

CITY OF SEVERY, KANSAS

Financial Statements
and
Supplemental Information

with Independent Auditor's Report

For the Year Ended December 31, 2011

City of Severy, Kansas
Special Financial Statements
For the Fiscal Year Ended December 31, 2011

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Severy, Kansas

We have audited the summary statement of cash receipts, expenditures and unencumbered cash balances of the City of Severy, Kansas, as of and for the year ended December 31, 2011. This financial statement is the responsibility of the City of Severy, Kansas 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 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.

As described in Note 1, City of Severy, Kansas, has prepared this financial statement using accounting practices prescribed by the State of Kansas which demonstrates 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, is presumed to be material.

The financial statement referred to above includes only the primary government of the City, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the City's legal entity. The financial statement does not include the financial data of any legally separate component units which accounting principles generally accepted in the United States of America require to be reported with the financial data of the City's primary government.

In our opinion, because of the City's policy to prepare its financial statement on the basis of accounting discussed in the preceding two paragraphs, 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 City of Severy, Kansas, as of December 31, 2011, or the respective changes in financial position and changes in cash flows, where applicable, for the year then ended.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of City of Severy, 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, individual fund schedules of cash receipts and expenditures-actual and budget, schedule of cash receipts and expenditures-agency funds (Schedule 1, 2, and 3, as listed in the table of contents) are presented for analysis and are not a required part of the statutory financial statement. This 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 taken as a whole.

This report is intended solely for the information and use of the governing body and management of City of Severy, Kansas, and for filing with the Kansas Department of Administration, Division of Accounts and Reports, the cognizant federal agency, and other federal audit agencies. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Respectfully Submitted,

Schlottbeck and Burns, LLC

October 15, 2012

City of Severy, Kansas
 Summary of Receipts, Expenditures, and Unencumbered Cash
 Regulatory Basis
 For the Year Ended December 31, 2011

	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:						
General	\$ 25,229	73,623	68,001	30,851	2,179	33,030
Special Revenue:						
Cemetery	4,280	5,781	7,817	2,244		2,244
Cemetery Upkeep Reserve	7,327	507		7,834		7,834
Employee Benefits	(178)	12,511	11,348	985	37	1,022
Fire Reserve	1,447	397	1,780	64	29	93
Park	1,633	1,080	1,407	1,306	108	1,414
Special Equipment Reserve	195			195		195
Special Highway	5,322	8,021	13,052	291		291
Enterprise:						
Sewer Utility	48,167	27,582	25,690	50,059	1,391	51,450
Water Utility	14,093	81,549	75,080	20,562	1,153	21,715
Solid Waste Disposal	28,043	24,038	24,251	27,830		27,830
Expendable Trusts:						
Health Care Trust	<u>6,449</u>	<u>3,800</u>	<u>9,025</u>	<u>1,224</u>		<u>1,224</u>
Total Primary Government	<u><u>142,007</u></u>	<u><u>238,889</u></u>	<u><u>237,451</u></u>	<u><u>143,445</u></u>	<u><u>4,897</u></u>	<u><u>148,342</u></u>
Composition of Cash:						
Certificates of Deposit						44,145
Demand Deposit						<u>104,197</u>
Total Primary Government						<u><u>148,342</u></u>

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

City of Severy, Kansas
Notes to Financial Statements
For the Year Ended December 31, 2011

Note 1 Summary of Significant Accounting Policies

A. Reporting Entity

The City of Severy, Kansas is a municipal corporation governed by an elected mayor and five-member council. These financial statements present the City of Severy, Kansas as a primary government only. The City has waived the application of generally accepted accounting principles and as such, have not included any component units in these financial statements.

B. Basis of Presentation

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 ended December 31, 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 law or administrative action to expenditure for specified purposes.

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 (expenses, including depreciation) 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 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.

City of Severy, Kansas
Notes to Financial Statements
For the Year Ended December 31, 2011

C. 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. 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 adopted an ordinance that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of accounting principles generally accepted in the United States of America 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, cash disbursements, 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 expenses, 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 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, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

D. Budgets

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. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

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. During 2011, the City had no such amendments.

City of Severy, Kansas
Notes to Financial Statements
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 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. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

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

Cemetery Upkeep Reserve Fund
Fire Reserve Fund
Special Equipment Reserve Fund

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.

E. Assets, Liabilities, and Fund Equity

Cash

To facilitate better management of the City's cash resources, excess cash is combined in pooled operating accounts. Each fund's portion of total cash is based on its equity in the pooled cash amount. Cash in excess of current operating needs is invested on a pooled investment basis and earnings thereon are credited to the general fund, as provided by Kansas Statutes, or other funds as designated by City ordinance.

Property Taxes and Other Receivables

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.

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

City of Severy, Kansas
Notes to Financial Statements
For the Year Ended December 31, 2011

Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the County 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.

K.S.A. 12-1675 allows the City to deposit idle funds in time deposits-open accounts, and certificates of deposit with allowable financial institutions and to invest idle funds in U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool.

The City held no investments at December 31, 2011 and held no investments throughout the year.

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 has not designated any peak periods.

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.

At December 31, 2011, the carrying amount of the City's deposits was \$148,342 and the bank balance was \$155,460. The bank balance was fully secured by federal depository insurance.

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. No physical inventories were taken at year end and no accounting controls exist for control of materials inventory.

Long-Term Debt

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

City of Severy, Kansas
Notes to Financial Statements
For the Year Ended December 31, 2011

F. Revenues and Expenditures

Property Tax Revenue Recognition

Property taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. Delinquent taxes are assessed interest at rates established by Kansas Statute. This interest is retained by the County.

Taxes levied to finance the budget are made available to the City after January 1st and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January.

Reimbursed Expenses

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses 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 reimbursed expense was directly tied to the amount of the original cash disbursement.

Interfund Transactions

Quasi-external transactions are accounted for as revenue, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Note 2 Stewardship, Compliance, and Accountability

Compliance with Kansas Cash Basis Law

No violations.

Compliance with Kansas Depository Security Law

No violations.

Compliance with Kansas Budget Law

Expenditures and encumbrances exceeded the adopted budget of the Special Highway Fund in the amount of \$3,952.

City of Severy, Kansas
Notes to Financial Statements
For the Year Ended December 31, 2011

Note 3 Detail Notes on All Funds and Account Groups

A. Assets:

General Fixed Assets

The City has not maintained a record of fixed assets used in performance of general governmental operations as required by generally accepted accounting principles.

The City has waived the application of generally accepted accounting principles through December 31, 2011, in accordance with K.S.A. 75-1120(a).

B. Liabilities:

Defined Benefit Pension Plan

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 75-4901, 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) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-419 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates.

General Long-Term Debt

Kansas cities are limited to aggregate debt not to exceed 30% of assessed valuation of tangible taxable property in the City. The City's assessed valuation at November 1, 2011 was \$781,032. At December 31, 2011, the City had no outstanding bonded indebtedness. The resulting legal debt margin for the City is \$234,310.

At December 31, 2011, the City has two loans outstanding through the Kansas Department of Health and Environment. These loans were funded through the State's KWPCRF program, with the proceeds being used in connection with various construction projects in prior years.

Also, at December 31, 2011, the City is obligated under two lease purchase agreements, one for the purchase of equipment and the other for a long-term water tower renovation contract.

City of Severy, Kansas
Notes to Financial Statements
For the Year Ended December 31, 2011

Changes in Outstanding Debt

Changes in the City's outstanding long-term debt, for the year ended December 31, 2011, were as follows:

<u>Issue</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
<u>State Revolving Loans:</u>									
Salt Creek Project	4.650%	12/22/99	\$ 143,624	08/01/20	88,595		7,070	81,525	4,038
Sewer Project	2.720%	11/26/07	153,840	09/01/29	141,557		5,979	135,578	3,810
<u>Lease Purchase Agreements:</u>									
Tractor	4.986%	05/19/06	39,984	05/08/12	14,644		7,144	7,500	730
Water Tower Renovation	Not stated	11/15/11	128,834	11/15/21	0	128,834		128,834	0
Total Contractual Indebtedness					244,796	128,834	20,193	353,437	8,578

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

<u>Fiscal Year</u>	<u>State Revolving Loans</u>		<u>Lease Purchase Agreements</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2012	\$ 13,544	7,352	21,264	374	42,534
2013	14,061	6,836	13,764		34,661
2014	14,598	6,298	13,764		34,660
2015	15,158	5,739	13,764		34,661
2016	15,740	5,157	13,764		34,661
2017-2021	77,996	16,291	60,014		154,301
2022-2026	42,502	6,440			48,942
2027-2031	23,504	967			24,471
Total	217,103	55,080	136,334	374	408,891

C. Operating Transfers:

<u>From</u>	<u>To</u>	<u>Amount</u>
Solid Waste Disposal Fund	General Fund	\$ 5,000
Employee Benefits Fund	Health Care Trust Fund	3,800
General Fund	Employee Benefits Fund	1,000

Note 4 Summary, Disclosure of Significant Contingencies

Federally Assisted Programs - Compliance Audits

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

City of Severy, Kansas
Notes to Financial Statements
For the Year Ended December 31, 2011

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance to cover its risk of loss, including workers' compensation and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

City of Severy, Kansas
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2011

Schedule 1

	<u>Certified Budget</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Favorable (Unfavorable)</u>
Governmental Type Funds:			
General	\$ 101,444	68,001	33,443
Special Revenue:			
Cemetery	12,500	7,817	4,683
Employee Benefits	12,300	11,348	952
Park	2,178	1,407	771
Special Highway	9,100	13,052	(3,952)
Enterprise:			
Sewer Utility	72,529	25,690	46,839
Water Utility	104,563	75,080	29,483
Solid Waste Disposal	<u>52,068</u>	<u>24,251</u>	<u>27,817</u>
Totals	<u><u>366,682</u></u>	<u><u>226,646</u></u>	<u><u>140,036</u></u>

City of Severy, Kansas
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Current Year Actual	Budget	
Cash Receipts				
Taxes				
Ad Valorem Tax	\$ 41,998	43,221	45,486	(2,265)
Motor Vehicle Tax	8,844	9,744	9,043	701
Recreational Vehicle Tax	168	181	194	(13)
Delinquent Tax	2,918	3,437	1,565	1,872
16/20 M Truck Tax	24	18	20	(2)
Total Taxes	<u>53,952</u>	<u>56,601</u>	<u>56,308</u>	<u>293</u>
Licenses, Fees, and Permits				
Franchise Fee	12,068	9,503	10,500	(997)
Licenses and Permits	200		200	(200)
Total Licenses, Fees, and Permits	<u>12,268</u>	<u>9,503</u>	<u>10,700</u>	<u>(1,197)</u>
Use of Money and Property				
Interest on Investments	<u>178</u>	<u>111</u>	<u>250</u>	<u>(139)</u>
Transfers				
Operating Transfers In		<u>5,000</u>		<u>5,000</u>
Miscellaneous				
Other	<u>3,086</u>	<u>2,408</u>		<u>2,408</u>
Total Cash Receipts	<u>69,484</u>	<u>73,623</u>	<u>67,258</u>	<u>6,365</u>
Expenditures and Transfers				
General Government				
Personal Services	29,392	27,408	36,000	8,592
Contractual Services	19,211	19,329	20,570	1,241
Commodities	3,257	3,908	5,000	1,092
Capital Outlay		<u>972</u>	<u>16,500</u>	<u>15,528</u>
Total General Government	<u>51,860</u>	<u>51,617</u>	<u>78,070</u>	<u>26,453</u>
Public Works				
Contractual Services	<u>6,832</u>	<u>7,034</u>	<u>12,500</u>	<u>5,466</u>
Capital Expenditures				
Capital Outlay	<u>7,875</u>	<u>8,350</u>	<u>7,874</u>	<u>(476)</u>
Transfers				
Operating Transfers Out	<u>12,928</u>	<u>1,000</u>	<u>3,000</u>	<u>2,000</u>
Total Expenditures and Transfers	<u>79,495</u>	<u>68,001</u>	<u>101,444</u>	<u>33,443</u>
Receipts Over (Under)				
Expenditures and Transfers	(10,011)	5,622		
Unencumbered Cash, Beginning	<u>35,240</u>	<u>25,229</u>		
Unencumbered Cash, Ending	<u>25,229</u>	<u>30,851</u>		

City of Severy, Kansas
Cemetery Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2011

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Current Year Actual	Budget	
Cash Receipts				
Taxes				
Ad Valorem Tax	\$ 2,926	2,755	2,900	(145)
Motor Vehicle Tax	1,374	845	630	215
Recreational Vehicle Tax	26	22	14	8
Delinquent Tax	297	406	109	297
16/20 M Truck Tax	4	3	1	2
Total Taxes	<u>4,627</u>	<u>4,031</u>	<u>3,654</u>	<u>377</u>
Charges for Services				
Burial Fees	<u>3,849</u>	<u>1,300</u>	<u>2,000</u>	(<u>700</u>)
Miscellaneous				
Sale of Lots	<u>300</u>	<u>450</u>	<u>250</u>	<u>200</u>
Total Cash Receipts	<u>8,776</u>	<u>5,781</u>	<u>5,904</u>	(<u>123</u>)
Expenditures and Transfers				
Public Works				
Personal Services	3,789	3,617	4,000	383
Contractual Services	5,500	4,200	6,500	2,300
Commodities	<u>331</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Total Expenditures and Transfers	<u>9,620</u>	<u>7,817</u>	<u>12,500</u>	<u>4,683</u>
Receipts Over (Under)				
Expenditures and Transfers	(844)	(2,036)		
Unencumbered Cash, Beginning	<u>5,124</u>	<u>4,280</u>		
Unencumbered Cash, Ending	<u>4,280</u>	<u>2,244</u>		

City of Severy, Kansas
Cemetery Upkeep Reserve Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Use of Money and Property		
Interest on Investments	\$ <u>105</u>	<u>57</u>
Miscellaneous		
Sale of Lots	<u>300</u>	<u>450</u>
Total Cash Receipts	<u>405</u>	<u>507</u>
 Expenditures and Transfers		
None	<u> </u>	<u> </u>
 Receipts Over (Under)		
Expenditures and Transfers	405	507
 Unencumbered Cash, Beginning	<u>6,922</u>	<u>7,327</u>
Unencumbered Cash, Ending	<u><u>7,327</u></u>	<u><u>7,834</u></u>

City of Severy, Kansas
Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2011

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Current Year Actual	Budget	
Cash Receipts				
Taxes				
Ad Valorem Tax	\$ 8,662	8,770	9,230	(460)
Motor Vehicle Tax	1,779	2,059	1,865	194
Recreational Vehicle Tax	28	40	40	
Delinquent Tax	231	638	323	315
16/20 M Truck Tax	3	4	4	
Total Taxes	<u>10,703</u>	<u>11,511</u>	<u>11,462</u>	<u>49</u>
Transfers				
Operating Transfers In		1,000		1,000
Total Cash Receipts	<u>10,703</u>	<u>12,511</u>	<u>11,462</u>	<u>1,049</u>
Expenditures and Transfers				
General Government				
Personal Services	7,163	7,548	9,800	2,252
Contractual Services	15		2,500	2,500
Operating Transfers Out	4,800	3,800		(3,800)
Total Expenditures and Transfers	<u>11,978</u>	<u>11,348</u>	<u>12,300</u>	<u>952</u>
Receipts Over (Under)				
Expenditures and Transfers	(1,275)	1,163		
Unencumbered Cash, Beginning	<u>1,097</u>	(<u>178</u>)		
Unencumbered Cash, Ending	(<u>178</u>)	<u>985</u>		

City of Severy, Kansas
Fire Reserve Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Transfers		
Operating Transfers In	\$ 3,000	
Miscellaneous		
Other	<u>466</u>	<u>397</u>
Total Cash Receipts	<u>3,466</u>	<u>397</u>
Expenditures and Transfers		
Public Safety		
Contractual Services		1,257
Commodities	549	239
Capital Outlay	<u>3,542</u>	<u>284</u>
Total Expenditures and Transfers	<u>4,091</u>	<u>1,780</u>
Receipts Over (Under)		
Expenditures and Transfers	(625)	(1,383)
Unencumbered Cash, Beginning	<u>2,072</u>	<u>1,447</u>
Unencumbered Cash, Ending	<u><u>1,447</u></u>	<u><u>64</u></u>

City of Severy, Kansas
Park Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Current Year Actual	Budget	
Cash Receipts				
Intergovernmental				
State Grant	\$ 258	1,030	1,030	
Miscellaneous				
Other	1,218	50	150	(100)
Total Cash Receipts	<u>1,476</u>	<u>1,080</u>	<u>1,180</u>	<u>(100)</u>
Expenditures and Transfers				
Culture and Recreation				
Personal Services			400	400
Contractual Services	1,396	1,407	1,230	(177)
Commodities	112		548	548
Total Expenditures and Transfers	<u>1,508</u>	<u>1,407</u>	<u>2,178</u>	<u>771</u>
Receipts Over (Under)				
Expenditures and Transfers	(32)	(327)		
Unencumbered Cash, Beginning	<u>1,665</u>	<u>1,633</u>		
Unencumbered Cash, Ending	<u>1,633</u>	<u>1,306</u>		

City of Severy, Kansas
Special Equipment Reserve Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
None	\$ _____	_____
Expenditures and Transfers		
None	_____	_____
Receipts Over (Under)		
Expenditures and Transfers		
Unencumbered Cash, Beginning	195	195
Unencumbered Cash, Ending	195	195

City of Severy, Kansas
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2011

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Current Year Actual	Budget	
Cash Receipts				
Intergovernmental				
Special City & County Highway	\$ 8,686	7,540	9,100	(1,560)
Transfers				
Operating Transfers In	9,928			
Miscellaneous				
Sale of Surplus Property	106			
Other	221	481		481
Total Miscellaneous	327	481		481
Total Cash Receipts	18,941	8,021	9,100	(1,079)
Expenditures and Transfers				
Public Works				
Personal Services	9,473	9,042	7,600	(1,442)
Contractual Services	1,067			
Commodities	3,839	4,010	1,500	(2,510)
Total Expenditures and Transfers	14,379	13,052	9,100	(3,952)
Receipts Over (Under)				
Expenditures and Transfers	4,562	(5,031)		
Unencumbered Cash, Beginning	760	5,322		
Unencumbered Cash, Ending	5,322	291		

City of Severy, Kansas
Sewer Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2011

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Current Year Actual	Budget	
Cash Receipts				
Use of Money and Property				
Interest on Investments	\$ 308	182	325	(143)
Charges for Services				
Customer Charges	28,800	26,912	30,000	(3,088)
Penalties	580	488	600	(112)
Total Charges for Services	29,380	27,400	30,600	(3,200)
Total Cash Receipts	29,688	27,582	30,925	(3,343)
Expenditures and Transfers				
Public Utilities				
Personal Services	9,473	9,042	10,000	958
Contractual Services	1,682	3,413	5,000	1,587
Commodities	3,554	3,096	5,000	1,904
Capital Outlay	169	350	41,373	41,023
Reimbursed Expense	(1,995)			
Total Public Utilities	12,883	15,901	61,373	45,472
Debt Service				
KWPCRF Loan				
Principal	6,965	5,979	6,814	835
Interest	3,508	3,810	4,342	532
Total KWPCRF Loan	10,473	9,789	11,156	1,367
Total Expenditures and Transfers	23,356	25,690	72,529	46,839
Receipts Over (Under)				
Expenditures and Transfers	6,332	1,892		
Unencumbered Cash, Beginning	41,835	48,167		
Unencumbered Cash, Ending	48,167	50,059		

City of Severy, Kansas
Water Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2011

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Current Year Actual	Budget	
Cash Receipts				
Use of Money and Property				
Interest on Investments	\$ 26	33	30	3
Charges for Services				
Customer Charges	76,210	74,353	72,000	2,353
Penalties	1,960	1,536	1,900	(364)
Customer Hookup Fees	325	1,090	350	740
Bulk Water Sales	1,350	2,790	1,500	1,290
Total Charges for Services	<u>79,845</u>	<u>79,769</u>	<u>75,750</u>	<u>4,019</u>
Miscellaneous				
Other	1,066	1,747	1,750	(3)
Total Cash Receipts	<u>80,937</u>	<u>81,549</u>	<u>77,530</u>	<u>4,019</u>
Expenditures and Transfers				
Public Utilities				
Personal Services	16,357	15,567	15,000	(567)
Contractual Services	16,677	17,932	15,000	(2,932)
Commodities	30,578	30,123	15,000	(15,123)
Capital Outlay	2,735	350	48,455	48,105
Total Public Utilities	<u>66,347</u>	<u>63,972</u>	<u>93,455</u>	<u>29,483</u>
Debt Service				
KWPCRF Loan				
Principal	6,752	7,070	7,069	(1)
Interest	4,356	4,038	4,039	1
Total KWPCRF Loan	<u>11,108</u>	<u>11,108</u>	<u>11,108</u>	
Total Expenditures and Transfers	<u>77,455</u>	<u>75,080</u>	<u>104,563</u>	<u>29,483</u>
Receipts Over (Under)				
Expenditures and Transfers	3,482	6,469		
Unencumbered Cash, Beginning	<u>10,611</u>	<u>14,093</u>		
Unencumbered Cash, Ending	<u>14,093</u>	<u>20,562</u>		

City of Severy, Kansas
Solid Waste Disposal Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2011

(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Current Year Actual	Budget	
Cash Receipts				
Use of Money and Property				
Interest on Investments	\$ 229	114	250	(136)
Charges for Services				
Customer Charges	24,718	23,488	27,500	(4,012)
Penalties	731	436	650	(214)
Total Charges for Services	25,449	23,924	28,150	(4,226)
Total Cash Receipts	25,678	24,038	28,400	(4,362)
Expenditures and Transfers				
Public Utilities				
Personal Services			3,000	3,000
Contractual Services	21,703	19,251	25,000	5,749
Commodities	200		1,000	1,000
Capital Outlay			23,068	23,068
Total Public Utilities	21,903	19,251	52,068	32,817
Transfers				
Operating Transfers Out		5,000		(5,000)
Total Expenditures and Transfers	21,903	24,251	52,068	27,817
Receipts Over (Under)				
Expenditures and Transfers	3,775	(213)		
Unencumbered Cash, Beginning	24,268	28,043		
Unencumbered Cash, Ending	28,043	27,830		

City of Severy, Kansas
Health Care Trust Fund
Summary of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2011
(With Comparative Actual Totals for the Prior Year Ended December 31, 2010)

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Cash Receipts		
Transfers		
Operating Transfers In	\$ <u>4,800</u>	<u>3,800</u>
Total Cash Receipts	<u>4,800</u>	<u>3,800</u>
 Expenditures and Transfers		
General Government		
Personal Services	<u>2,110</u>	<u>9,025</u>
Total Expenditures and Transfers	<u>2,110</u>	<u>9,025</u>
 Receipts Over (Under)		
Expenditures and Transfers	2,690	(5,225)
 Unencumbered Cash, Beginning	<u>3,759</u>	<u>6,449</u>
Unencumbered Cash, Ending	<u><u>6,449</u></u>	<u><u>1,224</u></u>

City of Severy, Kansas
Fiduciary Funds
Summary of Receipts, Disbursements and Balances
For the Year Ended December 31, 2011

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Payroll Clearing Fund	\$ 1,093	91,997	93,090	0