	57
Uniforms	845	800	45
Utilities	9,447	11,000	(1,553)
Contractual Service	605	50	555
Phone & Internet	1,953	1,700	253
Postage	434	700	(266)
Supplies	6,391	1,800	4,591
Equipment	-	3,800	(3,800)
Maintenance	15,092	16,000	(908)
Fuel	2,241	1,900	341
Professional Fees	1,595	3,400	(1,805)
Insurance	1,053	900	153
Miscellaneous	1,120	1,000	120
Outgoing Transfer			
Water Debt Fund	19,400	45,000	(25,600)
	<u>84,485</u>	<u>\$ 112,350</u>	<u>\$ (27,865)</u>
Total Expenditures		<u>\$ 112,350</u>	<u>\$ (27,865)</u>
 Cash Receipts Over (Under) Expenditures	 2,036		
UNENCUMBERED CASH, January 1, 2011	2,028		
Prior Year Cancelled Encumbrances	<u>2,100</u>		
UNENCUMBERED CASH, December 31, 2011	<u>\$ 6,164</u>		

CITY OF LOGAN
Logan, Kansas

Schedule 2-10

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

WATER DEBT FUND

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Collections	\$ 32,293	\$ -	\$ 32,293
Incoming Transfer			
Water Fund	<u>19,400</u>	<u>45,000</u>	<u>(25,600)</u>
Total Cash Receipts	<u>51,693</u>	<u>\$ 45,000</u>	<u>\$ 6,693</u>
EXPENDITURES			
Principal	30,400	\$ 30,400	\$ -
Interest	13,241	14,497	(1,256)
Service Fees	<u>1,255</u>	<u>2,258</u>	<u>(1,003)</u>
Total Expenditures	<u>44,896</u>	<u>\$ 47,155</u>	<u>\$ (2,259)</u>
Cash Receipts Over (Under) Expenditures	6,797		
UNENCUMBERED CASH, January 1, 2011	<u>18,104</u>		
UNENCUMBERED CASH, December 31, 2011	<u>\$ 24,901</u>		

CITY OF LOGAN
Logan, Kansas

Schedule 2-11

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

SEWER RENTAL FUND

	Actual	Budget	Variance Over (Under)
CASH RECEIPTS			
Collections	\$ 65,049	\$ 75,000	\$ (9,951)
EXPENDITURES			
Salaries	11,365	\$ 10,913	\$ 452
Social Security & Medicare Tax	869	595	274
Pension	442	291	151
Uniforms	544	123	421
Utilities	1,749	1,599	150
Phone & Internet	179	-	179
Contractual Service	480	20	460
Postage	349	544	(195)
Supplies	638	2,410	(1,772)
Equipment	-	3,171	(3,171)
Maintenance	13,424	21,078	(7,654)
Fuel	2,205	1,323	882
Professional Fees	-	5,419	(5,419)
Insurance	636	-	636
Miscellaneous	36	112	(76)
Outgoing Transfer			
Sewer Debt Fund	31,600	33,300	(1,700)
Total Expenditures	64,516	\$ 80,898	\$ (16,382)
Cash Receipts Over (Under) Expenditures	533		
UNENCUMBERED CASH, January 1, 2011	7,816		
UNENCUMBERED CASH, December 31, 2011	\$ 8,349		

CITY OF LOGAN
Logan, Kansas

Schedule 2-12

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
For the Year Ended December 31, 2011

SEWER DEBT FUND			
	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
CASH RECEIPTS			
Incoming Transfer			
Sewer Rental Fund	\$ 31,600	\$ 33,300	\$ (1,700)
EXPENDITURES			
Principal	21,771	\$ 21,770	\$ 1
Interest	10,282	11,339	(1,057)
Service Fees	1,057	498	559
Total Expenditures	<u>33,110</u>	<u>\$ 33,607</u>	<u>\$ (497)</u>
Cash Receipts Over (Under) Expenditures	(1,510)		
UNENCUMBERED CASH, January 1, 2011	<u>12,126</u>		
UNENCUMBERED CASH, December 31, 2011	<u>\$ 10,616</u>		

CITY OF LOGAN
Logan, Kansas

Schedule 2-13

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
For the Year Ended December 31, 2011

VETERANS MEMORIAL FUND

	<u>Actual</u>
CASH RECEIPTS	\$ -
EXPENDITURES	<u>-</u>
Cash Receipts Over (Under) Expenditures	-
UNENCUMBERED CASH, January 1, 2011	<u>299</u>
UNENCUMBERED CASH, December 31, 2011	<u><u>\$ 299</u></u>

CITY OF LOGAN
Logan, Kansas

Schedule 2-14

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
For the Year Ended December 31, 2011

EPISCOPAL CHURCH TRUST FUND

	<u>Actual</u>
CASH RECEIPTS	
Interest	\$ 432
EXPENDITURES	
Contractual Services	<u>1,529</u>
Cash Receipts Over (Under) Expenditures	(1,097)
UNENCUMBERED CASH, January 1, 2011	<u>22,914</u>
UNENCUMBERED CASH, December 31, 2011	<u><u>\$ 21,817</u></u>

* See Note 11 (Restatement of Beginning Balance)