

FINANCIAL STATEMENTS AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
CITY OF EDWARDSVILLE, KANSAS
DECEMBER 31, 2012

CONTENTS

	Page
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS	1
FINANCIAL SECTION	
STATEMENT 1	
SUMMARY OF CASH RECIEPTS, EXPENDITURES, AND UNENCUMBERED CASH	4
NOTES TO FINANCIAL STATEMENT	5
REGULATORY - REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE 1	
SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET	15
SCHEDULE 2	
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET	
2-1 GENERAL FUND	16
2-2 CEMETERY LEVY FUND	17
2-3 SPECIAL HIGHWAY FUND	18
2-4 SEWER MAINTENANCE FUND	19
2-5 SOLID WASTE FUND	20
2-6 SPECIAL PARKS AND RECREATION FUND	21
2-7 ECONOMIC DEVELOPMENT FUND	22
2-8 DEBT SERVICE FUND	23
SCHEDULE 2	
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - UNBUDGETED FUNDS	
2-9 LAW ENFORCEMENT TRUST FUND	24
2-10 CEMETERY BOARD OPERATING FUND	25
2-11 GOVERNMENTAL GRANTS FUND	26
2-12 TECHNOLOGY FUND	27
2-13 CAPITAL IMPROVEMENT FUND - 2006 GO BOND ISSUE	28
2-14 CAPITAL IMPROVEMENT FUND - 110TH STREET	29
2-15 CAPITAL IMPROVEMENT FUND - INSPECTIONS	30
2-16 CAPITAL IMPROVEMENT FUND - 435 & WOODEND ROAD	31
2-17 CAPITAL IMPROVEMENT FUND - EAST SIDE IMPROVEMENTS	32



Certified Public Accountants
and Management Consultants

Brian J. Florea, CPA
Derek H. Hart, CPA
John R. Helms, CPA
Darrell D. Loyd, CPA
Eric L. Otting, CPA

Jere Noe, CPA
John E. Wendling, CPA
Barry W. Boyles, CPA
Adam C. Crouch, CPA
Heather R. Eiche, CPA
Aaron L. Kuehn, CPA

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Mayor and City Council
City of Edwardsville, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Edwardsville, 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 B 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.

Auditor's 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 from 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 B of the financial statement, the financial statement is prepared by the City of Edwardsville, Kansas, to meet the requirements of the State of Kansas on the basis of 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 B 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 Edwardsville, Kansas, 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 Edwardsville, Kansas, 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 B.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis of receipts, expenditures, and unencumbered cash balances (basis financial statement) as a whole. The summary of regulatory basis expenditures - actual and budget, individual fund schedules of regulatory basis receipts and expenditures - actual and budget (Schedules 1 and 2 as listed in the accompanying contents page) are presented for analysis and are not a required part of the basis financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. 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 basis financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying

accounting and other records used to prepare the basis financial statement or to the basis 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 basic financial statement as a whole, on the basis of accounting described in Note B.

Wendy Noe Nelson & Tom LLC

Topeka, Kansas

May 22, 2013

CITY OF EDWARDSVILLE, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2012

NOTE A - REGULATORY BASIS FUND TYPES

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 2012.

Governmental funds:

General fund - to account for all unrestricted resources except those required to be accounted for in other funds or account groups.

Special purpose funds - to account for the proceeds of specific revenue sources or to finance specified activities as required by law or administrative regulation.

Debt service fund - to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt.

Capital improvement funds - to account for the acquisition or construction of major capital assets.

NOTE B - SUMMARY OF ACCOUNTING POLICIES

1. Financial reporting entity

The City of Edwardsville, Kansas, was incorporated on June 28, 1915, as a third-class city. In 2008, the City was designated a second-class city. The City operates under a Mayor-Council form of government with a City Administrator and provides the following services as authorized by its charter: public safety (police and fire), highway and street maintenance, sanitation, culture/recreation, public improvements, planning and zoning and general administrative services.

These financial statements present the City of Edwardsville (the primary government). The reporting entity has no separate component units.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2012

NOTE B - SUMMARY OF ACCOUNTING POLICIES - Continued

2. 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.

3. Budgetary control and encumbrances

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), and debt service funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding calendar year on or before August 1.
- b. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
- c. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25.

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 was one amendment to the budget for the year ended December 31, 2012.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED

December 31, 2012

NOTE B - SUMMARY OF 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 statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

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

Law Enforcement Trust Fund
Cemetery Board Operating Fund
Governmental Grants Fund
Technology Fund
Capital Improvement Funds

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

4. Compensated absences

Accumulated and vested vacation leave that can be estimated, with reasonable accuracy, and is expected to be liquidated with current, available financial resources is reported as an expenditure and a fund liability of the fund that will pay it. Amounts of vested and accumulated vacation leave that are not expected to be liquidated with expendable current financial resources are reported in the long-term debt. No expenditure is reported for these amounts.

In accordance with the provisions of Governmental Accounting Standards No. 43, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2012

NOTE C - DEPOSITS AND INVESTMENTS

At December 31, 2012, the City had the following investments:

<u>Type</u>	<u>Fair value</u>	<u>Rating</u>
Bank certificates of deposit	\$47,612	N/A

K.S.A. 9-1401 establishes the depositories which may be used by the City of Edwardsville. The statute requires banks eligible to hold the City of Edwardsville's funds have a main or branch bank in the county in which the City of Edwardsville 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 of Edwardsville has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City of Edwardsville'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 of Edwardsville has no investment policy that would further limit its investment choices. The rating of the City of Edwardsville's investments is noted above.

Concentration of credit risk. State statutes place no limit on the amount the City of Edwardsville 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 of Edwardsville's deposits may not be returned to it. State statutes require the City of Edwardsville'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. All deposits were legally secured at December 31, 2012.

At December 31, 2012, the City of Edwardsville's carrying amount of deposits was \$2,105,000 and the bank balance was \$2,177,430. Of the bank balance, \$251,574 was covered by federal depository insurance, and \$1,925,856 was collateralized with securities held by the pledging financial institutions' agents in the City of Edwardsville's name.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City of Edwardsville will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2012

NOTE D - LONG-TERM DEBT

Following is a summary of changes in long-term debt for the year ended December 31, 2012:

<u>Issue</u>	<u>Interest rates</u>	<u>Date of issue</u>	<u>Amount of issue</u>	<u>Date of final maturity</u>	<u>Balance beginning of year</u>	<u>Additions</u>	<u>Reductions/ payments</u>	<u>Balance end of year</u>	<u>Interest paid</u>
2006 General Obligation Bonds	3.85% - 5.00%	06-01-2006	\$5,260,000	12-01-2021	\$4,555,000	\$ -	\$375,000	\$4,180,000	\$184,905
2008 General Obligation Bonds	3.625% - 4.00%	05-15-2008	1,065,000	10-01-2018	750,000		95,000	655,000	29,213
2012 Temporary Notes	.550%	05-15-2012	1,000,000	12-01-2014		1,000,000		1,000,000	2,994
KDHE loan sewer improvements	2.98%	11-12-2003	3,063,879	03-01-2025	2,284,634		139,742	2,144,892	67,049
Capital lease	6.53%	07-26-2007	25,485	07-01-2012	3,418		3,418		75
Capital lease	6.66%	12-07-2009	33,054	06-15-2013	17,178		11,011	6,167	1,139
Capital lease	3.75%	12-17-2010	64,037	06-17-2013	42,679		20,940	21,739	1,628
Capital lease	3.35%	10-26-2011	49,685	01-31-2014	49,865		16,891	32,974	442
Capital lease	3.35%	10-26-2011	31,127	01-31-2014	31,127		10,544	20,583	276
Capital lease	3.35%	08-29-2012	25,231	07-14-2014		25,231	8,677	16,554	
Capital lease	2.80%	11-28-2012	61,678	01-28-2015		61,678		61,678	
Total long-term debt					<u>\$7,733,901</u>	<u>\$1,086,909</u>	<u>\$681,223</u>	<u>\$8,139,587</u>	<u>\$287,721</u>

The accompanying notes are an integral part of these statements.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2012

NOTE D - LONG-TERM DEBT - Continued

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

	Year							Total
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018-2022</u>	<u>2023-2027</u>	
Principal								
General Obligation Bonds	\$495,000	\$ 515,000	\$530,000	\$555,000	\$575,000	\$2,165,000	\$ -	\$4,835,000
Temporary notes		1,000,000						1,000,000
KDHE loan sewer improvements	143,937	148,258	152,709	157,294	162,016	886,030	494,648	2,144,892
Capital leases	<u>83,346</u>	<u>55,699</u>	<u>20,650</u>					<u>159,695</u>
Total principal	<u>722,283</u>	<u>1,718,957</u>	<u>703,359</u>	<u>712,294</u>	<u>737,016</u>	<u>3,051,030</u>	<u>494,648</u>	<u>8,139,587</u>
Interest								
General Obligation Bonds	193,442	174,235	154,439	133,845	111,645	218,820		986,426
Temporary notes	5,500	5,500						11,000
KDHE loan sewer improvements	62,853	58,532	54,081	49,496	44,774	147,923	22,329	439,988
Capital leases	<u>6,702</u>	<u>2,367</u>	<u>586</u>					<u>9,655</u>
Total interest	<u>268,497</u>	<u>240,634</u>	<u>209,106</u>	<u>183,341</u>	<u>156,419</u>	<u>366,743</u>	<u>22,329</u>	<u>1,447,069</u>
Total principal and interest	<u>\$990,780</u>	<u>\$1,959,591</u>	<u>\$912,465</u>	<u>\$895,635</u>	<u>\$893,435</u>	<u>\$3,417,773</u>	<u>\$516,977</u>	<u>\$9,586,656</u>

The accompanying notes are an integral part of these statements.

CITY OF EDWARDSVILLE, KANSAS
 NOTES TO FINANCIAL STATEMENT - CONTINUED
 December 31, 2012

NOTE E - INTERFUND OPERATING TRANSFERS

A summary of interfund operating transfers is as follows:

From	To	Regulatory Authority	Amount
Sewer Maintenance Fund	Debt Service Fund	K.S.A. 12-825d	\$ 93,000
Solid Waste Fund	General Fund	K.S.A. 12-825d	14,500
Special Highway Fund	Debt Service Fund	K.S.A. 79-3425g	65,000
Governmental Grants Fund	General Fund	Grants	124,722
Capital Improvement Fund- 2006 GO Bond Issue	Debt Service Fund	K.S.A. 10-131	10,635
Capital Improvement Fund- 2006 GO Bond Issue	Capital Improvement Fund-110th Street	K.S.A. 12-6a16	1,584,663
Capital Improvement Fund- 2006 Go Bond Issue	Capital Improvement Fund-435 & Woodend Road	K.S.A. 12-6a16	74,573
			<u>\$1,967,093</u>

NOTE F - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Statutory violations

Under Kansas statutes, expenditures are mandated to be controlled, so that no indebtedness is created in excess of budgeted limits. Management is not aware of any statutory violations.

NOTE G - RETIREMENT PLANS

The City of Edwardsville, Kansas, participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Fireman's Retirement System (KP&F). Both are part of a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas' law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available joint financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas Avenue, Suite 100, Topeka, Kansas 66603-3869) or by calling 1-888-275-5737.

Currently, K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4 percent of covered salary. K.S.A. 74-4975 establishes the KP&F member-employee contribution rate at 7 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.

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2012

NOTE G - RETIREMENT PLANS - Continued

KPERS and KP&F are funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates. The KPERS employer rate established by statute for calendar year 2012 was 7.34 percent. Included in this rate is the contribution for Group Death and Disability Insurance of 1.0 percent. From April 1, 2012 through June 30, 2012, the State of Kansas imposed a moratorium on the collection of the premium of 1.00 percent of the Group Death and Disability Insurance rate. The City's employer contributions to KPERS for the years ended December 31, 2012, 2011, and 2010 were \$31,530, \$29,966, and \$28,189, respectively, equal to the required contributions for each year. The KP&F employer rates established for 2012 were 18.75 percent (police) and 22.25 percent (fire). Employers participating in KP&F also make contributions to amortize the liability for past service costs, if any, which is determined separately for each participating employer. The City's regular employer contributions to KP&F for the years ended December 31, 2012, 2011, and 2010, were \$322,987, \$273,028, and \$250,408, respectively.

NOTE H - LITIGATION

The City is involved in legal proceedings arising from the ordinary course of City activities. While these proceedings may have future financial effect, management believes that their ultimate outcome will not be material to the basic financial statements.

NOTE I - CONDUIT DEBT OBLIGATIONS

The City issued Industrial Revenue Bonds for the capital needs of unrelated parties. The principal and interest payments on the bonds are payable solely from funds generated from leases, etc., from such unrelated parties. Accordingly, the bonds and related leases, etc., are not recorded in the City's accounts. As of December 31, 2012, there were twelve series of Industrial Revenue Bonds outstanding with an aggregate principal amount payable of approximately \$76.8 million.

NOTE J - OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, the local government allows retirees to participate in the group health insurance plan. Each retiree pays the full amount of the applicable age adjusted premium, which is expected to cover the costs of the retiree benefits, thus, there is no cost to the City.

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

CITY OF EDWARDSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT - CONTINUED
December 31, 2012

NOTE K - COMPENSATED ABSENCES

The City's compensated absence policy permits employees to be paid for accumulated sick leave as follows:

- Employees who have completed five years of service and resigns or retires in good standing will be eligible for a payout of their earned but unused sick leave bank of 20 percent of the balance up to a maximum of 320 hours.
- Employees hired prior to June 29, 2008, and have already accrued a balance in excess of 320 hours will be eligible for a payout of their earned but unused sick leave bank of 100 percent of the balance. If the sick leave balance falls below 320 hours during the course of employment, the proceeding payout benefit will apply.

NOTE L - SUBSEQUENT EVENTS

Subsequent events were evaluated through May 22, 2013, which is the date the financial statements were available to be issued.

REGULATORY - REQUIRED SUPPLEMENTARY INFORMATION

CITY OF EDWARDSVILLE, KANSAS
 SCHEDULE OF EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 (BUDGETED FUNDS ONLY)
 Year ended December 31, 2012

<u>Funds</u>	<u>Certified budget</u>	<u>Adjustments for qualifying budget credits</u>	<u>Total for budget comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
Governmental type funds					
General	\$4,539,881	\$ -	\$4,539,881	\$4,068,336	\$471,545
Special revenue funds					
Cemetery Levy	-		-	-	-
Special Highway	216,542		216,542	211,163	5,379
Sewer Maintenance	108,000		108,000	107,092	908
Solid Waste	133,424		133,424	133,376	48
Special Parks and Recreation	10,000		10,000	1,356	8,644
Economic Development	56,516		56,516	37,141	19,375
Debt service fund					
Bond and interest	926,791		926,791	922,104	4,687

CITY OF EDWARDSVILLE, KANSAS
GENERAL FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

Year ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Property taxes	\$1,420,162	\$1,420,162	\$ -
Delinquent taxes	51,386	51,386	
Auto ad valorem taxes	138,712	138,712	
Local retail sales taxes	1,148,081	1,230,080	(81,999)
Payment in lieu of taxes	230,856	230,952	(96)
Franchise fees	399,455	417,108	(17,653)
Intergovernmental	3,551	2,960	591
Licenses, permits, and fees	70,008	75,615	(5,607)
Gaming revenue	259,834	343,295	(83,461)
Municipal court	391,849	350,000	41,849
Fees for services	40,883	38,922	1,961
Interest	4,087	4,100	(13)
Miscellaneous	66,496	52,810	13,686
Total cash receipts	<u>4,225,360</u>	<u>4,356,102</u>	<u>(130,742)</u>
Expenditures			
General administration	633,765	631,198	(2,567)
Fire department	963,838	981,958	18,120
Police department	1,234,424	1,235,463	1,039
Court	205,428	195,500	(9,928)
Employee benefits	923,980	927,937	3,957
Parks and recreation	90,146	110,325	20,179
Community Center	16,755	17,500	745
Contingency		440,000	440,000
Total expenditures	<u>4,068,336</u>	<u>4,539,881</u>	<u>471,545</u>
Receipts over (under) expenditures	157,024	(183,779)	340,803
Other financing sources (uses) Operating transfers in	<u>139,222</u>	<u>152,000</u>	<u>(12,778)</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	296,246	(31,779)	328,025
Unencumbered cash balance beginning of year	<u>650,029</u>	<u>566,797</u>	<u>83,232</u>
Unencumbered cash balance end of year	<u>\$ 946,275</u>	<u>\$ 535,018</u>	<u>\$411,257</u>

CITY OF EDWARDSVILLE, KANSAS
CEMETERY LEVY FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance favorable <u>(unfavorable)</u>
Cash receipts			
Miscellaneous	\$ -	\$ -	\$ -
Expenditures			
Cemetery board	_____	_____	_____
Receipts over expenditures	-	-	-
Unencumbered cash balance beginning of year	<u>699</u>	<u>-</u>	<u>699</u>
Unencumbered cash balance end of year	<u>\$699</u>	<u>\$ -</u>	<u>\$699</u>

CITY OF EDWARDSVILLE, KANSAS
SPECIAL HIGHWAY FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Intergovernmental	\$198,927	\$203,725	\$(4,798)
Expenditures			
Highways and streets	<u>146,163</u>	<u>151,542</u>	<u>5,379</u>
Receipts over expenditures	52,764	52,183	581
Other financing sources (uses)			
Operating transfers out	<u>(65,000)</u>	<u>(65,000)</u>	<u> </u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	(12,236)	(12,817)	581
Unencumbered cash balance beginning of year	<u>43,161</u>	<u>29,703</u>	<u>13,458</u>
Unencumbered cash balance end of year	<u>\$ 30,925</u>	<u>\$ 16,886</u>	<u>\$14,039</u>

CITY OF EDWARDSVILLE, KANSAS
 SEWER MAINTENANCE FUND
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 Year ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Charges for services	\$91,350	\$87,258	\$4,092
Expenditures			
Materials, supplies, and repairs	<u>14,092</u>	<u>13,000</u>	<u>(1,092)</u>
Receipts over expenditures	77,258	74,258	3,000
Other financing sources (uses)			
Operating transfers out	<u>(93,000)</u>	<u>(95,000)</u>	<u>2,000</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	(15,742)	(20,742)	5,000
Unencumbered cash balance beginning of year	<u>59,064</u>	<u>55,401</u>	<u>3,663</u>
Unencumbered cash balance end of year	<u>\$43,322</u>	<u>\$34,659</u>	<u>\$8,663</u>

CITY OF EDWARDSVILLE, KANSAS
 SOLID WASTE FUND
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 Year ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Charges for service	\$142,429	\$125,460	\$16,969
Expenditures			
Solid waste charges	<u>118,876</u>	<u>117,924</u>	<u>(952)</u>
Receipts over expenditures (expenditures over receipts)	23,553	7,536	16,017
Other financing sources (uses)			
Transfers out	<u>(14,500)</u>	<u>(15,500)</u>	<u>1,000</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	9,053	(7,964)	17,017
Unencumbered cash balance beginning of year	<u>32,540</u>	<u>20,489</u>	<u>12,051</u>
Unencumbered cash balance end of year	<u>\$ 41,593</u>	<u>\$ 12,525</u>	<u>\$29,068</u>

CITY OF EDWARDSVILLE, KANSAS
SPECIAL PARKS AND RECREATION FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Intergovernmental	\$ 3,551	\$ 3,232	\$ 319
Expenditures			
Culture and recreation	<u>1,356</u>	<u>10,000</u>	<u>8,644</u>
Receipts over expenditures (expenditures over receipts)	2,195	(6,768)	8,963
Unencumbered cash balance beginning of year	<u>20,277</u>	<u>12,505</u>	<u>7,772</u>
Unencumbered cash balance end of year	<u>\$22,472</u>	<u>\$ 5,737</u>	<u>\$16,735</u>

CITY OF EDWARDSVILLE, KANSAS
 ECONOMIC DEVELOPMENT FUND
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 REGULATORY BASIS
 Year ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance favorable <u>(unfavorable)</u>
Cash receipts			
Miscellaneous	\$ 4,000	\$ -	\$ 4,000
Expenditures			
Economic development	<u>37,141</u>	<u>56,516</u>	<u>19,375</u>
Receipts over expenditures (expenditures over receipts)	(33,141)	(56,516)	23,375
Unencumbered cash balance beginning of year	<u>88,357</u>	<u>75,829</u>	<u>12,528</u>
Unencumbered cash balance end of year	<u>\$ 55,216</u>	<u>\$ 19,313</u>	<u>\$35,903</u>

CITY OF EDWARDSVILLE, KANSAS
DEBT SERVICE FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
Year ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance favorable (unfavorable)
Cash receipts			
Property taxes	\$465,559	\$465,559	\$ -
Delinquent taxes	13,552	5,160	8,392
Auto ad valorem taxes	38,164	38,164	
Benefit district assessments	137,628	137,628	
Payment in lieu of taxes	<u>75,582</u>	<u>75,582</u>	
Total cash receipts	<u>730,485</u>	<u>722,093</u>	<u>8,392</u>
Expenditures			
Principal - bonds	470,000	470,000	
Principal - revolving loan	139,742	139,742	
Interest and commissions	<u>284,160</u>	<u>287,049</u>	2,889
Total expenditures	<u>893,902</u>	<u>896,791</u>	<u>2,889</u>
Receipts over expenditures (expenditures over receipts)	<u>(163,417)</u>	<u>(174,698)</u>	<u>11,281</u>
Other financing sources (uses)			
Proceeds - temporary notes	37,824	37,824	
Original issue discount	(3,150)		(3,150)
Other cost of temporary notes issuance	(25,052)	(30,000)	4,948
Transfers in	<u>168,635</u>	<u>170,635</u>	<u>(2,000)</u>
Total other financing sources	<u>178,257</u>	<u>178,459</u>	<u>(202)</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	14,840	3,761	11,079
Unencumbered cash balance beginning of year	<u>28,183</u>	<u>133,732</u>	<u>(105,549)</u>
Unencumbered cash balance end of year	<u>\$ 43,023</u>	<u>\$137,493</u>	<u>\$ (94,470)</u>

CITY OF EDWARDSVILLE, KANSAS
LAW ENFORCEMENT TRUST FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year ended December 31, 2012

Cash receipts	
Miscellaneous	\$8,197
Expenditures	
Public safety	<u>3,575</u>
Receipts over expenditures (expenditures over receipts)	4,622
Unencumbered cash balance beginning of year	<u>460</u>
Unencumbered cash balance end of year	<u>\$5,082</u>

CITY OF EDWARDSVILLE, KANSAS
CEMETERY BOARD OPERATING FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year ended December 31, 2012

Cash receipts	
Fees for services	\$ 5,650
Interest	<u>288</u>
Total cash receipts	<u>5,938</u>
Expenditures	
Cemetery board	<u>16,061</u>
Total expenditures	<u>16,061</u>
Receipts over expenditures (expenditures over receipts)	(10,123)
Unencumbered cash balance beginning of year	<u>98,021</u>
Unencumbered cash balance end of year	<u>\$ 87,898</u>

CITY OF EDWARDSVILLE, KANSAS
 GOVERNMENTAL GRANTS FUND
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
 REGULATORY BASIS
 Year ended December 31, 2012

Cash receipts	
Intergovernmental	\$124,722
Expenditures	
Public safety	<u> -</u>
Receipts over expenditures (expenditures over receipts)	124,722
Other financing sources (uses) Transfers out	<u>(124,722)</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	-
Unencumbered cash balance beginning of year	<u> -</u>
Unencumbered cash balance end of year	<u><u> -</u></u>

CITY OF EDWARDSVILLE, KANSAS
TECHNOLOGY FUND
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year ended December 31, 2012

Cash receipts	
Miscellaneous	\$7,544
Expenditures	
Public safety	<u>9,127</u>
Receipts over expenditures (expenditures over receipts)	(1,583)
Unencumbered cash balance beginning of year	<u>3,799</u>
Unencumbered cash balance end of year	<u>\$2,216</u>

CITY OF EDWARDSVILLE, KANSAS
 CAPITAL IMPROVEMENT FUND - 2006 GO BOND ISSUE
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
 REGULATORY BASIS
 Year ended December 31, 2012

Cash receipts	
Interest	\$ 7,708
KDOT Federal Funds Exchange	<u>496,800</u>
Total cash receipts	<u>504,508</u>
Expenditures	
Other	<u>14</u>
Receipts over expenditures (expenditures over receipts)	504,494
Other financing sources (uses)	
Proceeds - temporary notes	962,176
Transfers out	<u>(1,669,871)</u>
Total other financing sources	<u>(707,695)</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	(203,201)
Unencumbered cash balance beginning of year	<u>937,835</u>
Unencumbered cash balance end of year	<u>\$ 734,634</u>

CITY OF EDWARDSVILLE, KANSAS
 CAPITAL IMPROVEMENT FUND - 110TH STREET
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
 REGULATORY BASIS
 Year ended December 31, 2012

Cash receipts	
Miscellaneous	\$ <u> -</u>
Expenditures	
Capital improvements	1,583,247
Professional services	<u> 1,416</u>
Total expenditures	<u>1,584,663</u>
Receipts over expenditures (expenditures over receipts)	(1,584,663)
Other financing sources	
Transfers in	<u>1,584,663</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	<u> -</u>
Unencumbered cash balance beginning of year	<u> -</u>
Unencumbered cash balance end of year	<u><u> -</u></u>

CITY OF EDWARDSVILLE, KANSAS
CAPITAL IMPROVEMENT FUND - INSPECTIONS
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year ended December 31, 2012

Cash receipts	
Miscellaneous	\$15,000
Expenditures	
Professional services	<u>12,691</u>
Receipts over expenditures (expenditures over receipts)	2,309
Unencumbered cash balance beginning of year	<u> </u>
Unencumbered cash balance end of year	<u>\$ 2,309</u>

CITY OF EDWARDSVILLE, KANSAS
 CAPITAL IMPROVEMENT FUND - 435 & WOODEND ROAD
 SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
 REGULATORY BASIS
 Year ended December 31, 2012

Cash receipts	
Miscellaneous	\$ -
Expenditures	
Capital improvements	<u>74,573</u>
Receipts over expenditures (expenditures over receipts)	(74,573)
Other financing sources (uses) Transfers in	<u>74,573</u>
Receipts and other sources over expenditures (expenditures and other uses over receipts)	
Unencumbered cash balance beginning of year	<u> </u>
Unencumbered cash balance end of year	<u><u>\$ -</u></u>

CITY OF EDWARDSVILLE, KANSAS
CAPITAL IMPROVEMENT FUND - EAST SIDE IMPROVEMENTS
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES
REGULATORY BASIS
Year ended December 31, 2012

Cash receipts	
Miscellaneous	\$5,000
Expenditures	
Capital improvements	_____
Receipts over expenditures (expenditures over receipts)	5,000
Unencumbered cash balance beginning of year	_____
Unencumbered cash balance end of year	<u>\$5,000</u>