

NORTHWEST KANSAS LIBRARY SYSTEM

Norton, Kansas

Independent Audit Report

January 1, 2011 to December 31, 2011

MAPES & MILLER

Certified Public Accountants

Norton, Kansas

NORTHWEST KANSAS LIBRARY SYSTEM

Norton, Kansas

Financial Statement

January 1, 2011 to December 31, 2011

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MAPES & MILLER LLP

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INDEPENDENT AUDITOR'S REPORT

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We have audited the summary statement of cash receipts, expenditures, and unencumbered cash balances of the Northwest Kansas Library System, Norton, Kansas as of and for the year ended December 31, 2011. This financial statement is the responsibility of the System's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the guidance in the Kansas Municipal Audit Guide. Those standards and guidance 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 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 more fully in Note 1, the System has prepared this financial statement in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonable determinable, are presumed to be material.

In our 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 Northwest Kansas Library System as of December 31, 2011, or the changes in its financial position for the year then ended.

In our opinion, the financial statement referred to above present fairly, in all material respects, the cash and unencumbered cash balances of the Northwest Kansas Library System, 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.

To the Board of Directors
Northwest Kansas Library System
Page Two

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-actual and budget, individual fund schedules of cash receipts-actual, and summary of cash receipts and disbursements-agency funds (Schedules 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. 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 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.

Mapes & Miller LLP

Certified Public Accountants

Norton, Kansas
December 12, 2012

NORTHWEST KANSAS LIBRARY SYSTEM

Norton, Kansas

STATEMENT 1

Page 1

Summary of Cash Receipts, Expenditures and Unencumbered Cash
For the Year Ended December 31, 2011

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Fund Types:							
General	\$ 64,495	0	360,439	350,662	74,272	9,694	83,966
Special Revenue Funds:							
Employee Benefits	2,263	0	21,847	16,419	7,691	0	7,691
State Aid	0	0	82,829	82,829	0	0	0
Blind & Physically Handicapped							
FY 2010-2011	0	0	29,088	29,088	0	0	0
FY 2011-2012	0	0	26,628	26,628	0	16,872	16,872
FY 2010-2011 Library Services & Technology Grant	0	0	38,630	38,630	0	16,819	16,819
Kan Ed Broadband Subsidy Grant							
FY 2010-2011	(683)	0	1,638	955	0	0	0
FY 2011-2012	0	0	0	546	(546)	137	(409)
Hansen Grant	1,050	0	0	896	154	0	154
Gates Foundation Grant	0	0	10,000	0	10,000	0	10,000
6 X 6 Grant	0	0	1,250	0	1,250	0	1,250
Talk Books Grant	0	0	3,500	0	3,500	0	3,500
Fiduciary Type Funds:							
Private Purpose Trust Funds:							
Memorial	15,634	0	750	3,235	13,149	0	13,149
Total Reporting Entity (Excluding Agency Funds)	\$ 82,759	0	576,599	549,888	109,470	43,522	152,992

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

NORTHWEST KANSAS LIBRARY SYSTEM

Norton, Kansas
Composition of Cash

For the Year Ended December 31, 2011

STATEMENT 1

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First Security Bank and Trust Co., Norton, Kansas NOW Account	\$ 99,984
Almena State Bank, Norton, Kansas Certificates of Deposit	<u>53,008</u>
Total Cash and Investments	152,992
Less Agency Funds - Schedule 3	<u>0</u>
Total Reporting Entity per Statement 1, Page 1	\$ <u><u>152,992</u></u>

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

NORTHWEST KANSAS LIBRARY SYSTEM

Norton, Kansas

Notes to the Financial Statement

December 31, 2011

I. Summary of Significant Accounting Policies

Reporting Entity

Northwest Kansas Library System, Norton, Kansas is organized under K.S.A. 75-2547, et. seq., to operate as a regional system of cooperating libraries for twelve counties in Northwest Kansas for the purpose of improving library service to all citizens in the Northwest Kansas area and to otherwise promote library interest in the State of Kansas. The System accomplishes this by providing various books and materials to libraries and citizens within the region; providing consulting, education and training services to library personnel, trustees and volunteers; providing assistance in the coordination of information on resources available within the region and the State of Kansas and access by citizens to those resources; and the provision of system service grants to member libraries. The System is governed by a System Board and an Executive Committee. The System Board is comprised of one representative from the Board of Trustees of each participating library and the Governor's appointee from each participating county. The System Board adopts the annual budget and plan of services, approves officers elected by the Executive Committee and amends the bylaws. The Executive Committee consists of one member from each county in the System that levies a system tax as provided under K.S.A. 75-2551. At least one member of the Executive Committee must be a Governor's appointee. The Executive Committee is empowered to conduct all affairs of the System not reserved for the System Board.

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

Based on the application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that the System has no component units. Accordingly these financial statements present all of the activities of the System in accordance with generally accepted accounting principles.

Fund Accounting

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 Northwest Kansas Library System for the year 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.

Fiduciary Funds:

Private Purpose Trust and Agency Funds--To account for assets held by the System in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds.

Reimbursed Expenditures

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another fund or party. In accounting for such reimbursements, the System records the reimbursement as a reduction of expenditure following the authoritative guidance of the Governmental Accounting, Auditing and Financial Reporting.

Statutory Basis of Accounting

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

The System 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 System 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 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, building, and equipment owned by the System 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.

2. **Budgetary Information**

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds, and enterprise funds. 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 such budget amendments for the year ended December 31, 2011.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the statutory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the System 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, permanent funds, and the following special revenue funds:

State Aid Grant
 FY 2010-2011 Blind & Physically Handicapped Grant
 FY 2011-2012 Blind & Physically Handicapped Grant
 Library Services & Technology Act Grant
 FY 2010-2011 Kan Ed Broadband Subsidy Grant
 FY 2011-2012 Kan Ed Broadband Subsidy Grant
 Hansen Grant
 6 X 6 Grant
 Gates Foundation Grant

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

3. Property Taxes

Property taxes are levied December 1st of the calendar year. A lien is placed on the property when the taxes are levied. The taxes are due 1/2 on December 20th and 1/2 the following May 10th. Any taxes unpaid at the due dates are considered delinquent. Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year; such procedure being in conformity with governing state statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operations of the System and therefore are not susceptible to accrual.

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 to the financial statements taken as a whole.

4. **Inventories and Prepaid Expenses**

Inventories and prepaid expenses which benefit future periods are recorded as expenditures during the year of purchase.

5. **Deposits and Investments**

As of December 31, 2011, the System had no investments except for certificates of deposit which are considered to be a component of deposits.

K.S.A. 9-1401 establishes the depositories which may be used by the System. The statute requires banks eligible to hold the System's funds have a main or branch bank in the county in which the System 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 the funds. In addition, K.S.A 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The System has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the System'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 System has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

State statutes place no limit on the amount the System 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 System's deposits may not be returned to it. State statutes require the System'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 System's designated "peak periods" are from February 15 through April 16. All deposits were legally secured at December 31, 2011.

At December 31, 2011, the System's carrying amount of deposits was \$152,992 and the bank balance was \$167,434. The bank balance was held by two banks resulting in a concentration of credit risk. All of the bank balance was covered by federal depository insurance.

6. **Long-term Debt**

Changes in long-term liabilities for Northwest Kansas Library System for the year ended December 31, 2011 were as follows:

					Balance				Balance	
Issue	Interest Rates	Date of Issue	Amount of Issue	Rate of Maturity	Beginning of Year	Additions	Reductions/ Payments	Net Change	End of Year	Interest Paid
Compensated Absences:										
Vacation Pay	N/A	N/A	N/A	N/A	\$ 9,997	N/A	N/A	\$ (2,967)	\$ 7,030	N/A

7. **Risk Management**

The System is exposed to various risks of loss related to torts; theft of, damage to and the destruction of assets; errors and omissions; injuries to employees; and natural disasters. The System carries property and casualty, general liability, and worker's compensation insurance coverage from commercial insurance carriers. Settled claims resulting from these risks of loss have not exceeded commercial insurance coverage in any of the past three fiscal years.

8. **Compensated Absences**

Sick Leave

Full and regular part-time employees who work at least twenty hours per week are allowed paid sick leave. Sick leave is earned at the rate of 1/24th of the annual amount of twelve normal working days each pay period. Sick leave accumulates to a maximum of sixty working days. Unused sick leave is not paid upon termination of the employee and therefore, the cost of accumulated sick leave has not been computed by the library system as of December 31, 2011.

Vacation Pay

Annual vacation time with pay is granted to all full-time employees and regular part-time employees who work at least twenty hours per week. Nonprofessionals shall accumulate, from the beginning of employment, 1/24th of their annual amount per pay period to a maximum of twelve days with less than five years of service and to a maximum of eighteen days with five or more years of service. Professionals shall accumulate, from the beginning of employment, 1/24th of their annual amount per pay period to a maximum of eighteen days with less than five years of service and to a maximum of twenty-four days with five or more years of service. Upon termination an employee will be compensated for all unused vacation days. The cost of accumulated vacation pay as of December 31, 2011 was \$7,030.

9. **Defined Benefit Pension Plan**

Plan Description

Northwest Kansas Library System participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 South Kansas Avenue, Suite 100; Topeka, Kansas 66603-3803) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4 percent 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 bases. 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 7.14 percent. Northwest Kansas Library System's employer contribution to KPERS for the years ending December 31, 2011, 2010, and 2009 were \$20,448, \$18,212, and \$17,178, respectively, equal to the required contributions for each year.

10. **Other Post Employment Benefits**

As provided by K.S.A. 12-5040, the System allows retirees to participate in the group health insurance plan. Each retiree would pay the full amount of the applicable premium, conceptually; the System would be subsidizing the retirees because each participant would be charged a level premium regardless of age. As of December 31, 2011 the System had no retirees participating in the group health insurance plan.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the System 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 System under this program.

11. **Operating Leases**

Building

On December 12, 1990, the System entered into an agreement with the City of Norton to lease space in a building commonly known as Washington Square. The agreement calls for twenty annual rentals of \$8,500, to be paid in quarterly installments, through December 2011. Unless the System notifies the City of its intent not to renew the lease at least six months prior to the end of the twenty year lease period, the lease will automatically be extended for an additional lease term of three years. At the end of that three year period, the lease will automatically renew for subsequent three-year renewals, unless notice is given by the System to the City of its intent not to renew the lease. The lease will also terminate if the City ceases to use the building as the Norton Public Library. Payments totaling \$8,500 were made during the year ended December 31, 2011.

On April 6, 2011, the System entered into an agreement with the City of Norton to lease space in a building commonly known as Washington Square. The agreement calls for ten annual rental payments of \$12,204, to be paid in quarterly installments, through December 2021. Unless the System notifies the City of its intent not to renew the lease at least six months prior to the end of the ten year lease period, the lease will automatically be extended for an additional lease term of one year. At the end of that one year period, the lease will automatically renew for subsequent one year renewals, unless notice is given by the System to the City of its intent not to renew the lease. The lease will also terminate if the City ceases to use the building as the Norton City Library.

Copy Machine

On September 15, 2011, the System entered into an agreement with Xerox for the lease of a copy machine. The agreement calls for sixty monthly rental payments of \$295.19, plus a copy charge of \$0.0107 per copy and a copy charge of \$.0687 per copy for color copies. Total payments made during the year ending December 31, 2011 were 355.95. The amounts due under this agreement in future periods are as follows:

<u>Year</u>	<u>Payment</u>
2012	3,542
2013	3,542
2014	3,542
2015	3,542
2016	<u>2,657</u>
Total	<u><u>\$ 16,825</u></u>

Integrated Mailing System

On January 27, 2011, the System entered into an agreement with Pitney Bowes, Inc. for the lease of an integrated mailing system. The agreement is effective for April 1, 2011 and calls for twenty quarterly rental payments of \$180 through March 31, 2016. Payments totaling \$540 were made during the year ended December 31, 2011. The amounts due under this agreement in future periods are as follows:

<u>Year</u>	<u>Payment</u>
2012	\$ 720
2013	720
2014	720
2015	720
2016	<u>180</u>
Total	<u>\$ 3,060</u>

12. Cash Basis Compliance

K.S.A. 10-1113 requires that no indebtedness be created for a fund in excess of available monies in that fund. The 2011-2012 Kan Ed Broadband Subsidy Grant Fund had a negative unencumbered cash balance of \$546 as of December 31, 2011. The Kan Ed Broadband Subsidy Grant is typically received by the System prior to incurring the costs. This grant is a direct reimbursement for costs incurred between August 2011 and July 2012. Although not specifically allowed as an exception to the cash basis law in the statutes, the State of Kansas, Division of Accounts and Reports has, as a matter of practice, allowed deficit fund balances as long as the fund is subsequently reimbursed by grant proceeds.

13. Comparative Data for 2010

The amounts shown for 2010 in the accompanying financial statements are included, where practicable, only to provide a basis for comparison with 2011, and are not intended to present all information necessary for a fair presentation. Certain amounts for 2010 may have been restated to conform with the presentation of similar amounts for 2011.

NORTHWEST KANSAS LIBRARY SYSTEM

SCHEDULE 1

Norton, Kansas

Summary of Expenditures - Actual and Budget
For the Year Ended December 31, 2011

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Fund Types:					
General	\$ 376,702	0	376,702	350,662	(26,040)
Special Revenue Funds:					
Employee Benefits	24,675	0	24,675	16,419	(8,256)
State Aid Grant	82,829	0	82,829	82,829	*
FY 2010-2011 Blind & Physically Handicapped Grant	60,938	0	60,938	29,088	*
FY 2011-2012 Blind & Physically Handicapped Grant	26,628	0	26,628	26,628	*
FY 2010-2011 Library Services & Technology Grant	38,630	0	38,630	38,630	*
FY 2010-2011 Kan Ed Broadband Subsidy Grant	1,638	0	1,638	955	*
FY 2011-2012 Kan Ed Broadband Subsidy Grant	1,638	0	1,638	546	*

* Grants provided for informational purpose and not subject to budget law per K.S.A. 12-1663 and/or K.S.A.12-16,111.

NORTHWEST KANSAS LIBRARY SYSTEM

SCHEDULE 2

Norton, Kansas

Page 1

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 Actual	Current Year		Variance- Over (Under)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 351,419	360,012	355,873	4,139
Interest on idle funds	2,186	227	1,000	(773)
Miscellaneous	225	200	0	200
Total Cash Receipts	<u>353,830</u>	<u>360,439</u>	<u>356,873</u>	<u>3,566</u>
Expenditures:				
Salaries	91,783	100,402	118,860	(18,458)
KPERS	14,992	20,976	14,362	6,614
125 benefit plan	33,500	24,065	36,000	(11,935)
Kansas unemployment tax	276	122	500	(378)
Other benefits	1,113	9,060	0	9,060
Audio-visual	6,999	5,240	7,000	(1,760)
Bibliographic service	6,860	5,000	7,500	(2,500)
Books	28,690	30,452	30,000	452
Building cost	18,216	17,737	18,360	(623)
Capital outlay	414	1,150	1,000	150
Computer support	1,108	7,338	1,000	6,338
Contractual services	16,868	11,855	16,520	(4,665)
Education	290	451	500	(49)
Grants to member libraries	70,827	68,302	69,000	(698)
Insurance	5,424	7,214	7,500	(286)
Maintenance	944	635	1,100	(465)
Miscellaneous	6,355	2,477	4,500	(2,023)
Online Service	302	49	300	(251)
Periodicals	1,258	1,515	1,200	315
Postage	7,075	3,716	10,500	(6,784)
Printing	4,282	3,633	4,000	(367)
Required fees	5,466	182	5,500	(5,318)
Supplies	4,243	10,171	4,500	5,671
Telephone	673	862	1,000	(138)
Travel	13,248	17,188	14,000	3,188
Workshops	1,119	870	2,000	(1,130)
Total Expenditures	<u>342,325</u>	<u>350,662</u>	<u>376,702</u>	<u>(26,040)</u>

NORTHWEST KANSAS LIBRARY SYSTEM

SCHEDULE 2

Norton, Kansas

Page 2

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 Actual	Current Year		Variance- Over (Under)
		Actual	Budget	
Cash Receipts Over (Under) Expenditures	\$ 11,505	9,777		
Unencumbered Cash, Beginning	<u>52,990</u>	<u>64,495</u>		
Unencumbered Cash, Ending	\$ <u>64,495</u>	<u>74,272</u>		

NORTHWEST KANSAS LIBRARY SYSTEM

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Norton, Kansas

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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 Actual	Current Year		Variance- Over (Under)
		Actual	Budget	
Cash Receipts:				
Taxes	\$ 20,745	21,847	<u>24,885</u>	<u>(3,038)</u>
Expenditures:				
Social security tax	23,520	16,419	<u>24,675</u>	<u>(8,256)</u>
Cash Receipts Over (Under) Expenditures	(2,775)	5,428		
Unencumbered Cash, Beginning	<u>5,038</u>	<u>2,263</u>		
Unencumbered Cash, Ending	\$ <u>2,263</u>	<u>7,691</u>		

NORTHWEST KANSAS LIBRARY SYSTEM

Norton, Kansas

STATE AID GRANT 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 Actual	Current Year		Variance- Over (Under)
		Actual	*Budget	
Cash Receipts:				
Grant - state aid	\$ 91,716	82,829	<u>82,829</u>	<u>0</u>
Expenditures:				
Salaries	91,716	82,829	<u>82,829</u>	<u>0</u>
Cash Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>	<u>0</u>		

* Exempt from budget law per K.S.A. 12-16,111.

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Norton, Kansas

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2010-2011 BLIND & PHYSICALLY HANDICAPPED GRANT 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 Actual	Current Year		Variance- Over (Under)
		Actual	*Budget	
Cash Receipts:				
Grant - state aid	\$ 29,088	29,088	29,088	0
Total Cash Receipts	<u>29,088</u>	<u>29,088</u>	<u>29,088</u>	<u>0</u>
Expenditures:				
Salaries	13,360	42,437	55,268	(12,831)
Contractual services	793	1,586	3,172	(1,586)
Travel	0	0	1,648	(1,648)
Capital outlay	<u>0</u>	<u>0</u>	<u>850</u>	<u>(850)</u>
Subtotal - Cash Expenditures	14,153	44,023	60,938	(16,915)
Encumbrance - Grant carryover	<u>14,935</u>	<u>(14,935)</u>	<u>0</u>	<u>(14,935)</u>
Total Expenditures	<u>29,088</u>	<u>29,088</u>	<u>60,938</u>	<u>(31,850)</u>
Cash Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>	<u>0</u>		

* Exempt from budget law per K.S.A. 12-16,111 and 12-1663.

NORTHWEST KANSAS LIBRARY SYSTEM

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SCHEDULE 2

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2011-2012 BLIND & PHYSICALLY HANDICAPPED GRANT 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 Actual	Current Year		Variance- Over (Under)
		Actual	*Budget	
Cash Receipts:				
Grant - state aid	\$ 0	26,628	26,628	0
Total Cash Receipts	0	26,628	26,628	0
Expenditures:				
Salaries	0	9,756	26,628	(16,872)
Subtotal - Cash Expenditures	0	9,756	26,628	(16,872)
Encumbrance - Grant carryover	0	16,872	0	16,872
Total Expenditures	0	26,628	26,628	0
Cash Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Unencumbered Cash, Ending	\$ 0	0		

* Exempt from budget law per K.S.A. 12-16,111 and 12-1663.

NORTHWEST KANSAS LIBRARY SYSTEM

Norton, Kansas

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2010-2011 LIBRARY SERVICES & TECHNOLOGY GRANT 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 Actual	Current Year		Variance- Over (Under)
		Actual	*Budget	
Cash Receipts:				
Grant	\$ 30,870	38,630	38,630	0
Expenditures:				
Library Automation	34,370	21,811	38,630	(16,819)
Subtotal - Cash Expenditures	34,370	21,811	38,630	(16,819)
Encumbrance - Grant carryover	(3,500)	16,819	0	16,819
Total Expenditures	30,870	38,630	38,630	0
Cash Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Unencumbered Cash, Ending	\$ 0	0		

* Exempt from budget law per K.S.A. 12-16,111.

NORTHWEST KANSAS LIBRARY SYSTEM

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2010-2011 KAN ED BROADBAND SUBSIDY GRANT 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 Actual	Current Year		Variance- Over (Under)
		Actual	*Budget	
Cash Receipts:				
Grant - Kansas Board of Regents	\$ 0	1,638	1,638	0
Expenditures:				
Online service	683	955	1,638	(683)
Subtotal - Cash Expenditures	683	955	1,638	(683)
Encumbrance - Grant carryover	0	0	0	0
Total Expenditures	683	955	1,638	(683)
Cash Receipts Over (Under) Expenditures	(683)	683		
Unencumbered Cash, Beginning	0	(683)		
Unencumbered Cash, Ending	\$ (683)	0		

* Exempt from budget law per K.S.A. 12-16,111.

NORTHWEST KANSAS LIBRARY SYSTEM

Norton, Kansas

SCHEDULE 2

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2011-2012 KAN ED BROADBAND SUBSIDY GRANT 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 Actual	Current Year		Variance- Over (Under)
		Actual	*Budget	
Cash Receipts:				
Grant - Kansas Board of Regents	\$ 0	0	1,638	(1,638)
Expenditures:				
Online service	0	546	1,638	(1,092)
Subtotal - Cash Expenditures	0	546	1,638	(1,092)
Encumbrance - Grant carryover	0	0	0	0
Total Expenditures	0	546	1,638	(1,092)
Cash Receipts Over (Under) Expenditures	0	(546)		
Unencumbered Cash, Beginning	0	0		
Unencumbered Cash, Ending	\$ 0	(546)	**	

* Exempt from budget law per K.S.A. 12-16,111.

** See Note 12 for cash basis exemption.

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Norton, Kansas

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HANSEN GRANT FUND

Schedule of Cash Receipts and Expenditures

Actual

For the Year Ended December 31, 2011

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

	Prior Year Actual	Current Year
Cash Receipts:		
Grant	\$ 5,000	0
Expenditures:		
Capital Outlay	3,950	896
Cash Receipts Over (Under) Expenditures	1,050	(896)
Unencumbered Cash, January 1	<u>0</u>	<u>1,050</u>
Unencumbered Cash, December 31	\$ <u><u>1,050</u></u>	<u><u>154</u></u>

NORTHWEST KANSAS LIBRARY SYSTEM

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GATES FOUNDATION GRANT FUND

Schedule of Cash Receipts and Expenditures

Actual

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</u>
Cash Receipts:		
Grant	\$ <u>0</u>	<u>10,000</u>
Expenditures:		
	<u>0</u>	<u>0</u>
Cash Receipts Over (Under) Expenditures	0	10,000
Unencumbered Cash, January 1	<u>0</u>	<u>0</u>
Unencumbered Cash, December 31	\$ <u><u>0</u></u>	<u><u>10,000</u></u>

NORTHWEST KANSAS LIBRARY SYSTEM

Norton, Kansas

SCHEDULE 2

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6 X 6 GRANT FUND

Schedule of Cash Receipts and Expenditures

Actual

For the Year Ended December 31, 2011

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

	Prior Year Actual	Current Year
Cash Receipts:		
Grant	\$ 0	1,250
Expenditures:		
	0	0
Cash Receipts Over (Under) Expenditures	0	1,250
Unencumbered Cash, January 1	0	0
Unencumbered Cash, December 31	\$ <u>0</u>	<u>1,250</u>

NORTHWEST KANSAS LIBRARY SYSTEM

Norton, Kansas

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TALK BOOKS GRANT FUND

Schedule of Cash Receipts and Expenditures

Actual

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</u>
Cash Receipts:		
Grant	\$ <u>0</u>	<u>3,500</u>
Expenditures:		
	<u>0</u>	<u>0</u>
Cash Receipts Over (Under) Expenditures	0	3,500
Unencumbered Cash, January 1	<u>0</u>	<u>0</u>
Unencumbered Cash, December 31	\$ <u><u>0</u></u>	<u><u>3,500</u></u>

NORTHWEST KANSAS LIBRARY SYSTEM

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MEMORIAL FUND

Schedule of Cash Receipts and Expenditures

Actual

For the Year Ended December 31, 2011

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

	Prior Year Actual	Current Year
Cash Receipts:		
Donations	\$ 5,000	750
Expenditures:		
Salaries	6,130	0
Miscellaneous	2,034	3,235
Total Expenditures	<u>8,164</u>	<u>3,235</u>
Cash Receipts Over (Under) Expenditures	(3,164)	(2,485)
Unencumbered Cash, January 1	<u>18,799</u>	<u>15,634</u>
Unencumbered Cash, December 31	\$ <u>15,635</u>	<u>13,149</u>

NORTHWEST KANSAS LIBRARY SYSTEM

SCHEDULE 3

Norton, Kansas

AGENCY FUNDS

Summary of Cash Receipts and Disbursements

For the Year Ended December 31, 2011

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disburse- ments</u>	<u>Ending Cash Balance</u>
Sales Tax	\$ <u>0</u>	<u>126</u>	<u>126</u>	<u>0</u>