

City of South Haven, Kansas

Annual Financial Report

December 31, 2011

Governing Body

Don Minor, Mayor
Linda Elliott
Lonnie Ingram
Crystal Smith
David Brown
Diana Locke

City Clerk

Amy Brown

Independent Auditor

Kenneth L Cooper Jr CPA, Chtd
Certified Public Accountant
Wellington, Kansas

City of South Haven, Kansas
Statutory Basis Financial Statements
Year Ended December 31, 2011

<u>Item</u>	<u>Page Number</u>
Independent Auditor's Report.....	1-2
Statement 1	
Summary of Cash Receipts, Expenditures and Unencumbered Cash.....	3
Notes to Financial Statement.....	4-11
Schedule 1	
Summary of Expenditures--Actual and Budget.....	12
Schedule 2	
Schedule of Cash Receipts and Expenditures (Statutory Basis)--Actual and Budget	
General Fund.....	13-14
Special Revenue Funds:	
Special Highway	15
Firefighter Donation.....	16
Debt Service Fund:	
Bond & Interest	17
Capital Project Fund:	
Water Improvement Fund-CDBG.....	18
Enterprise Funds:	
Sewer Utility Fund.....	19
Water Utility Fund.....	20

KENNETH L COOPER JR CPA, CHTD
Certified Public Accountant

Independent Auditor's Report

To the Honorable Mayor and City Council
City of South Haven
South Haven, Kansas

I have audited the summary statement of cash receipts, expenditures, and unencumbered cash balances of South Haven, Kansas, as of and for the year ended December 31, 2011. This financial statement is the responsibility of the City's management. My responsibility is to express an opinion on the financial statement based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit Guide*. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

As described more fully 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 statement of the variances between these statutory practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In my opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of The City of South Haven, Kansas as of December 31, 2011, or the respective changes in financial position and changes in cash flows, were applicable, for the year then ended.

In my opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of South Haven 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.

My audit was conducted for the purpose of forming an opinion on the financial statement. The summary of expenditures-actual and budget, and the individual fund schedules of cash receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the statutory financial 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 or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my 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-actual and budget, (Schedule 2 as listed in the table of contents) are also presented for comparative

analysis and are not a required part of the 2010 financial statements upon which I rendered an unqualified opinion dated October 11, 2011. The 2010 financial statements and my accompany 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://da.ks.gov/ar/muniserv/>. 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 my opinion, the 2010 comparative information is fairly stated in all material respects in relation to the 2010 financial statements as a whole.


Certified Public Accountant

October 18, 2012

City of South Haven, Kansas
Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended December 31, 2011

<u>Funds</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Outstanding Encumbrances/ Accounts Pay.</u>	<u>Ending Cash Balance</u>
General	\$ 12,736	\$ 107,193	\$ 100,958	\$ 18,971	\$ 1,503	\$ 20,474
Special Revenue Funds:						
Special Highway	3,548	9,278	5,941	6,885	-	6,885
Firefighter's Donation	-	13,477	7,493	5,984	-	5,984
Debt Service Funds:						
Bond & Interest	1,409	4,730	4,936	1,203	-	1,203
Capital Project Funds:						
Water Improvement Fund-CDBG	-	-	-	-	-	-
Enterprise Funds:						
Sewer	3,883	14,395	17,233	1,045	211	1,256
Water	<u>23,989</u>	<u>97,992</u>	<u>99,322</u>	<u>22,659</u>	<u>755</u>	<u>23,414</u>
Total primary Government	<u>\$ 45,565</u>	<u>\$ 247,065</u>	<u>\$ 235,883</u>	<u>\$ 56,747</u>	<u>\$ 2,469</u>	<u>\$ 59,216</u>
Composition of Cash:						
Checking Accounts:						
Bank of Commerce & Trust Co-Operating						\$ 53,232
Bank of Commerce & Trust Co-Fire Dept. Donations						<u>5,984</u>
						<u>\$ 59,216</u>

City of South Haven, Kansas

Notes to Financial Statements

December 31, 2011

1. Summary of Significant Accounting Policies

The City has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas.

Reporting Entity

The City of South Haven is a municipal corporation operating under a Mayor-Council form of government. It provides the following services: Public Safety-Fire, Streets, Public Improvements, Water, Sewer, Refuse, and General Administrative Services. The City receives funding from local, state, and federal governmental sources and must comply with the restrictions of these funding sources. However, the City is not included in any other reporting entity since the Mayor and Council are elected by the public and have decision making authority. Under Governmental Accounting Standards Board (GASB) Statement 14, there are no component units includable in the reporting entity.

Budgets

Applicable Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless exempted by a specific statute), debt service funds and enterprise funds. All budgets are prepared utilizing the modified accrual basis further modified by the encumbrance method of accounting – that is, commitments evidenced by documents such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures.

The statutes provide for the following sequence and timetable in adoption of budgets:

- a. Preparation of budget for the succeeding calendar year on or before August 1st.
- 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 15th, but at least ten days after publication of notice of hearing.
- d. Adoption of final budget on or before August 25th

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

Kansas 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.

City of South Haven, Kansas

Notes to Financial Statements

December 31, 2011

1. Summary of Significant Accounting Policies (continued)

Budgets (continued)

All legal annual operating budgets are prepared using statutory basis of accounting as described below. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special revenue fund –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 use of internal spending limits established by the governing body.

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the budget has been adjusted when necessary to show compliance with the budget law.

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.

Departure from Generally Accepted Accounting Principles

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 expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under generally accepted accounting principles, 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 may not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. General fixed assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements.

City of South Haven, Kansas

Notes to Financial Statements

December 31, 2011

1. Summary of Significant Accounting Policies (continued)

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of Generally Accepted Accounting Principles and allowing the City to use the statutory basis of accounting for 2011.

Cash Equivalents

The City had no cash equivalents in 2011.

Cash balances in all funds are considered in determining the amount to be invested, and unless specifically designated, investment income should be apportioned to the various funds in the ratio of funds invested.

Property Taxes and Other Receivables

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and are levied 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 with 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 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 and property taxes are recognized when received.

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.

Federal and State grant aid is reported as revenue when the related reimbursable expenditures are incurred. Unrestricted aid is reported as revenue in the fiscal year the entitlement is received.

Licenses, franchises, fees, fines, penalties, charges for services and other revenues are recorded when received in cash.

City of South Haven, Kansas

Notes to Financial Statements

December 31, 2011

1. Summary of Significant Accounting Policies (continued)

Investments

There were no investments or Certificates of Deposit held by the City in 2011.

General Fixed Assets

The City does not record capital fixed assets, such as land, building and equipment, in the general fixed assets account group, as required by generally accepted accounting principles. The disbursements for the purchase of these assets are considered as expenditures and no record of the fixed assets is reflected in the financial statements.

Special Assessments

Projects financed in part by special assessments are financed through the issuance of general obligation bonds, which are secured by the full faith and credit of the City and are retired from the City's debt service fund. Further, state statutes permit the levying of additional general ad valorem property taxes in the City's debt service fund to finance delinquent special assessments receivable. Consequently, special assessments receivable are accounted for within the debt service fund. Special assessment taxes are levied over a ten or fifteen year period and the annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears.

Lease Obligations

Long-term leases are not generally capitalized unless the terms of the lease include an option to purchase at such a price the payments made on the lease clearly represent the purchase of an economic interest. There were no lease obligations during 2011.

Compensated Absences

Vacation leave is earned beginning with the completion of the training period for full-time employees. The one full time employee receives two weeks of vacation per year. Vacation may be accumulated year to year. No employee may choose to receive pay instead of vacation. Any employee who resigns or is discharged for unsatisfactory performance or is laid off will receive pay for the unused vacation earned. Any retiring employee is to be paid all earned and unused vacation. At 12/31/11 the full time employee would have earned two weeks of vacation to be used for an estimated liability of \$1,500.

Pension Plan and Other Post Employment Benefits

The City does not offer a pension plan or post employment benefits to its employees.

Risk Management

The City generally covers its risk of loss with insurance coverage. There have not been any claims in the past three years in excess of the amount of insurance.

City of South Haven, Kansas

Notes to Financial Statements

December 31, 2011

2. Fund Descriptions

In governmental 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 2011:

Governmental Funds

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

Special Revenue Funds are used 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.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt, and the financing of special assessments which are general obligations of the City.

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

Capital Project Funds are used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by enterprise funds

City of South Haven, Kansas

Notes to Financial Statements

December 31, 2011

3. Cash and Cash Equivalents

Deposits

State law requires that the City deposit its funds in financial institutions that 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 bank's provide an acceptable rate of return. In addition, state law requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies which would limit concentration of credit or custodial credit risk. State law places no limit on the amount the City may deposit with any bank, as long as the deposits are adequately insured or secured. The City's deposits at year-end, consisting of checking and savings accounts had a carrying amount of \$80,514.74, all with one bank, constituting a concentration of credit risk. However, at December 31, 2011, the City bank balances were under the \$250,000 in coverage provided by the FDIC. All city deposits are considered the lowest risk custodial risk, Category 1.

The City is authorized by state law to invest in deposits of local financial institutions and, in certain instances, specified United States Treasury obligations and repurchase agreements.

4. Long-Term Debt

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/Payments	Balance End of Year
General Obligation Bonds								
Series 2004	5.4%	9/1/2004	47,000	9/1/2019	\$ 32,000	\$ -	\$ 3,000	\$ 29,000
Series 2008	4.1%	8/15/2008	774,000	8/15/2048	757,827	-	8,590	749,237
					\$ 789,827	\$ -	\$ 11,590	\$ 778,237
Compensated Absences Payable					\$ 1,500	\$ -	\$ -	\$ 1,500
Total Long Term Debt					\$ 791,327	\$ -	\$ 11,590	\$ 779,737

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

	2012	2013	2014	2015	2016	2017-2021	2022-2026	2027-2031	2032-2036	2037-2041	2042-2046	2047-2048	Total
Principal													
Series 2004 GO Bond	3,000	3,000	3,000	4,000	4,000	12,000	-	-	-	-	-	-	29,000
Series 2008 GO Bond	8,860	9,310	9,694	10,094	10,430	59,327	72,619	88,889	108,760	133,193	163,039	75,022	749,237
	<u>11,860</u>	<u>12,310</u>	<u>12,694</u>	<u>14,094</u>	<u>14,430</u>	<u>71,327</u>	<u>72,619</u>	<u>88,889</u>	<u>108,760</u>	<u>133,193</u>	<u>163,039</u>	<u>75,022</u>	<u>778,237</u>
Interest													
Series 2004 GO Bond	1,552	1,391	1,230	1,070	856	1,284	-	-	-	-	-	-	7,383
Series 2008 GO Bond	30,991	30,541	30,157	29,757	29,421	139,925	126,634	110,364	90,492	66,058	36,213	4,677	725,230
	<u>32,543</u>	<u>31,932</u>	<u>31,387</u>	<u>30,827</u>	<u>30,277</u>	<u>141,209</u>	<u>126,634</u>	<u>110,364</u>	<u>90,492</u>	<u>66,058</u>	<u>36,213</u>	<u>4,677</u>	<u>732,613</u>

City of South Haven, Kansas

Notes to Financial Statements

December 31, 2011

5. Commitments

The City entered into an agreement on June 11, 2008 which grants an easement for access on land to the City for the purpose of the operation, maintenance and repair of the two existing wells, tanks, pipelines, and pumps as necessary. The City possesses the authority for the diversion of water from these two well sites. However, the City is liable to pay a sum equal to the amount of \$0.30 per 1,000 gallons of total raw water pumped in the excess of 200,000 as an easement fee. This easement contract will be in full force and effect for the time period of 40 years beginning January 1, 2011 through January 30, 2052.

6. Capital Projects Fund

The City had no capital projects in progress during 2011.

7. Interfund Transfers

Operating transfers in 2011 were:

To:	From:	
Firefighter Donation	General	2,338

8. Contingencies

Litigation

The City is a party to various legal proceedings that normally occur in the course of governmental operations. The financial statements do not include accruals or provisions for loss contingencies that may result from these proceedings. While the outcome of these proceedings cannot be predicted, the City feels that any settlement or judgment not covered by insurance purchased by the City would not have a material adverse effect on the financial condition of the City. 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. There were no pending proceedings as of December 31, 2011.

Grant Program Involvement

In the normal course of operations, the City participates in various federal or state grant programs from year to year. The programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material. The City was subject to a federal Single Audit in 2008, but did not meet the dollar threshold for this type of compliance audit in 2010 or 2011. It is not expected that any of its grant proceeds will be required to be repaid.

City of South Haven, Kansas

Notes to Financial Statements

December 31, 2011

9. Compliance with Finance-Related Legal and Contractual Provisions

- Encumbrance Records and Record of Unencumbered Budget Balance K.S.A. 10-1117 requires the clerk to maintain a record of indebtedness or liabilities against each fund. This record can be used to prevent liabilities from exceeding the cash balances in each fund or expenditures from exceeding budget. A record of encumbrances or liabilities against each fund was not maintained. In addition, the record required by K.S.A. 79-2934 showing the unencumbered budget balance of each fund was not maintained..
- Treasurer's Fund Record K.S.A. 10-1118 requires that the treasurer of every municipality keep records to show the amount of money in each fund. The Clerk at the City of South Haven maintains such records since there is no City Treasurer.
- Budget Law K.S.A. 79-2935 states that expenditures, including encumbrances, should not exceed the adopted budget of expenditures, plus any reimbursements of current year expenditures for such fund. The Sewer Fund exceeded its budget during 2011, as shown on Statement 2.

City of South Haven, Kansas
Summary of Expenditures-Actual and Budget
(Budgeted Funds Only)
For the Year Ended December 31, 2011

<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>	<u>Variance- Favorable/ (Unfavorable)</u>
General	\$ 110,454	\$ -	\$ 110,454	\$ 100,958	\$ 9,496
Special Revenue Funds:					
Special Highway	9,660		9,660	5,941	3,719
Firefighters Donation	-	11,139	11,139	7,493	3,646
Debt Service Funds:					
Bond & Interest	6,762		6,762	4,936	1,826
Enterprise Funds:					
Sewer	15,534	-	15,534	17,233	(1,699)
Water	<u>121,238</u>	<u>-</u>	<u>121,238</u>	<u>99,322</u>	<u>21,916</u>
Total primary Government	<u>\$ 263,648</u>	<u>\$ 11,139</u>	<u>\$ 274,787</u>	<u>\$ 235,883</u>	<u>\$ 38,904</u>

City of South Haven, Kansas**General Fund****Schedule of Cash Receipts and Expenditures (Statutory Basis)-Actual and Budget***For the Years Ended December 31, 2011 and 2010*

<u>Revenue</u>	2010 <u>Actual</u>	2011		Variance- Favorable/ Unfavorable
		<u>Actual</u>	<u>Budget</u>	
Taxes and Shared Revenue				
Ad valorem tax	\$ 45,841	\$ 49,620	\$ 57,532	\$ (7,912)
Delinquent tax	2,112	3,813	-	3,813
Motor vehicle tax	16,135	14,230	12,773	1,457
Recreational vehicle tax	216	275	152	123
16/20M vehicle tax	676	673	433	240
M&E slider tax	-	-	-	-
Special weed assessments	76	-	-	-
Electric franchise tax	2,288	2,578	6,000	(3,422)
Gas franchise tax	3,017	2,624	-	2,624
Telephone franchise tax	-	-	-	-
Tax distribution not received until 2010	(2,187)	-	-	-
Total taxes	<u>\$ 68,174</u>	<u>\$ 73,813</u>	<u>\$ 76,890</u>	<u>\$ (3,077)</u>
Other Revenue				
Police fines	\$ -	\$ -	\$ -	\$ -
Rural fire fees/other fire fees	6,905	5,733	3,200	2,533
Insurance dividend	756	642	2,500	(1,858)
Senior Center/Library insurance reimburse	-	-	800	(800)
Trash collections	21,953	21,425	22,000	(575)
Interest income	142	182	100	82
FEMA reimbursement	3,488	-	-	-
Fire Dept Donation Fund	8,681	-	-	-
Dog tags	342	159	-	159
Mowing	1,050	451	525	(74)
Reimbursements	1,004	4,788	-	4,788
Transfer from Water	-	-	-	-
Transfer from Sewer	-	-	-	-
Total other revenue	<u>\$ 44,321</u>	<u>\$ 33,380</u>	<u>\$ 29,125</u>	<u>\$ 4,255</u>
Total Revenue	<u>\$ 112,495</u>	<u>\$ 107,193</u>	<u>\$ 106,015</u>	<u>\$ 1,178</u>

City of South Haven, Kansas**General Fund****Schedule of Cash Receipts and Expenditures (Statutory Basis)-Actual and Budget***For the Years Ended December 31, 2011 and 2010*

<u>Expenditures</u>	2010 <u>Actual</u>	2011		Variance- Favorable/ Unfavorable
		<u>Actual</u>	<u>Budget</u>	
Contractual services	\$ -	\$ -	\$ 6,000	\$ 6,000
General government-operations	18,195	37,047	27,000	(10,047)
General government-personal services	14,840	10,294	20,000	9,706
Street lights	10,674	9,513	11,000	1,487
Fire-operations	20,434	14,136	12,000	(2,136)
Fire-personal services	-	1,689	-	(1,689)
Police-operations	1,311	1,331	6,000	4,669
Police-personal services	-	-	-	-
Trash contract/operations	21,953	21,425	22,000	575
NRP property tax rebate	104	3,185	200	(2,985)
Capital outlay	-	-	6,254	6,254
Transfer to Firefighter Donation	6,403	2,338	-	(2,338)
Transfer to Water	1,000	-	-	-
Transfer to Sewer	5,000	-	-	-
Total Expenditures	<u>\$ 99,914</u>	<u>\$ 100,958</u>	<u>\$ 110,454</u>	<u>\$ 9,496</u>
Adjustment qualifying for budget credit		-	-	-
		<u>\$ 100,958</u>	<u>\$ 110,454</u>	<u>\$ 9,496</u>
Revenues over (under) expenditures	\$ 12,581	\$ 6,235		
Unencumbered cash, beginning	<u>155</u>	<u>12,736</u>		
Unencumbered cash, ending	<u>\$ 12,736</u>	<u>\$ 18,971</u>		

City of South Haven, Kansas
Special Revenue Fund
Special Highway
Schedule of Cash Receipts and Expenditures (Statutory Basis)-Actual and Budget
For the Years Ended December 31, 2011 and 2010

<u>Revenue</u>	2010 <u>Actual</u>	<u>2011</u>		Variance- Favorable/ Unfavorable
		<u>Actual</u>	<u>Budget</u>	
Taxes and Shared Revenue				
State of Kansas Gas Tax	\$ 9,373	\$ 9,278	\$ 9,660	\$ (382)
Miscellaneous	-	-	-	-
Total cash receipts	<u>\$ 9,373</u>	<u>\$ 9,278</u>	<u>\$ 9,660</u>	<u>\$ (382)</u>
 <u>Expenditures</u>				
Personal services	\$ 2,851	\$ 1,435	\$ -	\$ (1,435)
Street repair and maintenance	<u>4,446</u>	<u>4,506</u>	<u>9,660</u>	<u>5,154</u>
Total expenditures	<u>\$ 7,297</u>	<u>\$ 5,941</u>	<u>\$ 9,660</u>	<u>\$ 3,719</u>
 Revenues over (under) expenditures	 \$ 2,076	 \$ 3,337		
 Unencumbered cash, beginning	 <u>1,472</u>	 <u>3,548</u>		
Unencumbered cash, ending	<u>\$ 3,548</u>	<u>\$ 6,885</u>		

City of South Haven, Kansas
Special Revenue Fund
Firefighter's Donation
Schedule of Cash Receipts and Expenditures (Statutory Basis)-Actual and Budget
For the Years Ended December 31, 2011 and 2010

<u>Revenue</u>	2010 <u>Actual</u>	2011		Variance- Favorable/ Unfavorable
		<u>Actual</u>	<u>Budget</u>	
Donations	\$ -	\$ 11,139	\$ -	\$ 11,139
Transfer from General Fund	-	2,338	-	2,338
Total cash receipts	<u>\$ -</u>	<u>\$ 13,477</u>	<u>\$ -</u>	<u>\$ 13,477</u>
<u>Expenditures</u>				
Purchases	\$ -	\$ 7,493	\$ -	\$ (7,493)
Adjustment for Qualifying Budget Credit	<u>\$ -</u>	<u>-</u>	<u>\$ 11,139</u>	<u>\$ 11,139</u>
Total expenditures	<u>\$ -</u>	<u>\$ 7,493</u>	<u>\$ 11,139</u>	<u>\$ 3,646</u>
Revenues over (under) expenditures	\$ -	\$ 5,984		
Unencumbered cash, beginning	<u>-</u>	<u>-</u>		
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ 5,984</u>		

City of South Haven, Kansas**Debt Service Fund
Bond and Interest****Schedule of Cash Receipts and Expenditures (Statutory Basis)-Actual and Budget***For the Years Ended December 31, 2011 and 2010*

<u>Revenue</u>	2010 <u>Actual</u>	2011		Variance- Favorable/ Unfavorable
		<u>Actual</u>	<u>Budget</u>	
Taxes and Shared Revenue				
Ad valorem tax	\$ 3,371	\$ 3,326	\$ 3,856	\$ (530)
Motor vehicle taxes	1,149	1,063	934	129
Rec vehicle tax	17	21	13	8
16/20M tax	32	55	21	34
Delinquent tax	148	117	-	117
M&E slider tax	-	-	-	-
Transfer From Water	-	-	-	-
Tax distribution not received until 2010	(147)	-	-	-
Miscellaneous	-	148	-	148
Total Cash Receipts	<u>\$ 4,570</u>	<u>\$ 4,730</u>	<u>\$ 4,824</u>	<u>\$ (94)</u>
Expenditures				
Principal	\$ 3,000	\$ 3,000	\$ 3,000	\$ -
Interest	1,874	1,713	1,712	(1)
Neighborhood Revitalization Rebate	-	223	25	(198)
Other	8	-	2,025	2,025
New bond issue debt service	-	-	-	-
Total Expenditures	<u>\$ 4,882</u>	<u>\$ 4,936</u>	<u>\$ 6,762</u>	<u>\$ 1,826</u>
Revenues over (under) expenditures	\$ (312)	\$ (206)		
Unencumbered cash, beginning	<u>1,721</u>	<u>1,409</u>		
Unencumbered cash, ending	<u>\$ 1,409</u>	<u>\$ 1,203</u>		

City of South Haven, Kansas
Capital Projects Fund
Water Improvement-CDBG
Schedule of Cash Receipts and Expenditures (Statutory Basis)-Actual
For the Years Ended December 31, 2011 and 2010

<u>Cash Receipts</u>	2010 <u>Actual</u>	2011 <u>Actual</u>
CDBG Grant	\$ -	\$ -
Total cash receipts	<u>\$ -</u>	<u>\$ -</u>
<u>Expenditures</u>		
Administration	\$ 3,299	-
Construction and equipment	<u>2,343</u>	<u>-</u>
Total expenditures	<u>\$ 5,642</u>	<u>\$ -</u>
Revenues over (under) expenditures	\$ (5,642)	\$ -
Unencumbered cash, beginning	<u>5,642</u>	<u>-</u>
Unencumbered cash, ending	<u>\$ -</u>	<u>\$ -</u>

City of South Haven, Kansas**Enterprise Fund****Sewer Utility****Schedule of Cash Receipts and Expenditures (Statutory Basis)-Actual and Budget***For the Years Ended December 31, 2011 and 2010*

	2010 <u>Actual</u>	2011		Variance- Favorable/ Unfavorable
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Sales of service	\$ 14,393	\$ 14,395	\$ -	\$ 14,395
Transfer from General Fund	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash receipts	<u>\$ 19,393</u>	<u>\$ 14,395</u>	<u>\$ -</u>	<u>\$ 14,395</u>
<u>Expenditures</u>				
Personal services	\$ 9,270	\$ 8,152	\$ 5,000	\$ (3,152)
Operations	7,074	9,081	10,534	1,453
Transfer to General	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 16,344</u>	<u>\$ 17,233</u>	<u>\$ 15,534</u>	<u>\$ (1,699)</u>
Revenues over (under) expenditures	\$ 3,049	\$ (2,838)		
Unencumbered cash, beginning	<u>834</u>	<u>3,883</u>		
Unencumbered cash, ending	<u>\$ 3,883</u>	<u>\$ 1,045</u>		

City of South Haven, Kansas**Enterprise Fund****Water Utility****Schedule of Cash Receipts and Expenditures (Statutory Basis)-Actual and Budget***For the Years Ended December 31, 2011 and 2010*

	2010 <u>Actual</u>	2011		Variance- Favorable/ Unfavorable
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Sales of service	\$ 95,808	\$ 97,992	\$ 92,000	\$ 5,992
Sale of Goods	502	-	-	-
Reimbursements	711	-	-	-
Transfer from General Fund	1,000	-	-	-
Total cash receipts	<u>\$ 98,021</u>	<u>\$ 97,992</u>	<u>\$ 92,000</u>	<u>\$ 5,992</u>
<u>Expenditures</u>				
Personal services	\$ 32,127	\$ 31,128	\$ 23,000	\$ (8,128)
Operations	27,757	28,344	58,388	30,044
Bond interest	31,601	31,260	-	(31,260)
Bond principle	8,250	8,590	8,590	-
Transfer to General	-	-	-	-
Transfer to Bond and Interest	-	-	31,260	31,260
Total expenditures	<u>\$ 99,735</u>	<u>\$ 99,322</u>	<u>\$ 121,238</u>	<u>\$ 21,916</u>
Adjustment qualifying for budget credit		-	-	-
		<u>\$ 99,322</u>	<u>\$ 121,238</u>	<u>\$ 21,916</u>
Revenues over (under) expenditures	\$ (1,714)	\$ (1,330)		
Unencumbered cash, beginning	<u>25,703</u>	<u>23,989</u>		
Unencumbered cash, ending	<u>\$ 23,989</u>	<u>\$ 22,659</u>		