

CITY OF BURRTON

BURRTON, KANSAS

Financial Statement

For the year ended December 31, 2012

City of Burrton, Kansas

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Knudsen Monroe & Company LLC

INDEPENDENT AUDITOR'S REPORT

City Council
City of Burrton
Burrton, Kansas 67020

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Burrton, Kansas, as of and for the year ended December 31, 2012, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Burrton to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” 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 Burrton as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Burrton as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of expenditures-actual and budget, individual fund schedules of cash receipts and expenditures-actual and budget, and schedule of cash receipts and expenditures - related municipal entity (Schedules 1, 2, and 3 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2012 financial statement. Such information is the responsibility of management and the 2012 supplementary information was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 financial statement. The 2012 information has been subjected to the auditing procedures applied in the audit of the 2012 financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2012 financial statement or to the 2012 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 2012 financial statement as a whole.

The 2011 actual columns presented in the individual fund schedules of cash receipts and expenditures-actual and budget, and the schedule of cash receipts and expenditures - related municipal entity (Schedules 2 and 3 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2011 financial statement upon which we rendered an unqualified opinion dated July 16, 2012. The 2011 financial statements and our 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://www.da.ks.gov/ar/muniserv/>. Such 2011 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 2011 financial statement. The 2011 comparative information was subjected to the auditing procedures applied in the audit of the 2011 financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2011 financial statement or to the 2011 financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2011 comparative information is fairly stated in all material respects in relation to the 2011 financial statement as a whole.

Knudsen, Menwe & Company LLC

Certified Public Accountants
Newton, Kansas

August 28, 2013

City of Burrton, Kansas

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

Year ended December 31, 2012

<u>Funds</u>	Unencumbered Cash Balance 12/31/11	Receipts	Expenditures	Unencumbered Cash Balance 12/31/12	Accounts Payable and Encumbrances	Cash Balance 12/31/12
Governmental Fund Types:						
General Fund	\$ 7,656	409,547	395,692	21,511	27,420	48,931
Special Purpose Funds:						
Employee benefit	5,024	77,574	61,500	21,098	-	21,098
Library	655	13,686	13,875	466	-	466
Street maintenance	197,030	95,070	157,532	134,568	790	135,358
Special highway	31,440	23,408	1,965	52,883	169	53,052
Recreation	1,718	1,167	1,762	1,123	1,038	2,161
Equipment reserve	115,031	53,730	69,407	99,354	-	99,354
Capital improvement	67,117	16,652	-	83,769	-	83,769
	<u>418,015</u>	<u>281,287</u>	<u>306,041</u>	<u>393,261</u>	<u>1,997</u>	<u>395,258</u>
Debt Service Fund:						
Bond and interest	14,644	50	-	14,694	-	14,694
Capital Project Funds:						
Hardwood CDBG loan	10	-	10	-	-	-
Street project	139,162	1,208,729	1,303,744	44,147	-	44,147
	<u>139,172</u>	<u>1,208,729</u>	<u>1,303,754</u>	<u>44,147</u>	<u>-</u>	<u>44,147</u>
Business Funds:						
Gas	113,854	180,782	308,870	(14,234)	43,311	29,077
Water	42,281	119,550	120,048	41,783	4,398	46,181
Sewer	253,499	110,798	56,614	307,683	298	307,981
Solid waste	98,793	62,617	46,049	115,361	3,594	118,955
	<u>508,427</u>	<u>473,747</u>	<u>531,581</u>	<u>450,593</u>	<u>51,601</u>	<u>502,194</u>
Related Municipal Entity - Burrton Public Library	<u>6,533</u>	<u>20,966</u>	<u>19,096</u>	<u>8,403</u>	<u>-</u>	<u>8,403</u>
Total Financial Reporting Entity	<u>\$ 1,094,447</u>	<u>2,394,326</u>	<u>2,556,164</u>	<u>932,609</u>	<u>81,018</u>	<u>1,013,627</u>

See notes to financial statement

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Burrton is a municipal corporation governed by an elected five-member council. These financial statements present the City of Burrton (the primary government) and its related municipal entity. The related municipal entity is included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

Related Municipal Entity

The related municipal entity section of the financial statements includes the financial data of the discretely presented related municipal entity. This related municipal entity is reported separately to emphasize that it is legally separate from the City. The governing body of this related municipal entity is appointed by the City.

Burrton Public Library

The City of Burrton Library Board operates the City's public library. The City provides funding for the library through special revenue and general fund appropriations.

Related Organization

The Burrton Housing Authority is a related organization that is not included in the financial reporting entity. The Authority was created to administer public housing programs authorized by the United States Housing Act of 1937, as amended. Revenues consist of housing assistance payments from the U.S. Department of Housing and Urban Development and rent received from eligible low income tenants.

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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 regulatory basis of accounting.

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

KMAAG Regulatory Basis of Presentation and Definitions

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 2012:

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

Special Purpose Funds - to account for the proceeds of specific tax levies, and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund - 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.

Capital Project Funds - to account for financial resources segregated for the acquisition of major capital facilities other than those financed totally by proprietary funds.

Business 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 of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business 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 1.
2. Publication in local newspaper on or before August 5 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 on 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. The 2012 budget was not amended.

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 schedules 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 regulatory 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 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 project funds, and the following special purpose funds:

- Equipment Reserve Fund
- Capital Improvement Fund

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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The City was not in compliance with K.S.A. 79-2935 which limits fund expenditures to the appropriated budget in the Recreation Fund.

The City was also not in compliance with K.S.A. 10-1113 which requires that unencumbered cash balances be zero or above in each individual fund. The Gas Fund did not meet this requirement as of December 31, 2012.

3. 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 in which the City is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no investment policy that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices. As of December 31, 2012, the City's investments included only bank savings accounts and certificates of deposit with a fair value of \$171,610, which are not subject to investment rating.

City of Burrton, Kansas

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

3. DEPOSITS AND INVESTMENTS (Continued)

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 peak periods. All deposits were legally secured at December 31, 2012.

At December 31, 2012, the carrying amount of the City's deposits, including related municipal entities, was \$1,013,627. The bank balance totaled \$1,105,756. The balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$294,147 was covered by FDIC insurance and the remaining \$811,609 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Composition of Cash Balance

The cash balance consisted of the following at December 31, 2012:

	<u>Primary Government</u>	<u>Related Municipal Entity</u>	<u>Total</u>
Amount on deposit with financial institutions			
Checking accounts	\$ 833,614	8,403	842,017
Time and savings deposits	<u>171,610</u>	<u>-</u>	<u>171,610</u>
	<u>\$ 1,005,224</u>	<u>8,403</u>	<u>1,013,627</u>

4. CAPITAL PROJECTS

During the year 2011, the City began a street improvement project which will be completed in 2013. It is financed with a CDBG grant and a general obligation bond issue. At December 31, 2012, capital project authorizations compared with expenditures from inception are as follows:

	<u>Project Authorization</u>	<u>Expenditures to Date</u>
Street Project	<u>\$ 1,383,800</u>	<u>1,336,582</u>

City of Burrton, Kansas

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

5. LONG-TERM DEBT

The balance of funds borrowed at December 31, 2012 was \$1,379,437.

Changes in the long-term liabilities for the City for the year ended December 31, 2012 were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Maturity Date</u>	<u>Balance 12/31/11</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance 12/31/12</u>	<u>Interest Paid 2012</u>
Temporary Notes:									
Street Project	1.10%	11/17/11	172,000	11/17/13	\$ 172,000	-	-	172,000	-
Street Project	0.95%	03/15/12	811,000	03/15/14	-	811,800	-	811,800	-
					<u>172,000</u>	<u>811,800</u>	<u>-</u>	<u>983,800</u>	<u>-</u>
Kansas Revolving Fund Loan:									
Sewer Improvement	2.63%	02/11/10	445,688	09/01/30	<u>413,238</u>	<u>-</u>	<u>17,601</u>	<u>395,637</u>	<u>10,753</u>
Total Long-Term Debt					<u>\$ 585,238</u>	<u>811,800</u>	<u>17,601</u>	<u>1,379,437</u>	<u>10,753</u>

Current maturities of long-term debt and interest through maturity are as follows:

	Year ending December 31								
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018-2022</u>	<u>2023-2027</u>	<u>2028-2032</u>	<u>Total</u>
Principal									
Kansas Revolving Fund Loan	\$ 18,066	18,545	19,036	19,540	20,057	108,537	123,684	68,172	395,637
Temporary Notes	<u>172,000</u>	<u>811,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>983,800</u>
Total principal	<u>190,066</u>	<u>830,345</u>	<u>19,036</u>	<u>19,540</u>	<u>20,057</u>	<u>108,537</u>	<u>123,684</u>	<u>68,172</u>	<u>1,379,437</u>
Interest									
Kansas Revolving Fund Loan	10,287	9,809	9,318	8,814	8,297	33,233	18,085	2,713	100,556
Temporary Notes	<u>3,784</u>	<u>7,790</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,574</u>
Total interest	<u>14,071</u>	<u>17,599</u>	<u>9,318</u>	<u>8,814</u>	<u>8,297</u>	<u>33,233</u>	<u>18,085</u>	<u>2,713</u>	<u>112,130</u>
Total principal and interest	<u>\$ 204,137</u>	<u>847,944</u>	<u>28,354</u>	<u>28,354</u>	<u>28,354</u>	<u>141,770</u>	<u>141,769</u>	<u>70,885</u>	<u>1,491,567</u>

6. DEFINED BENEFIT PENSION PLAN

Plan Description

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

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

6. DEFINED BENEFIT PENSION PLAN (Continued)

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4-6% 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 basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established by statute was 7.74% at December 31, 2012. The City of Burrton contributions to KPERS for the years ending December 31, 2012, 2011 and 2010 were \$20,645, \$18,373, and \$15,734 respectively, equal to the statutory required contributions for each year.

7. COMPENSATED ABSENCES

Full-time employees earn vacation based on the following schedule:

- After one year of employment - one week of vacation
- After two years of employment - two weeks of vacation
- After ten years of employment - three weeks of vacation
- After fifteen years of employment - four weeks of vacation

Unused vacation is paid to employees upon termination. Unused vacation time has not been recorded as a liability in the accompanying financial statements.

Full-time employees earn approximately 12 days of paid sick leave in one year of service which can be accumulated to a maximum of 30 days. Unused sick leave is paid to employees upon termination at a ratio of one day per four days accrued sick leave. Unused sick leave has not been recorded as a liability in the accompanying financial statements.

8. INTERFUND TRANSFERS

Transfers between funds consisted of the following during the year ended December 31, 2012:

<u>Transfer To</u>	<u>Transfer From</u>		
	<u>Water</u>	<u>Gas</u>	<u>Total</u>
General Fund	\$ -	25,000	25,000
Street Maintenance Fund	2,000	50,000	52,000
Equipment Reserve Fund	2,000	40,000	42,000
Capital Improvement Fund	-	5,000	5,000
	<u>\$ 4,000</u>	<u>120,000</u>	<u>124,000</u>

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

9. MANAGERMENTS' DATE OF REVIEW

Management has performed an analysis of the activities and transactions subsequent to December 31, 2012, to determine the need for any adjustments to and/or disclosures within the audited financial statements. Management has performed their analysis through August 28, 2013, which is the date at which the financial statements were available to be issued.

CITY OF BURRTON
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2012

City of Burrton, Kansas

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

Year ended December 31, 2012

<u>Funds</u>	Certified Budget	Adjustment for Budget Credit	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General	\$ 408,700	-	408,700	395,692	(13,008)
Special Purpose Funds:					
Employee benefit	61,500	-	61,500	61,500	-
Library	15,000	-	15,000	13,875	(1,125)
Street maintenance	261,000	-	261,000	157,532	(103,468)
Special highway	28,300	-	28,300	1,965	(26,335)
Recreation	1,400	-	1,400	1,762	362
Bond and Interest Funds:					
Bond and interest	-	-	-	-	-
Business Funds:					
Gas	637,000	-	637,000	308,870	(328,130)
Water	135,000	-	135,000	120,048	(14,952)
Sewer	72,260	-	72,260	56,614	(15,646)
Solid waste	67,000	-	67,000	46,049	(20,951)
Expenditures subject to current budget	<u>\$ 1,687,160</u>	<u>-</u>	<u>1,687,160</u>	1,163,907	<u>(523,253)</u>
Add expenditures of unbudgeted funds					
Equipment reserve				69,407	
Capital Projects				<u>1,303,754</u>	
Total expenditures, primary government				<u>\$ 2,537,068</u>	

City of Burrton, Kansas

General Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

Year ended December 31, 2012

(With comparative actual amounts for the year ended December 31, 2011)

	2011 Actual	2012		Variance - Over (Under)
		Actual	Budget	
RECEIPTS				
Ad valorem property tax	\$ 127,398	154,813	153,003	1,810
Delinquent tax	7,907	5,054	2,300	2,754
Vehicle tax	24,457	25,900	27,061	(1,161)
County sales tax	88,659	88,813	83,000	5,813
Harvey County special sales and use tax	11,392	10,967	11,000	(33)
Local alcohol tax	1,299	1,150	1,000	150
LHA payment in lieu of tax	3,885	4,216	3,500	716
Franchise fees	45,707	47,856	36,000	11,856
Pool receipts	7,012	7,041	5,000	2,041
Fines and fees	6,294	7,425	48,000	(40,575)
Interest	1,251	976	1,500	(524)
Municipal court	21,000	21,193	2,000	19,193
Other	6,850	1,882	9,000	(7,118)
Reimbursements	17,929	7,261	-	7,261
Transfer from gas fund	25,000	25,000	25,000	-
	396,040	409,547	<u>407,364</u>	<u>2,183</u>
EXPENDITURES, page 13	<u>403,106</u>	<u>395,692</u>		
Receipts over (under) expenditures	(7,066)	13,855		
UNENCUMBERED CASH, beginning	<u>14,722</u>	<u>7,656</u>		
UNENCUMBERED CASH, ending	<u>\$ 7,656</u>	<u>21,511</u>		

City of Burrton, Kansas

General Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

Year ended December 31, 2012

(With comparative actual amounts for the year ended December 31, 2011)

	2011 Actual	2012		Variance - Over (Under)
		Actual	Budget	
EXPENDITURES				
General				
Personal services	\$ 94,496	97,562	110,000	(12,438)
Contractual services	49,561	27,462	45,000	(17,538)
Commodities	58,801	101,953	48,000	53,953
Capital outlay	-	-	1,700	(1,700)
	<u>202,858</u>	<u>226,977</u>	<u>204,700</u>	<u>22,277</u>
Parks				
Contractual services	10,260	-	8,000	(8,000)
Commodities	4,726	4,249	7,000	(2,751)
Capital outlay	-	-	1,000	(1,000)
	<u>14,986</u>	<u>4,249</u>	<u>16,000</u>	<u>(11,751)</u>
Law enforcement				
Personal services	76,869	77,260	80,000	(2,740)
Commodities	53,886	34,306	42,000	(7,694)
Capital outlay	-	2,686	1,000	1,686
	<u>130,755</u>	<u>114,252</u>	<u>123,000</u>	<u>(8,748)</u>
Legal	20,479	23,869	23,000	869
Street lighting	28,031	21,886	20,000	1,886
Community activities	1,043	-	6,000	(6,000)
Residential incentives	-	-	10,000	(10,000)
Harvey County EDC	4,954	4,459	6,000	(1,541)
	<u>54,507</u>	<u>50,214</u>	<u>65,000</u>	<u>(14,786)</u>
	<u>403,106</u>	<u>395,692</u>	<u>408,700</u>	<u>(13,008)</u>
 Total expenditures	 \$ 403,106	 395,692	 408,700	 (13,008)

City of Burrton, Kansas

Special Purpose Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

Year ended December 31, 2012

(With comparative actual amounts for the year ended December 31, 2011)

	2011 Actual	2012		Variance - Over (Under)
		Actual	Budget	
<u>EMPLOYEE BENEFIT FUND</u>				
RECEIPTS				
Ad valorem property tax	\$ 35,075	53,255	52,632	623
Delinquent tax	2,751	1,652	1,000	652
Vehicle tax	7,082	7,191	7,846	(655)
Employee paid insurance	10,192	15,476	-	15,476
	<u>55,100</u>	<u>77,574</u>	<u>61,478</u>	<u>16,096</u>
EXPENDITURES				
FICA and Medicare	21,766	22,167	21,000	1,167
KPERS	18,373	20,645	20,500	145
Health insurance	10,678	18,688	20,000	(1,312)
	<u>50,817</u>	<u>61,500</u>	<u>61,500</u>	<u>-</u>
Receipts over (under) expenditures	4,283	16,074		
UNENCUMBERED CASH, beginning	741	5,024		
UNENCUMBERED CASH, ending	<u>\$ 5,024</u>	<u>21,098</u>		
<u>LIBRARY FUND</u>				
RECEIPTS				
Ad valorem property tax	\$ 11,932	10,726	10,601	125
Delinquent tax	872	527	300	227
Vehicle tax	2,121	2,433	2,318	115
	<u>14,925</u>	<u>13,686</u>	<u>13,219</u>	<u>467</u>
EXPENDITURES				
Appropriations to Library Board	<u>14,500</u>	<u>13,875</u>	<u>15,000</u>	<u>(1,125)</u>
Receipts over (under) expenditures	425	(189)		
UNENCUMBERED CASH, beginning	230	655		
UNENCUMBERED CASH, ending	<u>\$ 655</u>	<u>466</u>		

City of Burrton, Kansas

Special Purpose Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

Year ended December 31, 2012

(With comparative actual amounts for the year ended December 31, 2011)

	2011 Actual	2012		Variance - Over (Under)
		Actual	Budget	
<u>STREET MAINTENANCE FUND</u>				
RECEIPTS				
Ad valorem tax	\$ 28,905	-	-	-
Delinquent tax	4,913	2,111	2,400	(289)
Vehicle tax	5,614	5,894	5,608	286
Other	743	793	-	793
County sales tax	34,605	34,272	34,000	272
Transfer from gas fund	50,000	50,000	50,000	-
Transfer from water fund	5,000	2,000	5,000	(3,000)
	<u>129,780</u>	<u>95,070</u>	<u>97,008</u>	<u>(1,938)</u>
EXPENDITURES				
Personal services	8,998	23,262	9,000	14,262
Contractual services	70,983	113,168	250,000	(136,832)
Commodities	25,123	21,102	2,000	19,102
	<u>105,104</u>	<u>157,532</u>	<u>261,000</u>	<u>(103,468)</u>
Receipts over (under) expenditures	24,676	(62,462)		
UNENCUMBERED CASH, beginning	<u>172,354</u>	<u>197,030</u>		
UNENCUMBERED CASH, ending	<u>\$ 197,030</u>	<u>134,568</u>		
<u>SPECIAL HIGHWAY FUND</u>				
RECEIPTS				
State gasoline tax	\$ 23,617	23,408	22,000	1,408
Reimbursements and other	400	-	-	-
	<u>24,017</u>	<u>23,408</u>	<u>22,000</u>	<u>1,408</u>
EXPENDITURES				
Personal services	-	-	300	(300)
Contractual services	2,313	1,965	2,000	(35)
Commodities	1,682	-	26,000	(26,000)
	<u>3,995</u>	<u>1,965</u>	<u>28,300</u>	<u>(26,335)</u>
Receipts over (under) expenditures	20,022	21,443		
UNENCUMBERED CASH, beginning	<u>11,418</u>	<u>31,440</u>		
UNENCUMBERED CASH, ending	<u>\$ 31,440</u>	<u>52,883</u>		

City of Burrton, Kansas

Special Purpose Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

Year ended December 31, 2012

(With comparative actual amounts for the year ended December 31, 2011)

	2011 Actual	2012		Variance - Over (Under)
		Actual	Budget	
<u>RECREATION FUND</u>				
RECEIPTS				
Alcohol tax	\$ 1,299	1,150	1,000	150
Delinquent tax	63	17	-	17
	<u>1,362</u>	<u>1,167</u>	<u>1,000</u>	<u>167</u>
EXPENDITURES				
Commodities	<u>52</u>	<u>1,762</u>	<u>1,400</u>	<u>362</u>
Receipts over (under) expenditures	1,310	(595)		
UNENCUMBERED CASH, beginning	<u>408</u>	<u>1,718</u>		
UNENCUMBERED CASH, ending	<u>\$ 1,718</u>	<u>1,123</u>		

City of Burrton, Kansas

Special Purpose Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

Year ended December 31, 2012

(With comparative actual amounts for the year ended December 31, 2011)

	2011 Actual	2012		Variance - Over (Under)
		Actual	Budget	
<u>EQUIPMENT RESERVE FUND</u>				
RECEIPTS				
Interest	\$ 96	78		
Reimbursements	500	-		
Sales tax	11,766	11,652		
Transfer from water fund	-	2,000		
Transfer from gas fund	40,000	40,000		
	<u>52,362</u>	<u>53,730</u>		
EXPENDITURES				
Capital outlay	-	69,407		NOT APPLICABLE
Receipts over (under) expenditures	52,362	(15,677)		
UNENCUMBERED CASH, beginning	62,669	115,031		
UNENCUMBERED CASH, ending	<u>\$ 115,031</u>	<u>99,354</u>		
<u>CAPITAL IMPROVEMENT FUND</u>				
RECEIPTS				
County sales tax	\$ 11,766	11,652		
Transfer from gas fund	5,000	5,000		
	<u>16,766</u>	<u>16,652</u>		
EXPENDITURES				
Capital outlay	22,078	-		NOT APPLICABLE
Receipts over (under) expenditures	(5,312)	16,652		
UNENCUMBERED CASH, beginning	72,429	67,117		
UNENCUMBERED CASH, ending	<u>\$ 67,117</u>	<u>83,769</u>		

City of Burrton, Kansas

Bond and Interest Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

Year ended December 31, 2012

(With comparative actual amounts for the year ended December 31, 2011)

	2011 Actual	2012		Variance - Over (Under)
		Actual	Budget	
<u>BOND AND INTEREST FUND</u>				
RECEIPTS				
Delinquent tax	\$ 267	50	-	50
EXPENDITURES				
Principal	-	-	-	-
Interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	267	50		
UNENCUMBERED CASH, beginning	<u>14,377</u>	<u>14,644</u>		
UNENCUMBERED CASH, ending	<u>\$ 14,644</u>	<u>14,694</u>		

City of Burrton, Kansas

Capital Project Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET*

Regulatory Basis

Year ended December 31, 2012

	Hardwood LLC <u>CDBG Loan</u>	Street <u>Project</u>	<u>Total</u>
RECEIPTS			
Temporary note proceeds	\$ -	811,800	811,800
State of Kansas grant proceeds		394,000	394,000
Other	-	2,929	2,929
	<u>-</u>	<u>1,208,729</u>	<u>1,208,729</u>
EXPENDITURES			
Contractual services	-	1,295,823	1,295,823
Cost of issuance	-	7,921	7,921
Other	10	-	10
	<u>10</u>	<u>1,303,744</u>	<u>1,303,754</u>
Receipts over (under) expenditures	(10)	(95,015)	(95,025)
UNENCUMBERED CASH, beginning	<u>10</u>	<u>139,162</u>	<u>139,172</u>
UNENCUMBERED CASH, ending	<u>\$ -</u>	<u>44,147</u>	<u>44,147</u>

*Capital project funds are not subject to a statutory budget

City of Burrton, Kansas

Business Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

Year ended December 31, 2012

(With comparative actual amounts for the year ended December 31, 2011)

	2011 Actual	2012		Variance - Over (Under)
		Actual	Budget	
<u>GAS FUND</u>				
RECEIPTS				
Sales	\$ 265,165	176,572	650,000	(473,428)
Sales tax	8,361	4,210	30,000	(25,790)
	<u>273,526</u>	<u>180,782</u>	<u>680,000</u>	<u>(499,218)</u>
EXPENDITURES				
Personal services	34,044	38,259	32,000	6,259
Contractual services	8,782	44,057	50,000	(5,943)
Commodities	30,431	23,653	35,000	(11,347)
Sales tax	6,873	4,358	-	4,358
Gas purchased	142,301	78,543	400,000	(321,457)
Transfer to street maintenance fund	50,000	50,000	50,000	-
Transfer to general fund	25,000	25,000	25,000	-
Transfer to capital improvement fund	5,000	5,000	5,000	-
Transfer to equipment reserve fund	40,000	40,000	40,000	-
	<u>342,431</u>	<u>308,870</u>	<u>637,000</u>	<u>(328,130)</u>
Receipts over (under) expenditures	(68,905)	(128,088)		
UNENCUMBERED CASH, beginning	<u>182,759</u>	<u>113,854</u>		
UNENCUMBERED CASH, ending	<u>\$ 113,854</u>	<u>(14,234)</u>		

City of Burrton, Kansas

Business Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

Year ended December 31, 2012

(With comparative actual amounts for the year ended December 31, 2011)

	2011 Actual	2012		Variance - Over (Under)
		Actual	Budget	
<u>WATER FUND</u>				
RECEIPTS				
Sales	\$ 118,822	119,550	140,000	(20,450)
EXPENDITURES				
Personal services	62,229	50,940	50,000	940
Contractual services	37,493	36,422	25,000	11,422
Commodities	33,629	28,686	30,000	(1,314)
Transfer to capital improvement fund	-	-	10,000	(10,000)
Transfer to equipment reserve fund	-	2,000	15,000	(13,000)
Transfer to street maintenance fund	5,000	2,000	5,000	(3,000)
	<u>138,351</u>	<u>120,048</u>	<u>135,000</u>	<u>(14,952)</u>
Receipts over (under) expenditures	(19,529)	(498)		
UNENCUMBERED CASH, beginning	<u>61,810</u>	<u>42,281</u>		
UNENCUMBERED CASH, ending	<u>\$ 42,281</u>	<u>41,783</u>		

City of Burrton, Kansas

Business Funds

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

Year ended December 31, 2012

(With comparative actual amounts for the year ended December 31, 2011)

	2011 Actual	2012		Variance - Over (Under)
		Actual	Budget	
<u>SEWER FUND</u>				
RECEIPTS				
Fees	\$ 113,274	110,798	125,000	(14,202)
EXPENDITURES				
KDHE loan payment	32,261	28,354	32,260	(3,906)
Personal services	12,816	10,120	15,000	(4,880)
Contractual services	7,995	14,965	10,000	4,965
Commodities	33,604	3,175	15,000	(11,825)
	<u>86,676</u>	<u>56,614</u>	<u>72,260</u>	<u>(15,646)</u>
Receipts over (under) expenditures	26,598	54,184		
UNENCUMBERED CASH, beginning	<u>226,901</u>	<u>253,499</u>		
UNENCUMBERED CASH, ending	<u>\$ 253,499</u>	<u>307,683</u>		
<u>SOLID WASTE FUND</u>				
RECEIPTS				
Fees	\$ 64,459	62,617	70,000	(7,383)
EXPENDITURES				
Personal services	516	1,096	6,000	(4,904)
Contractual services	50,775	44,953	60,000	(15,047)
Commodities	-	-	1,000	(1,000)
	<u>51,291</u>	<u>46,049</u>	<u>67,000</u>	<u>(20,951)</u>
Receipts over (under) expenditures	13,168	16,568		
UNENCUMBERED CASH, beginning	<u>85,625</u>	<u>98,793</u>		
UNENCUMBERED CASH, ending	<u>\$ 98,793</u>	<u>115,361</u>		

City of Burrton, Kansas

Related Municipal Entity

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES

Regulatory Basis

Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<u>LIBRARY BOARD</u>		
RECEIPTS		
City of Burrton - Burrton Public Library	\$ 13,875	14,500
SCKLS	5,180	4,715
State of Kansas	384	447
Memorials	1,445	-
Donations and other	82	175
	<u>20,966</u>	<u>19,837</u>
EXPENDITURES		
Personal services	11,887	12,482
Consulting services	1,496	1,548
Books, periodicals and materials	3,000	2,426
Capital outlay	829	-
Operating expenses and other	1,884	2,065
	<u>19,096</u>	<u>18,521</u>
Receipts over (under) expenditures	1,870	1,316
UNENCUMBERED CASH, beginning	<u>6,533</u>	<u>5,217</u>
UNENCUMBERED CASH, ending	<u>\$ 8,403</u>	<u>6,533</u>