

**CITY OF MANTER  
MANTER, KANSAS**

**DECEMBER 31, 2011**

**DIRKS, ANTHONY & DUNCAN, LLC**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
104 N. Main  
Ulysses, Kansas 67880

**REPORT ON AUDIT OF ACCOUNTS**  
**FOR THE CALENDAR YEAR ENDED DECEMBER 31, 2011**

**CITY OF MANTER**  
**MANTER, KANSAS**

CITY OF MANTER, KANSAS  
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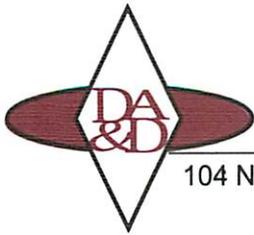
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# Dirks, Anthony & Duncan, LLC

Certified Public Accountants & Management Consultants

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## INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council  
City of Manter, Kansas

We have audited the accompanying statement of cash receipts, expenditures, and unencumbered cash balances of the City of Manter, Kansas, as of and for the year ended December 31, 2011, which collectively comprise the basic financial statements of the City as listed in the Table of Contents. This financial statement is the responsibility of the City's management. Our responsibility is to express an opinion on this 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 that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. 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.

As described in Note 2, the City has prepared these financial statements in conformity with the 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 effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effect of the matter discussed in the preceding paragraph, the primary government statutory basis financial statements referred to in the first paragraph do not present fairly, in conformity with generally accepted accounting principles, the financial position of the City of Manter, Kansas, as of December 31, 2011, or the changes in financial position for the year then ended. Further, the City has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

In our opinion, the financial statement referred to in the first paragraph present fairly, in all material respects, the aggregate cash and unencumbered cash balances of the City of Manter, 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 2.

Our audit was conducted for the purpose of forming an opinion on the financial statement. The summary of expenditures-actual and budget, individual fund schedules of cash receipts and expenditures-actual and budget, and detailed schedule of cash receipts and expenditures-general fund (Schedules 1-8 as listed in the table of contents) are presented for analysis and are not a required part of the statutory financial statement. 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 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 taken as a whole.

*Dirks, Anthony, & Duncan L.L.C*

**DIRKS, ANTHONY & DUNCAN, LLC**  
Certified Public Accountants

June 20, 2012

CITY OF MANTER, KANSAS  
 Summary of Cash Receipts, Cash Disbursements  
 and Unencumbered Cash  
For the Year Ended December 31, 2011

STATEMENT 1

Fund	Beginning Unencumbered Cash Balance	Cash Receipts	<u>Expenditures</u>	Ending Unencumbered Cash Balance
General Fund	\$ 139.90	67,679.35	67,795.24	24.01
Special Revenue Funds				
Employee Benefits Fund	17,432.85	33,413.92	31,726.54	19,120.23
Special Highway Fund	2,626.54	4,280.10	3,445.54	3,461.10
Debt Service Funds				
Bond & Interest Fund	5,244.43	7,029.29	7,530.00	4,743.72
Proprietary Funds				
Enterprise Type Funds				
Water Utility Fund	10,958.71	69,300.65	66,925.57	13,333.79
Special Project Fund				
Water Tower Repair	-	-	-	-
 Total Primary Government	 \$ <u>36,402.43</u>	 <u>181,703.31</u>	 <u>177,422.89</u>	 <u>40,682.85</u>

Composition of Cash

Cash in checking, Johnson State Bank, Johnson, Kansas  
 Less: O/S checks  
 Add: Transit deposit

Total Composition of Cash

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

	Add: Outstanding Encumbrances and Accounts <u>Payable</u>	Ending Cash <u>Balance</u>
	13,526.74	13,550.75
	2,027.66	21,147.89
	-	3,461.10
	-	4,743.72
	-	13,333.79
	<u>-</u>	<u>-</u>
	<u>15,554.40</u>	<u>56,237.26</u>
\$	63,183.12	
	(7,126.93)	
	<u>181.07</u>	
	\$ <u>56,237.26</u>	
	\$ <u>56,237.26</u>	

CITY OF MANTER, KANSAS  
Notes to Financial Statements  
December 31, 2011

1. **Summary of Accounting Policies**

a. **Reporting Entity:**

The City of Manter is a municipal corporation governed by an elected council. The City has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The Manter City Council ("Council") is the basic level of government which has oversight responsibility and control over all activities related to the public in the City of Manter. The council receives funding from local and state government sources and must comply with the concomitant requirements of these funding source entities. However, the council is not included in any other governmental "reporting entity" as defined in GASB pronouncements, since council members are elected by the public and have decision making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

b. **Basis of Statement Presentation:**

The City of Manter maintains its accounting records in accordance with the principles of fund accounting in order to ensure observance of limitations and restrictions placed on the use of resources available. This is the procedure by which resources are classified for accounting and reporting into funds established according to their nature and purpose.

The City of Manter maintains its accounting records for all funds on the cash basis, except that expenditures incurred but not paid and purchase commitments at December 31, 2011 are recorded as expenditures at that date. This method serves to develop information relative to compliance with the budget, cash basis, and other statutes applicable to municipalities within the State of Kansas. The method is not, however, in accordance with generally accepted accounting principles for municipalities. Generally accepted accounting principles require:

- i Revenues of governmental funds to be recorded on the modified accrual basis whereby receivables are recorded for amounts available and measurable, and deferred revenues are recorded for amounts measurable but not available. The City does not record receivables and deferred revenues.
- ii Expenditures to be recorded generally on the accrual basis. The City records purchase commitments as expenditures at year-end. Any loss from contingencies is not recorded until the amount of such loss is payable.
- iii The General Fixed Assets and the General Long-Term Debt Account Groups is to be maintained. The City does not maintain these account groups.
- iv Transfers between funds to be recorded as reductions to fund balance of the fund making the transfers and as additions to fund balance of the fund receiving the transfer. The City records such transfers as expenditures of the fund making the transfer and as receipts of the fund receiving transfer.
- v The annual financial statements are to include a combined balance sheet for all fund types and accounts groups; a combined statement of revenues, expenditures, and changes in fund balance for all government fund types and expendable trust funds; and a combined statement of revenues, expenditures, and changes in fund balance and combined comparison with budget for all governmental fund types. These required financial statements are not included in this report.

## **2. Basis of Accounting**

**Statutory Basis of Accounting** – The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, 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 expenditure would be charged in the fund from which the transfer is made.

The municipality has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the 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 non-cash 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. Capital assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

## **3. Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted for general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding calendar year on or before August 1.
- b. Publication in local newspaper on or before August 5 of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25.

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 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 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 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.

### 3. **Budgetary Information** (Cont'd)

A legal operating budget is not required for capital project funds, fiduciary funds, or permanent funds.

Spending in funds that 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.

Statement 3 presents comparisons of actual data with the legally adopted budget.

Applicable Kansas statutes require that budgets be legally adopted for all funds (including Debt Service and Enterprise Funds) unless exempted by a specific statute. Original appropriations are modified by supplemental appropriations and transfers among budget categories. The City Commission approves all significant changes.

### 4. **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.

The following types of funds comprise the financial activities of the City for the year of 2011.

#### **Governmental Funds:**

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

**Special Revenue Funds** – to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by laws or administrative action to expenditure for specific purposes.

**Capital Projects Funds** – to account for financial resources segregated for the acquisition of major capital facilities (other than those financed by Enterprise Funds).

#### **Proprietary Funds:**

**Enterprise Funds** – to account for operations that are financed and operated in a manner similar to private business enterprises – where the stated intent is that the costs (expense, including depreciation) of providing goods or services to the general public on a continuing basis to 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 and other purposes.

#### **Fiduciary Funds:**

**Trust and Agency Funds** – 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. These include: (a) Expendable Trust Funds, (b) Nonexpendable Trust Funds, (c) Pension Trust Funds, and (d) Agency Funds.

**5. Property Taxes and Other Receivables**

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed as of January 1 and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 (effective in 2004) of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year. At December 31 such taxes are a lien on the property and are recorded as taxes receivable, net of anticipated delinquencies, with a corresponding amount recorded as deferred revenue on the balance sheet of the appropriate funds. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the year and, further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

Recognized state-shared taxes represent payments received during the current fiscal period. State statutes specify distribution dates for such shared taxes. For revenue recognition purposes, amounts collected and held by the State on behalf of the City at year end are not due and receivable until the ensuing year.

Licenses, franchises, fees, fines, penalties, charges for services and other revenues are generally not susceptible to accrual and are recorded when received in cash.

**6. Revenue Recognition for Proprietary Funds**

The proprietary funds follow the policy of recognizing revenue on sales and services when received. All users, including other City departments, are charged for services provided by the respective proprietary fund.

**7. Utility Accounts Receivable**

The City records utility revenues when payments are received from customers. Charges for utility services are billed monthly. The accounts considered uncollectible during each accounting period are eliminated from accounts receivable through the direct write-off method.

**8. Inventories and Prepaid Expenses**

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase as required by state statutes.

**9. Special Assessments**

Projects financed in part by special assessments are financed through general obligation bonds on 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.

**10. 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.

## 11. Defined Benefit Pension Plan

### Plan Descriptions:

The City of Manter 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. KPERs provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERs issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing the KPERs (611 S Kansas, Suite 100, Topeka, KS 66603-3803) or by calling 1-888-275-5737.

### Funding Policy:

K.S.A. 74-4919 establishes the KPERs member-employee contribution rate at 4% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERs is funded on a actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERs employers. The employer rate established by statutes for 1/01/11 to 12/31/11 is 7.74%. The City of Manter contributions to KPERs for the years ending December 31, 2011, 2010, and 2009 were \$3,564, \$3,458, and \$3,231, respectively, equal to the statutory required contributions for each year.

## 12. Stewardship, Compliance and Accountability

Kansas law (K.S.A. 79-2935) prohibits creating indebtedness in excess of budgeted limits. As of December 31, 2011, there was a budget law violation of in the General Fund in the amount of \$10,946.24.

## 13. Customers' Deposits

The City has been paying interest on meter deposits in accordance with K.S.A. 12-822.

## 14. Compensated Absences

The City's leave policies are as follows:

### Vacation Leave:

Full time employees with less than 10 years of service will receive 1 day of vacation time per month. Employees with more than 10 years of service will receive 1 ½ days of vacation each month. Employees with more than 20 years of service will receive 2 days of vacation each month. Unlimited carryover is allowed from one calendar year to the next for each employee.

### Sick Leave:

Full time employees will receive 1 sick day per month of service. The maximum number of sick days that can be carried over from year to year is 60 days. The amount of liability for compensated absences at 12/31/11 is \$13,526.79 of wages and \$2,027.66 in employee benefits; and at 12/31/10 was \$12,154.54 of wages and \$929.83 in employee benefits.

## **15. Deposits and Investments**

At December 31, 2011, the City's carrying amount deposits was \$56,237.26 and the bank balance was \$64,447.76. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$64,447.76 was covered by federal depository insurance. No balance was unsecured under a designated peak period. State law (KSA 9-1402) requires that collateral be pledged equal to or greater than 100 percent of market value of deposits, and pledging for these deposits must be held in the City's name by a bank other than the pledging bank. State law (KSA 12-1675 – 12-1678) allows monies not otherwise regulated by statute to be invested in:

1. Temporary notes of the City of Manter.
2. Certificates of deposits.
3. Repurchase agreements with state and national banks, trust companies, state and federally chartered savings and loan associations and federally chartered savings banks with home offices located in the State of Kansas and offices within Stanton County.
4. Treasury bills, maturing in six months or less, may be purchased if the interest rate on previously mentioned investments is not at least equal to two percentage points below the average yield of ninety-one day treasury bills.

State law (KSA 10-131) allows investment of the proceeds of bonds and temporary notes in the following in addition to those otherwise permitted by state law:

1. U.S. government and agency obligations.
2. Time deposits with banks and trust companies in Stanton County.
3. FNMA, FHLB and FHLMC obligations.
4. Collateralized repurchase agreements.
5. Investment agreements with financial institutions including broker/dealers whose obligations are rated in one of the three highest rating categories by either Moody's or Standard & Poors.
6. Mutual funds whose portfolio consists entirely of obligations of the U.S. government, U.S. government agencies, FNMA, FHLB and FHLMC.
7. Certain Kansas municipal bonds.

16. **Long-term Debt**

Changes in long-term liabilities for the City of Manter for the year ended December 31, 2011, 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	4.25%	4/1/2006	\$ 60,000	2016
Equipment Leases	5.15%	11/9/2007	31,000	2012
Total contractual indebtedness				
Compensated Absences	N/A	N/A	N/A	N/A
Total Long-Term Debt				

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

	<u>Year</u>		
	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Principal:</b>			
General obligation bonds	\$ 6,000	6,000	7,000
Equipment Leases	6,838	-	-
Total principal	\$ <u>12,838</u>	<u>6,000</u>	<u>7,000</u>
<b>Interest:</b>			
General obligation bonds	\$ 1,275	1,020	744
Equipment Leases	353	-	-
Total interest	\$ <u>1,628</u>	<u>1,020</u>	<u>744</u>
Total principal and interest	\$ <u>14,466</u>	<u>7,020</u>	<u>7,744</u>

<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Change</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
\$ 39,000	\$ -	\$ 6,000	-	\$ 33,000	\$ 1,530
<u>13,348</u>	<u>-</u>	<u>6,504</u>	<u>-</u>	<u>6,844</u>	<u>687</u>
52,348	-	12,504	-	39,844	2,217
\$ <u>12,952</u>	<u>-</u>	<u>-</u>	\$ <u>2,602</u>	<u>15,554</u>	<u>-</u>
\$ <u>65,300</u>	\$ <u>-</u>	\$ <u>12,504</u>	\$ <u>2,602</u>	\$ <u>55,398</u>	\$ <u>2,217</u>

<u>Year</u>			
<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>Total</u>
7,000	7,000	-	33,000
<u>-</u>	<u>-</u>	<u>-</u>	<u>6,838</u>
7,000	7,000	-	39,838
446	149	-	3,634
<u>-</u>	<u>-</u>	<u>-</u>	<u>353</u>
446	149	-	3,987
<u>7,446</u>	<u>7,149</u>	<u>-</u>	<u>43,825</u>

**17. Comparison of Depository Security with Balances on Deposit and Composition of Cash**

	<u>FDIC Coverage</u>	<u>Security Pledged</u>	<u>Total Coverage</u>	<u>Gross Bank Balance</u>	<u>Bank Balance Unsecured</u>
The Johnson State Bank					
Operating account	\$ 250,000.00	-	250,000.00	62,646.32	-
Petty cash account				<u>536.80</u>	<u>-</u>
Composition of Cash					
The Johnson State Bank					
Balance per certificate - checking			\$ 63,183.12		
Add: transit deposit			181.07		
Less: outstanding checks			<u>(7,126.93)</u>		
				\$ <u>56,237.26</u>	
Total Composition of Cash				\$ <u>56,237.26</u>	

**18. Schedule of Transfers**

Water Fund to General Fund

**19. Claims and Judgments**

The City is exposed to various risk of loss related to property loss; torts; theft of, damage to, and destruction of assets; errors and omissions; employee injuries and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2010 to 2011 and there were no settlements that exceeded insurance coverage in the past three years.

During the course of its operations, the City is 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 impact on the City.

**CITY OF MANTER**

**SUPPLEMENTAL INFORMATION**

**CITY OF MANTER, KANSAS**  
**Summary of Expenditures - Actual and Budget**  
**For the Year Ended December 31, 2011**

**SCHEDULE 1**

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>
General Fund	\$ 56,849.00		56,849.00	67,795.24
Special Revenue Funds				
Employee Benefits Fund	40,200.00		40,200.00	31,726.54
Special Highway Fund	6,040.00		6,040.00	3,445.54
Debt Service Funds				
Bond & Interest Fund	12,000.00		12,000.00	7,530.00
Proprietary Funds				
Enterprise Type Funds				
Water Utility Fund	100,847.00		100,847.00	<u>66,925.57</u>
Total Primary Government				\$ <u>177,422.89</u>

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

Variance  
Favorable  
(Unfavorable)

(10,946.24)

8,473.46  
2,594.46

4,470.00

33,921.43

CITY OF MANTER, KANSAS  
 General Fund  
 Statement of Cash Receipts and Expenditures  
 Actual and Budget  
 For the Year Ended December 31, 2011 with  
Actual Amounts for the Year Ended December 31, 2010

SCHEDULE 2

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2011 Budget</u>	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
Taxes	\$ 40,461.29	44,535.42	42,435.00	2,100.42
Intergovernmental revenue	10,987.81	11,965.67	11,000.00	965.67
Fines, forfeitures and penalties	298.00	525.00	100.00	425.00
Miscellaneous	<u>9,069.96</u>	<u>10,653.26</u>	<u>-</u>	<u>10,653.26</u>
<b>Total Cash Receipts</b>	<b>\$ <u>60,817.06</u></b>	<b><u>67,679.35</u></b>	<b><u>53,535.00</u></b>	<b><u>14,144.35</u></b>
<b>Expenditures and Transfers Subject to Budget</b>				
Administrative	\$ 54,873.90	67,795.24	56,849.00	(10,946.24)
Capital expense	7,191.07	-	-	-
Street Improvement	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures and Transfers Subject to Budget</b>	<b>\$ <u>62,064.97</u></b>	<b><u>67,795.24</u></b>	<b><u>56,849.00</u></b>	<b><u>(10,946.24)</u></b>
<b>Budget credit for Federal and State Aid - Emergency Preparedness</b>			<u>32,736.70</u>	<u>32,736.70</u>
<b>Total Expenditures and Transfers Subject to Budget and Budget Credit</b>			<b><u>89,585.70</u></b>	<b><u>21,790.46</u></b>
<b>Receipts Over (Under) Expenditures Unencumbered Cash, Beginning</b>	<b>\$ (1,247.91)</b>	<b>(115.89)</b>		
	<u>1,387.81</u>	<u>139.90</u>		
<b>Unencumbered Cash, Ending</b>	<b>\$ <u>139.90</u></b>	<b><u>24.01</u></b>		

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

CITY OF MANTER, KANSAS  
Employee Benefits Fund  
Statement of Cash Receipts and Expenditures  
Actual and Budget  
For the Year Ended December 31, 2011 with  
Actual Amounts for the Year Ended December 31, 2010

SCHEDULE 3

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2011 Budget</u>	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
<b>Taxes</b>				
Ad valorem property tax	\$ 29,135.96	27,289.06	28,036.00	(746.94)
Back tax	401.92	1,003.15	500.00	503.15
16/20M vehicles	2.16	18.07	3.00	15.07
Motor vehicle	4,878.58	4,937.64	3,332.00	1,605.64
Recreational vehicle tax	166.31	123.34	124.00	(0.66)
Antique tax	-	42.66	-	42.66
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Cash Receipts</b>	<b>\$ <u>34,584.93</u></b>	<b><u>33,413.92</u></b>	<b><u>31,995.00</u></b>	<b><u>1,418.92</u></b>
<b>Expenditures and Transfers Subject to Budget</b>				
Payroll taxes	\$ 4,393.87	2,836.55	4,100.00	1,263.45
Retirement	3,567.15	5,027.32	3,500.00	(1,527.32)
Workmen's compensation	2,220.00	2,371.00	-	(2,371.00)
Unemployment	56.40	48.35	100.00	51.65
Medical insurance	17,312.74	21,443.31	32,500.00	11,056.69
Reserve	-	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Expenditures and Transfers Subject to Budget</b>	<b>\$ <u>27,550.16</u></b>	<b><u>31,726.54</u></b>	<b><u>40,200.00</u></b>	<b><u>8,473.46</u></b>
<b>Receipts Over (Under) Expenditures Unencumbered Cash, Beginning</b>	<b>\$ <u>7,034.77</u></b>	<b><u>1,687.38</u></b>		
	<u>10,398.08</u>	<u>17,432.85</u>		
<b>Unencumbered Cash, Ending</b>	<b>\$ <u>17,432.85</u></b>	<b><u>19,120.23</u></b>		

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

CITY OF MANTER, KANSAS  
Special Highway Fund  
Statement of Cash Receipts and Expenditures  
Actual and Budget  
For the Year Ended December 31, 2011 with  
Actual Amounts for the Year Ended December 31, 2010

SCHEDULE 4

	<u>2010 Actual</u>	<u>2011 Actual</u>	<u>2011 Budget</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Cash Receipts</b>				
Intergovernmental revenue				
State payments	\$ 4,269.42	4,280.10	4,440.00	(159.90)
Miscellaneous	-	-	-	-
	<u>4,269.42</u>	<u>4,280.10</u>	<u>4,440.00</u>	<u>(159.90)</u>
<b>Total Cash Receipts</b>	<b>\$ 4,269.42</b>	<b>4,280.10</b>	<b>4,440.00</b>	<b>(159.90)</b>
<b>Expenditures and Transfers Subject to Budget</b>				
Contractual services	\$ -	2,831.08	-	(2,831.08)
Commodities	2,982.98	614.46	6,040.00	5,425.54
Capital outlay	-	-	-	-
	<u>2,982.98</u>	<u>3,445.54</u>	<u>6,040.00</u>	<u>2,594.46</u>
<b>Total Expenditures and Transfers Subject to Budget</b>	<b>\$ 2,982.98</b>	<b>3,445.54</b>	<b>6,040.00</b>	<b>2,594.46</b>
<b>Receipts Over (Under) Expenditures</b>	<b>\$ 1,286.44</b>	<b>834.56</b>		
Unencumbered Cash, Beginning	<u>1,340.10</u>	<u>2,626.54</u>		
<b>Unencumbered Cash, Ending</b>	<b>\$ 2,626.54</b>	<b>3,461.10</b>		

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

CITY OF MANTER, KANSAS  
 Bond & Interest Fund  
 Statement of Cash Receipts and Expenditures  
 Actual and Budget  
 For the Year Ended December 31, 2011 with  
Actual Amounts for the Year Ended December 31, 2010

SCHEDULE 5

		<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Actual</u>	<u>2011</u> <u>Budget</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>Cash Receipts</b>					
<b>Taxes</b>					
Ad valorem property taxes	\$	6,396.37	5,677.76	5,833.00	(155.24)
Back taxes		49.55	251.47	150.00	101.47
Motor vehicle tax		1,059.01	1,061.08	732.00	329.08
16/20M vehicles/ Antique Tax		8.93	3.65	1.00	2.65
Recreational Vehicle Tax		-	26.71	27.00	(0.29)
Antique tax		-	8.62	-	8.62
Miscellaneous		-	-	-	-
<b>Total Cash Receipts</b>	<b>\$</b>	<b><u>7,513.86</u></b>	<b><u>7,029.29</u></b>	<b><u>6,743.00</u></b>	<b><u>277.67</u></b>
<b>Expenditures and Transfers Subject to Budget</b>					
Principal	\$	6,000.00	6,000.00	6,000.00	-
Interest		1,786.25	1,530.00	1,530.00	-
Miscellaneous		-	-	1.00	1.00
Cash Basis Requirement		-	-	4,469.00	4,469.00
<b>Total Expenditures and Transfers Subject to Budget</b>	<b>\$</b>	<b><u>7,786.25</u></b>	<b><u>7,530.00</u></b>	<b><u>12,000.00</u></b>	<b><u>4,470.00</u></b>
Receipts Over (Under) Expenditures	\$	(272.39)	(500.71)		
Unencumbered Cash, Beginning		<u>5,516.82</u>	<u>5,244.43</u>		
Unencumbered Cash, Ending	\$	<u>5,244.43</u>	<u>4,743.72</u>		

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

CITY OF MANTER, KANSAS  
Water Utility Fund  
Statement of Cash Receipts and Expenditures  
Actual and Budget  
For the Year Ended December 31, 2011 with  
Actual Amounts for the Year Ended December 31, 2010

SCHEDULE 6

	2010 <u>Actual</u>	2011 <u>Actual</u>	2011 <u>Budget</u>	Variance Favorable (Unfavorable)
<b>Cash Receipts</b>				
<b>Collections</b>				
Water and sewer	\$ 41,385.62	50,669.32	50,000.00	669.32
Trash	17,017.63	17,631.33	18,000.00	(368.67)
Service deposits	900.00	1,000.00	1,000.00	-
Other	368.17	-	1,000.00	(1,000.00)
Interest	-	-	-	-
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Cash Receipts</b>	<b>\$ 59,671.42</b>	<b>69,300.65</b>	<b>70,000.00</b>	<b>(699.35)</b>
<b>Expenditures and Transfers Subject to Budget</b>				
<b>Transmission and Distribution Expense</b>				
Personal services	\$ 32,238.81	22,419.00	30,000.00	7,581.00
Contractual services	17,662.10	17,265.46	20,000.00	2,734.54
Commodities	19,401.16	9,750.99	15,000.00	5,249.01
Capital outlay	-	7,191.07	33,847.00	26,655.93
<b>Non-Operating Expense</b>				
Refund service deposits	700.00	1,126.00	1,000.00	(126.00)
Sales tax	359.42	680.57	700.00	19.43
Transfer to General Fund	5,000.00	8,100.00	-	(8,100.00)
Other and Returned checks	198.30	392.48	300.00	(92.48)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Expenditures and Transfers Subject to Budget</b>	<b>\$ 75,559.79</b>	<b>66,925.57</b>	<b>100,847.00</b>	<b>33,921.43</b>
<b>Receipts Over (Under) Expenditures Unencumbered Cash, Beginning</b>	<b>\$ (15,888.37)</b>	<b>2,375.08</b>		
	<u>26,847.08</u>	<u>10,958.71</u>		
<b>Unencumbered Cash, Ending</b>	<b>\$ 10,958.71</b>	<b>13,333.79</b>		

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

CITY OF MANTER, KANSAS  
 General Fund  
 Detailed Schedule of Cash Receipts  
 For the Year Ended December 31, 2011 with  
Actual Amounts for the Year Ended December 31, 2010

SCHEDULE 7

		<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Actual</u>	<u>2011</u> <u>Budget</u>		Variance Favorable (Unfavorable)
<b>Cash Receipts</b>						
<b>Taxes</b>						
Ad valorem property tax	\$	32,081.49	34,287.14	35,226.00		(938.86)
Back tax		480.87	1,141.32	800.00		341.32
16/20M vehicles		3.94	16.63	3.00		13.63
Motor vehicle tax		5,227.01	5,199.66	3,669.00		1,530.66
Recreational vehicle tax		134.70	132.01	137.00		(4.99)
Franchise tax		2,470.23	3,719.40	2,500.00		1,219.40
Antique Tax		63.05	39.26	100.00		(60.74)
	\$	<u>40,461.29</u>	<u>44,535.42</u>	<u>42,435.00</u>		<u>2,100.42</u>
<b>Intergovernmental Revenue</b>						
Local sales tax	\$	10,987.81	11,965.67	11,000.00		965.67
State revenue sharing		-	-	-		-
Local ad valorem tax		-	-	-		-
	\$	<u>10,987.81</u>	<u>11,965.67</u>	<u>11,000.00</u>		<u>965.67</u>
<b>Fines, Forfeitures, and Penalties</b>						
City Court fines	\$	298.00	525.00	100.00		425.00
Licenses		-	-	-		-
	\$	<u>298.00</u>	<u>525.00</u>	<u>100.00</u>		<u>425.00</u>
<b>Miscellaneous</b>						
Bus Barn Rental		500.00	150.00	-		150.00
Reimbursements		1,372.42	1,782.26	-		1,782.26
Miscellaneous		1,940.38	373.78	-		373.78
Federal aid - emergency preparedness		-	-	-		-
Transfer from Water fund		5,000.00	8,100.00	-		8,100.00
Interest income		-	72.22	-		72.22
Dog tags		105.00	175.00	-		175.00
	\$	<u>8,917.80</u>	<u>10,653.26</u>	<u>-</u>		<u>10,653.26</u>
<b>Total Cash Receipts</b>	\$	<u>60,664.90</u>	<u>67,679.35</u>	<u>53,535.00</u>		<u>14,144.35</u>

**CITY OF MANTER, KANSAS**  
**General Fund**  
**Detailed Schedule of Expenditures**  
**For the Year Ended December 31, 2011 with**  
**Actual Amounts for the Year Ended December 31, 2010**

**SCHEDULE 8**

	<u>2010</u> <u>Actual</u>	<u>2011</u> <u>Actual</u>	<u>2011</u> <u>Budget</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>General Operating Fund</b>				
<b>Administrative</b>				
Personal services	\$ 20,608.25	31,260.76	27,500.00	(3,760.76)
Contractual services	13,581.85	13,784.95	20,000.00	6,215.05
Commodities	20,683.80	22,749.53	9,349.00	(13,400.53)
Capital outlay	7,191.07	-	-	-
Street improvement	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Expenditures</b>	<b>\$ <u>62,064.97</u></b>	<b><u>67,795.24</u></b>	<b><u>56,849.00</u></b>	<b><u>(10,946.24)</u></b>