

CITY OF SATANTA, KANSAS  
STATUTORY BASIS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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STATUTORY BASIS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2011

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## INDEPENDENT AUDITORS' REPORT

The City Council Members  
City of Satanta, Kansas

We have audited the summary statement of cash receipts, expenditures and unencumbered cash of the City of Satanta, Kansas, as of and for the year ended December 31, 2011. This financial statement is the responsibility of the City's 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 that 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 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 1, the City 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 statements 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.

In our opinion, because of the effects of the matter described in the preceding paragraph, the financial statement referred to in the first paragraph does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Satanta, Kansas, as of December 31, 2011, or the changes in its financial position, or where applicable, its cash flows 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 part of, the basic financial statements.

Further, in our opinion, the financial statement referred to in the first paragraph presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the City of Satanta, 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.

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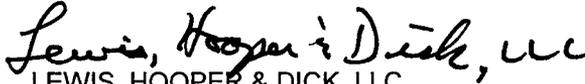
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Our audit was performed for the purpose of forming an opinion on the financial statement of the City of Satanta, Kansas. The accompanying financial information listed as supplemental information in the table of contents is presented for purposes of additional analysis and is 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.

The 2010 actual columns presented in the individual fund schedules of cash receipts and expenditures (Schedule 2's as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2010 financial statement upon which we rendered an unqualified opinion dated February 25, 2011. The 2010 financial statements and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards, at the following link <http://www.da.ks.gov/ar/muniserv/EAuditAccept.htm>. Such 2010 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2010 financial statements. The 2010 comparative information was subjected to the auditing procedures applied in the audit of the 2010 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2010 financial statements or to the 2010 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2010 comparative information is fairly stated in all material respects in relation to the 2010 financial statements as a whole.

Our audit was conducted for the purpose of forming an opinion on the financial statement as a whole. The other supplemental information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statement. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

  
LEWIS, HOOPER & DICK, LLC

June 26, 2012

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

Funds	Unencumbered Cash 1/1/11	Receipts and Transfers	Expenditures and Transfers	Unencumbered Cash 12/31/11	Add Payables and Encumbrances	Treasurer's Cash 12/31/11
<u>Governmental Type Funds</u>						
General	\$ 146,984	\$ 580,100	\$ 559,869	\$ 167,215	\$ 7,112	\$ 174,327
Special Revenue Funds:						
Gas Well	3,121	116,430	119,284	267	891	1,158
Special Highway	53,941	29,358	-	83,299	-	83,299
Employee Benefits	48,773	78,960	109,224	18,509	2,516	21,025
Equipment Reserve	80,447	15,000	-	95,447	-	95,447
Community Trust	424,712	-	55,500	369,212	-	369,212
Capital Improvement	63,093	-	20,000	43,093	-	43,093
Total Special Revenue	674,087	239,748	304,008	609,827	3,407	613,234
<u>Enterprise Funds</u>						
Water and Sewer Utility:						
General	119,853	218,064	203,476	134,441	10,088	144,529
Depreciation Reserve	110,000	25,000	-	135,000	-	135,000
Total Water and Sewer Utility	229,853	243,064	203,476	269,441	10,088	279,529
Refuse Utility	30,416	62,843	71,086	22,173	75	22,248
Total Enterprise	260,269	305,907	274,562	291,614	10,163	301,777
Total All Funds (Memorandum only)	<u>\$ 1,081,340</u>	<u>\$ 1,125,755</u>	<u>\$ 1,138,439</u>	<u>\$ 1,068,656</u>	<u>\$ 20,682</u>	<u>\$ 1,089,338</u>

Composition of Cash:	
Centera Bank	\$ 101,475
Less outstanding warrants	(12,237)
Total cash in bank	\$ 89,238
Investments - Idle Funds	1,000,000
Cash on hand	100
Total cash	<u>\$ 1,089,338</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

CITY OF SATANTA, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

1. Summary of significant accounting policies

The City of Satanta, Kansas, was incorporated under the provisions of the State of Kansas. The City operates under a Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. Other services include utilities.

A. Financial reporting entity

The City is governed by an elected five-member council and a mayor. These financial statements present the City of Satanta (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

The City has no organizations, functions or activities which are considered component units of the City.

B. Measurement focus, basis of accounting and basis of presentation

These financial statements are presented on a 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 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.

C. Waiver of financial reporting requirements

The City's Council has determined by resolution that financial statements prepared in conformity with generally accepted accounting principles are not relevant to the requirements of the cash basis and budget laws of the State of Kansas and are of no significant value to the Council, the City or the members of the general public of the City. The Council approved the resolution which served as notice of the Council's election to waive the requirements for reporting of its financial data in conformity with accounting principles generally accepted in the United States of America, as provided and authorized by K.S.A. 75-1120a.

D. 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. 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 accounting principles generally accepted in the United States of America. Capital assets that account for 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.

CITY OF SATANTA, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

1. Summary of significant accounting policies (continued)

E. 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 fund types are used by the City:

Governmental Funds

General Fund - The General Fund is the general operating fund of the City. It 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 special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Proprietary Funds

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

F. Cash and investments

Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by the City (except for investments in the Kansas Municipal Investment Pool). Cash includes amounts in demand deposits, time deposits and certificates of deposit. Investments of the pooled accounts consist primarily of investments with the Kansas Municipal Investment Pool and U.S. government securities carried at cost, which approximates market. Interest income earned, unless specifically designated, is allocated to the general fund.

G. Property taxes and special assessments

The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the counties. The County Appraiser annually determines assessed valuations based on real property transactions as recorded by the Register of Deeds and personal property holdings reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls and the County Treasurer collects the taxes for all taxing entities within the County.

Taxes are assessed on a calendar year basis, are levied and become a lien on the property on November 1st 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 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing the taxes collected in the year levied prior to January 1st of the ensuing year. One-half of the property taxes are due December 20th and distributed to the District by January 20th to finance a portion of the current year's budget. The second half is due May 10th and distributed to the City by June 5th. The City Treasurer draws available funds from the County Treasurer's office at designated times throughout the year.

CITY OF SATANTA, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

1. Summary of significant accounting policies (continued)

G. Property taxes and special assessments (continued)

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments received prior to or after the issuance of general obligation bonds are recorded as revenue in the appropriate project fund. Further, state statutes require levying additional general ad valorem property taxes in the Debt Service Fund to finance delinquent special assessments receivable.

H. Compensated absences

The City's policy regarding leave pay permits employees to accumulate leave days at a maximum rate of 12 days per year. No more than 60 days may be accumulated. Leave may be used for sick leave, bereavement leave and personal leave. The City does not pay for unused accumulated leave pay at termination of employment.

The City's policy regarding vacation leave pay permits employees to accumulate vacation days at a maximum rate of 12 days to be used during the year earned. Up to one week of vacation may be carried over into the subsequent year. The City has estimated the dollar amount of accumulated vacation leave pay at December 31, 2011, to be \$9,036.

I. Interfund transactions

Quasi-external transactions (i.e., transactions that would be treated as revenues or expenses if they involved organizations external to the governmental unit, such as internal service fund billings to departments) are accounted for as cash receipts or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

J. Reimbursements

A reimbursement is an expenditure or expense initially made in one fund, but properly attributable to another fund. For example, it is common for the general fund to pay a vendor's bill and have portions of it reimbursed by other funds. In accounting for such reimbursements, the City records an expenditure (or expense) in the reimbursing fund, and a reduction of expenditure (or expense) in the reimbursed fund, following the authoritative guidance of the *Governmental Accounting, Auditing and Financial Reporting*.

K. Memorandum totals

Total columns on the financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. No consolidated financial information is presented nor is all required disclosures presented for these amounts.

CITY OF SATANTA, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

2. Stewardship, compliance and accountability

A. 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 of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

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 amendments to the original budget for the year ended December 31, 2011.

The legal level of budgetary control is the fund level. 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.

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. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital project funds, fiduciary funds, permanent funds and certain special revenue funds. Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes or by the use of internal spending limits established by the governing body.

B. Compliance with Kansas statutes

References made herein to the statutes are not intended as interpretation of law, but are offered for consideration of the Director of Accounts and Reports and interpretation by the County Attorney and the legal representative of the City. No known violations occurred during 2011.

CITY OF SATANTA, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

3. Detailed notes on all funds

A. Deposits and investments

A reconciliation of cash and investments as shown in the composition of cash on the summary of cash receipts, expenditures and unencumbered cash on Statement 1 is as follows:

Cash on hand	\$	100
Carrying amount of deposits		1,089,238
Total cash	\$	1,089,338

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk - deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka except during designated "peak periods" when required coverage is 50%. The City does not use designated "peak periods".

At December 31, 2011, the City's carrying amount of deposits was \$1,089,238 and the bank balance was \$1,101,763. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and \$767,630 was collateralized with securities held by the pledging financial institutions' agents in the City's name. The City's cash deposits at year-end are as follows:

		<u>Centera Bank</u>
FDIC coverage	\$	250,000
Pledged securities at market value		1,382,314
Total coverage	\$	1,632,314
Funds on deposit	\$	1,101,763
Funds at risk	\$	-

CITY OF SATANTA, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

3. Detailed notes on all funds (continued)

A. Deposits and investments (continued)

Credit risk - investments

Custodial credit risk for an investment 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. The City had no investments of this type at December 31, 2011.

B. Interfund transfers

Interfund operating transfers are as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	
General	Equipment Reserve	12-1117	\$ 5,000
Gas Well	General	12-1118	90,000
Community Trust	General	12-1118	55,500
Capital Improvement	General	12-1118	20,000
Water and Sewer Utility	Depreciation Reserve	12-825d	25,000
Water and Sewer Utility	General	12-825d	30,000
Refuse	Equipment Reserve	12-825d	<u>10,000</u>
Total			<u><u>\$ 235,500</u></u>

C. Capital projects in progress

Capital project authorizations with approved change orders compared to disbursements and accounts payable from inceptions at December 31, 2011, are as follows:

	<u>Project Authorization</u>	<u>Disbursements and Accounts Payable to Date</u>	<u>Committed</u>
Paint water tower	\$ 25,912	\$ 25,912	\$ -
Repair curb and guttering	4,364	-	4,364
Road sealing	4,341	4,341	-

D. Long-term debt

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

	<u>Balance 1/1/11</u>	<u>Net Change</u>	<u>Balance 12/31/11</u>
Employee compensated absences payable:			
Accrued sick leave (net change)	\$ 7,358	\$ 1,678	\$ 9,036
Total long-term debt	<u>\$ 7,358</u>	<u>\$ 1,678</u>	<u>\$ 9,036</u>

CITY OF SATANTA, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

3. Detailed notes on all funds (continued)

D. Long-term debt (continued)

Legal debt margin

The debt limit per K.S.A. 10-308 is thirty percent of the assessed tangible valuation of the City adjusted for exempt farm property, business aircraft and motor vehicles given by the County Assessor to the County Clerk on August 25th each year. Per K.S.A. 10-309, certain bond issues are not subject to the bonded indebtedness limitation; these include the refunding bonds and the limited obligation bonds issued for the purpose of acquiring, enlarging, extending or improving any municipal utility; or to pay the cost of improvements to intersections of streets and alleys or that portion of any street immediately in front of city or school district property. The amount of debt outstanding does not exceed the statutory limit.

4. Other information

A. 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. In 2002, the City joined together with other municipalities in the State to form Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for municipalities which are members in good standing of the League of Kansas Municipalities, meet the requirements established by the Board of Trustees; and which properly adopt the agreement. The City pays an annual premium to KMIT for its workmen's compensation insurance coverage. The Agreement for Formation of the KMIT provides that KMIT will be self-sustaining through member premiums.

B. Post-employment health care benefits

As provided by K.S.A. 12-5040, the local 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 premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

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.

C. Defined benefit pension plan

Plan description: The City of Satanta, Kansas, contributes to 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 to KPERs (611 S Kansas, Suite 100; Topeka, KS 66603-3869) or by calling 1-888-275-5737.

CITY OF SATANTA, KANSAS  
Notes to Financial Statements  
For the Year Ended December 31, 2011

4. Other information (continued)

C. Defined benefit pension plan (continued)

Funding policy: K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at up to 6% 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 an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established by statute for calendar year 2011 is 7.74%. The City of Satanta, Kansas, contributions to KPERS for the years ending December 31, 2011, 2010 and 2009, were \$13,800, \$12,405, and \$9,789, respectively, equal to the required contributions for each year as set forth by the legislature.

D. Related party transactions

The City employs two individuals related to a City Council member. The City paid wages of \$6,798 to these related parties during 2011. Benefits paid on these wages totaled \$520.

The City purchases goods and services from businesses operated by City Council members. The City paid these businesses \$18,445 during the year ended December 31, 2011.

E. Subsequent events

Subsequent to year end, the City agreed to enter into a joint capital lease with Dudley Township for the purchase of a fire truck with a total cost of \$91,187. The City's share of the cost is anticipated to be \$45,594 under a three year lease purchase agreement. Final terms and amounts are yet to be determined.

In addition, the City Council authorized the purchase of \$50,760 of materials for 2012 street sealing projects.

SUPPLEMENTAL SCHEDULES

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

<u>Funds</u>	<u>Certified Budget</u>	<u>Expenditures Chargeable to Current Year Budget</u>	<u>Variance Over (Under)</u>
<u>Governmental Type Funds</u>			
General	\$ 638,535	\$ 559,869	\$ (78,666)
Special Revenue Funds:			
Gas Well	151,260	119,284	(31,976)
Special Highway	139,354	-	(139,354)
Employee Benefits	111,954	109,224	(2,730)
Equipment Reserve	95,447	-	(95,447)
Community Trust	414,712	55,500	(359,212)
Capital Improvement	63,093	20,000	(43,093)
<u>Enterprise Funds</u>			
Water and Sewer Utility:			
General	257,000	203,476	(53,524)
Depreciation Reserve	135,000	-	(135,000)
Refuse Utility	80,500	71,086	(9,414)

CITY OF SATANTA, KANSAS  
 General Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash receipts:</b>				
<b>Administration:</b>				
Taxes	\$ 321,950	\$ 353,750	\$ 324,842	\$ 28,908
Franchises	-	10,491	-	10,491
Licenses and permits	760	870	1,200	(330)
Interest on investments	10,255	5,891	5,000	891
Refunds and miscellaneous	10,708	4,993	2,000	2,993
Total administration	343,673	375,995	333,042	42,953
Police and police court	3,862	4,452	3,800	652
Parks and pools	5,271	4,153	4,200	(47)
Transfer from Gas Well Fund	125,000	90,000	115,000	(25,000)
Transfer from Community Trust Reserve	25,000	55,500	55,500	-
Transfer from Water and Sewer Utility	30,000	30,000	30,000	-
Transfer from Capital Improvement Reserve	-	20,000	30,000	(10,000)
Total cash receipts	532,806	580,100	\$ 571,542	\$ 8,558
<b>Expenditures:</b>				
<b>General administration:</b>				
Personal services	220,868	227,993	\$ 235,000	\$ (7,007)
Contractual services	59,902	54,493	66,985	(12,492)
Commodities	8,929	8,859	7,000	1,859
Capital outlay	23,768	-	5,000	(5,000)
Total general administration	313,467	291,345	313,985	(22,640)
<b>Streets:</b>				
Contractual services	-	4,341	23,000	(18,659)
Commodities	1,858	9,647	13,000	(3,353)
Capital outlay	34,822	38,784	40,000	(1,216)
Total streets	36,680	52,772	76,000	(23,228)
<b>Fire:</b>				
Personal services	5,998	5,025	6,300	(1,275)
Contractual services	1,078	1,810	2,000	(190)
Commodities	1,081	2,680	3,000	(320)
Capital outlay	6,847	-	5,000	(5,000)
Total fire	15,004	9,515	16,300	(6,785)
<b>Parks:</b>				
Personal services	27,111	30,998	26,250	4,748
Contractual services	-	-	4,000	(4,000)
Commodities	14,940	7,140	10,500	(3,360)
Capital outlay	28,693	-	20,000	(20,000)
Total parks	70,744	38,138	60,750	(22,612)

(continued)

CITY OF SATANTA, KANSAS  
 General Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

(continued)	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Expenditures:				
Street lighting:				
Contractual services	\$ 18,921	\$ 29,336	\$ 21,000	\$ 8,336
Sewer maintenance:				
Commodities	1,471	-	7,000	(7,000)
Police:				
Contractual services	100,000	104,000	104,000	-
Community service:				
Community service	16,000	15,000	17,500	(2,500)
Community building capital outlay	155	7,763	5,000	2,763
Total community service	16,155	22,763	22,500	263
Airport:				
Contractual services	3,000	3,000	3,000	-
Capital outlay	4,000	4,000	4,000	-
Total airport	7,000	7,000	7,000	-
Emergency contingencies:				
Commodities	-	-	5,000	(5,000)
Transfers:				
Transfer to Equipment Reserve	5,000	5,000	5,000	-
Total expenditures	584,442	559,869	\$ 638,535	\$ (78,666)
Receipts over (under) expenditures	(51,636)	20,231		
Unencumbered cash, beginning of year	198,620	146,984		
Unencumbered cash, end of year	\$ 146,984	\$ 167,215		

CITY OF SATANTA, KANSAS  
 Gas Well Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Royalties	\$ 146,208	\$ 116,430	\$ 150,000	\$ (33,570)
Expenditures:				
Royalties and taxes	29,593	26,722	\$ 31,260	\$ (4,538)
Capital outlay	2,325	2,562	5,000	(2,438)
Transfer to General	125,000	90,000	115,000	(25,000)
Total expenditures	156,918	119,284	\$ 151,260	\$ (31,976)
Receipts under expenditures	(10,710)	(2,854)		
Unencumbered cash, beginning of year	13,831	3,121		
Unencumbered cash, end of year	\$ 3,121	\$ 267		

CITY OF SATANTA, KANSAS  
Special Highway Fund  
Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2011  
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
State of Kansas - gas tax	\$ 29,643	\$ 29,358	\$ 30,430	\$ (1,072)
Expenditures:				
Commodities	65,836	-	\$ 139,354	\$ (139,354)
Receipts over (under) expenditures	(36,193)	29,358		
Unencumbered cash, beginning of year	90,134	53,941		
Unencumbered cash, end of year	\$ 53,941	\$ 83,299		

CITY OF SATANTA, KANSAS  
 Employee Benefits Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Taxes	\$ 70,767	\$ 78,960	\$ 78,342	\$ 618
Expenditures:				
Employer contributions	19,478	20,341	\$ 24,100	\$ (3,759)
Workmen's compensation	9,539	8,683	13,454	(4,771)
Retirement	19,601	21,167	22,400	(1,233)
Unemployment	255	266	2,000	(1,734)
Medical insurance	42,600	58,767	50,000	8,767
Total expenditures	91,473	109,224	\$ 111,954	\$ (2,730)
Receipts under expenditures	(20,706)	(30,264)		
Unencumbered cash, beginning of year	69,479	48,773		
Unencumbered cash, end of year	\$ 48,773	\$ 18,509		

CITY OF SATANTA, KANSAS  
 Equipment Reserve Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Transfer from General	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Transfer from Refuse Utility	10,000	10,000	10,000	-
Total cash receipts	<u>15,000</u>	<u>15,000</u>	<u>\$ 15,000</u>	<u>\$ -</u>
Expenditures:				
Capital outlay	-	-	<u>\$ 95,447</u>	<u>\$ (95,447)</u>
Receipts over expenditures	15,000	15,000		
Unencumbered cash, beginning of year	<u>65,447</u>	<u>80,447</u>		
Unencumbered cash, end of year	<u>\$ 80,447</u>	<u>\$ 95,447</u>		

CITY OF SATANTA, KANSAS  
 Community Trust Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Transfer from Gas Well	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay	-	-	\$ 359,212	\$ (359,212)
Transfer to General	25,000	55,500	55,500	-
Total expenditures	25,000	55,500	\$ 414,712	\$ (359,212)
Receipts under expenditures	(25,000)	(55,500)		
Unencumbered cash, beginning of year	449,712	424,712		
Unencumbered cash, end of year	\$ 424,712	\$ 369,212		

CITY OF SATANTA, KANSAS  
 Capital Improvement Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Transfer from General	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay	-	-	\$ 43,093	\$ (43,093)
Transfer to General	-	20,000	20,000	-
Total expenditures	-	20,000	\$ 63,093	\$ (43,093)
Receipts over (under) expenditures	-	(20,000)		
Unencumbered cash, beginning of year	63,093	63,093		
Unencumbered cash, end of year	\$ 63,093	\$ 43,093		

CITY OF SATANTA, KANSAS  
 Water and Sewer Utility Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
<b>Cash receipts:</b>				
Charge for services	\$ 187,739	\$ 206,307	\$ 200,000	\$ 6,307
Bulk sales	1,758	4,344	1,250	3,094
Miscellaneous	6,338	7,413	-	7,413
Connection Fees	-	-	1,000	(1,000)
Use of money and property	-	-	10,000	(10,000)
<b>Total cash receipts</b>	<b>195,835</b>	<b>218,064</b>	<b>\$ 212,250</b>	<b>\$ 5,814</b>
<b>Expenditures:</b>				
Production	70,865	81,732	\$ 106,000	\$ (24,268)
Distribution	35,334	48,606	74,000	(25,394)
General	16,089	18,138	22,000	(3,862)
Transfer to Depreciation Reserve	25,000	25,000	25,000	-
Transfer to General	30,000	30,000	30,000	-
<b>Total expenditures</b>	<b>177,288</b>	<b>203,476</b>	<b>\$ 257,000</b>	<b>\$ (53,524)</b>
Receipts over expenditures	18,547	14,588		
Unencumbered cash, beginning of year	101,306	119,853		
Unencumbered cash, end of year	<u>\$ 119,853</u>	<u>\$ 134,441</u>		

CITY OF SATANTA, KANSAS  
 Depreciation Reserve Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Transfer from Water and Sewer Utility	\$ 25,000	\$ 25,000	\$ 25,000	\$ -
Expenditures:				
Capital outlay	-	-	\$ 135,000	\$ (135,000)
Receipts over expenditures	25,000	25,000		
Unencumbered cash, beginning of year	85,000	110,000		
Unencumbered cash, end of year	\$ 110,000	\$ 135,000		

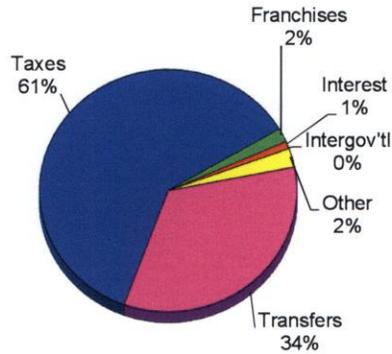
CITY OF SATANTA, KANSAS  
 Refuse Utility Fund  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year	Current Year		Variance Over (Under)
		Actual	Budget	
Cash receipts:				
Charges for services	\$ 62,826	\$ 62,843	\$ 65,000	\$ (2,157)
Expenditures:				
Contractual services	60,436	60,180	\$ 65,000	\$ (4,820)
Commodities	906	906	5,500	(4,594)
Transfer to Equipment Reserve	10,000	10,000	10,000	-
Total expenditures	71,342	71,086	\$ 80,500	\$ (9,414)
Receipts under expenditures	(8,516)	(8,243)		
Unencumbered cash, beginning of year	38,932	30,416		
Unencumbered cash, end of year	\$ 30,416	\$ 22,173		

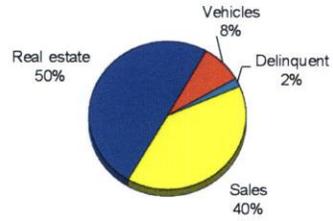
OTHER SUPPLEMENTAL INFORMATION

CITY OF SATANTA, KANSAS  
 Receipts - General Fund  
 For the Year Ended December 31

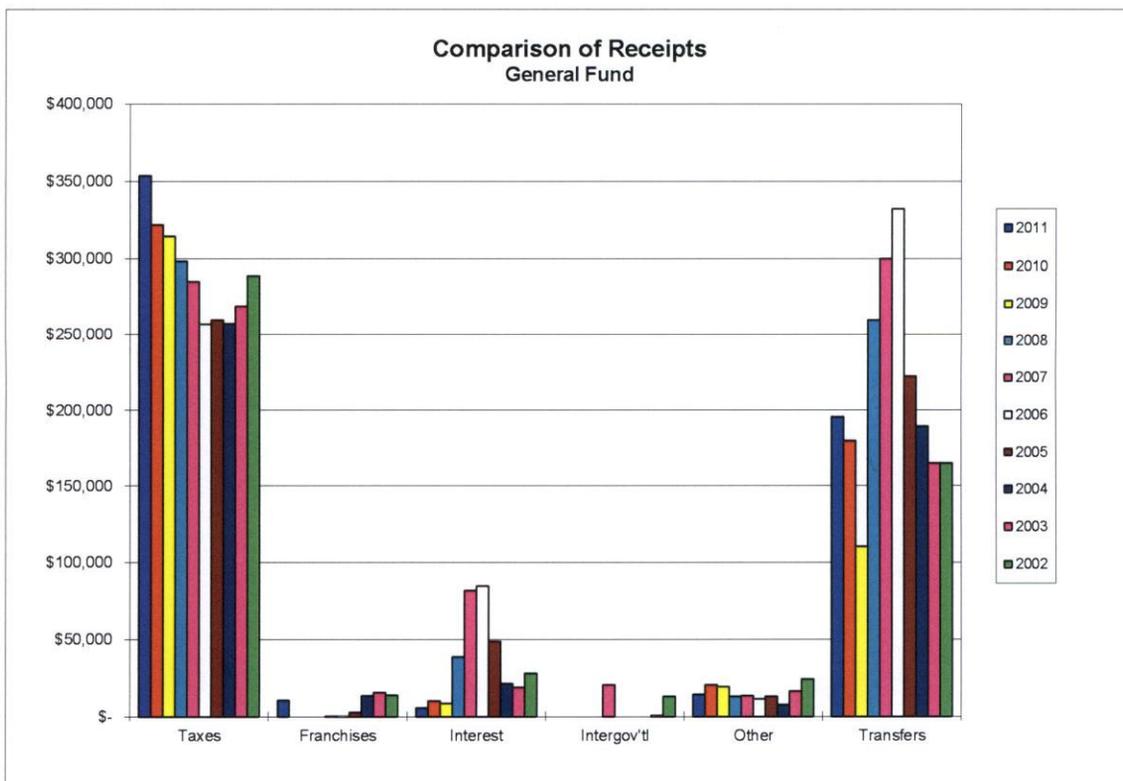
2011 Receipts  
 General Fund



2011 Taxes  
 General Fund

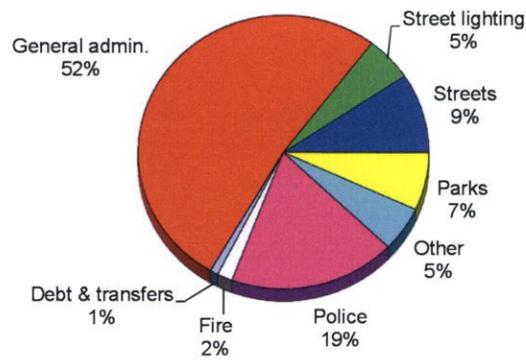


Comparison of Receipts  
 General Fund

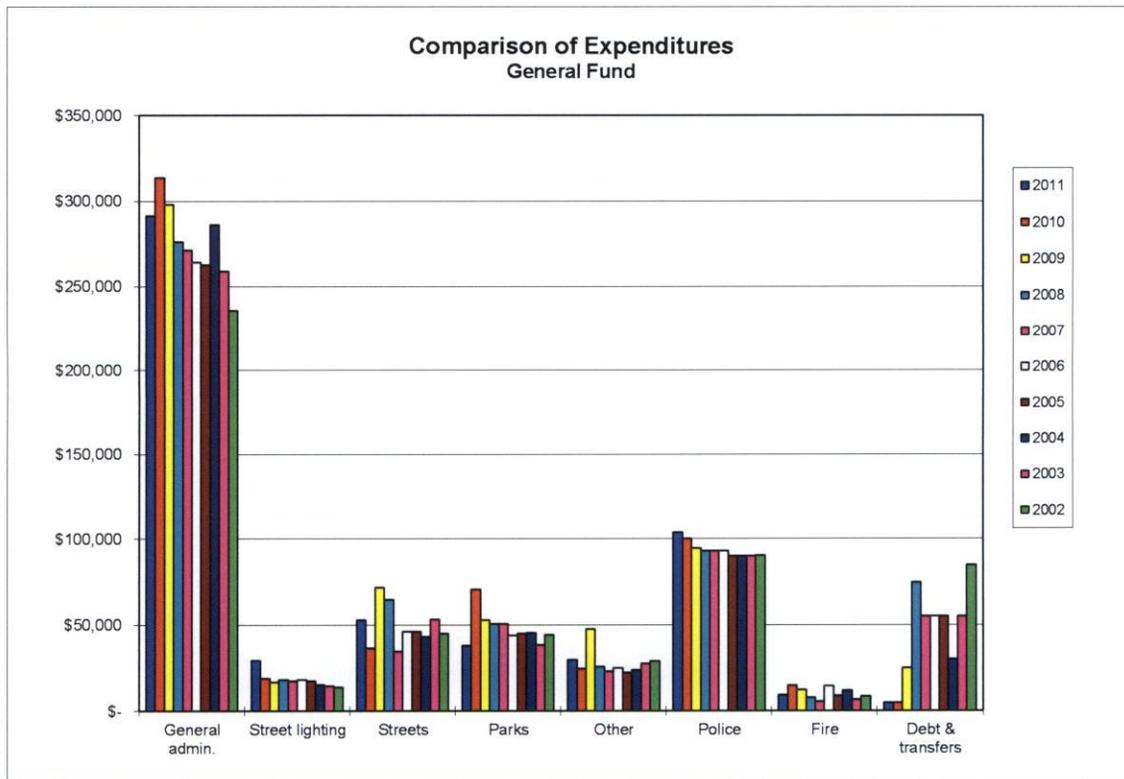


CITY OF SATANTA, KANSAS  
 Expenditures - General Fund  
 For the Year Ended December 31

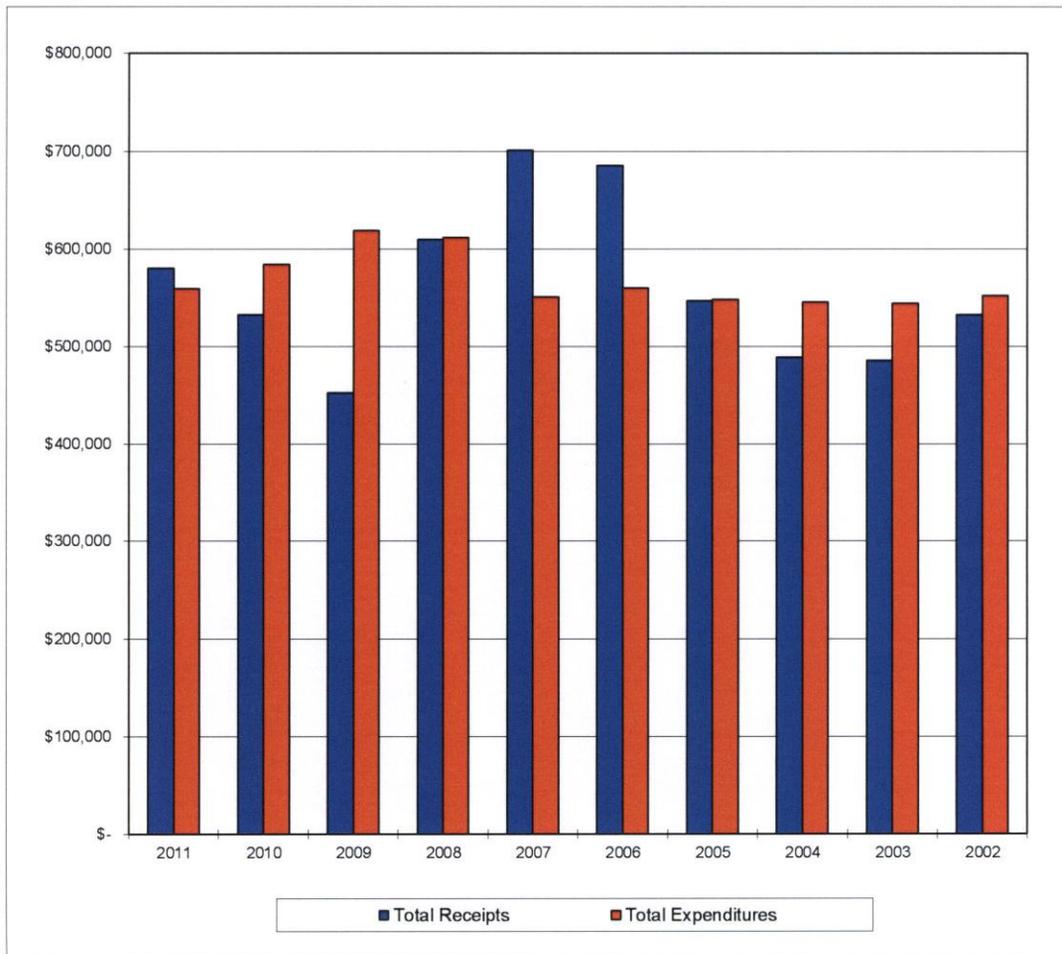
2011 Expenditures  
 General Fund



Comparison of Expenditures  
 General Fund



CITY OF SATANTA, KANSAS  
Comparison of Receipts and Expenditures - General Fund  
For the Year Ended December 31



CITY OF SATANTA, KANSAS  
Receipts - Gas Well Fund  
For the Year Ended December 31

