

CITY OF HALSTEAD

HALSTEAD, KANSAS

FINANCIAL STATEMENT

For the Year Ended December 31, 2012

City of Halstead, Kansas

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December 31, 2012

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# Knudsen Monroe & Company LLC

## INDEPENDENT AUDITOR'S REPORT

City Council  
City of Halstead  
Halstead, Kansas 67056

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Halstead, 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 Halstead 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 Halstead 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 Halstead 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 schedules of cash receipts and expenditures-actual-related municipal entities (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 basic 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 basic 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 basic financial statement or to the basic 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 1.

The 2011 Actual columns presented in the individual fund schedules of cash receipts and expenditures - actual and budget and the schedules of cash receipts and expenditures - Related Municipal Entities (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 statements upon which we rendered an unqualified opinion dated April 27, 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 statements 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.

*Krusden, Monroe & Company, LLC*

Certified Public Accountants  
Newton, Kansas

April 26, 2013

## City of Halstead, Kansas

## SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Year ended December 31, 2012

<u>Funds</u>	Unencumbered Cash Balance <u>12/31/11</u>	<u>Receipts</u>	<u>Expenditures</u>	Unencumbered Cash Balance <u>12/31/12</u>	Accounts Payable and <u>Encumbrances</u>	Cash Balance <u>12/31/12</u>
<b>Governmental Fund Types:</b>						
General Fund	\$ 633,390	1,688,584	1,766,644	555,330	3,361	558,691
Special Purpose Funds:						
Library	2,279	69,891	72,150	20	-	20
Special liability	2,300	8,927	9,407	1,820	-	1,820
Special street and highway	94,355	54,147	22,389	126,113	-	126,113
Cemetery perpetual care	28,780	1,895	-	30,675	-	30,675
Special parks and recreation	4,869	755	1,000	4,624	-	4,624
Recreation	2,568	76,738	77,547	1,759	-	1,759
City equipment reserve	441,162	224,631	247,212	418,581	-	418,581
Capital improvement	295,850	55,000	106,154	244,696	-	244,696
Sales tax revenue reserve	-	153,000	153,000	-	-	-
	<u>872,163</u>	<u>644,984</u>	<u>688,859</u>	<u>828,288</u>	<u>-</u>	<u>828,288</u>
Debt Service Fund:						
Bond and interest	<u>205,283</u>	<u>671,301</u>	<u>736,592</u>	<u>139,992</u>	<u>-</u>	<u>139,992</u>
Capital Project Fund:						
Building Construction and Remodeling	<u>424,074</u>	<u>-</u>	<u>424,074</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Business Funds, Page 3</b>	<u>915,103</u>	<u>2,428,215</u>	<u>2,384,873</u>	<u>958,445</u>	<u>-</u>	<u>958,445</u>
<b>Related Municipal Entities, Page 3</b>	<u>59,756</u>	<u>155,533</u>	<u>150,626</u>	<u>64,663</u>	<u>-</u>	<u>64,663</u>
<b>Total Financial Reporting Entity</b>	<u>\$ 3,109,769</u>	<u>5,588,617</u>	<u>6,151,668</u>	<u>2,546,718</u>	<u>3,361</u>	<u>2,550,079</u>

City of Halstead, Kansas

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Year ended December 31, 2012

<u>Funds</u>	Unencumbered Cash Balance <u>12/31/11</u>	<u>Receipts</u>	<u>Expenditures</u>	Unencumbered Cash Balance <u>12/31/12</u>	Accounts Payable and <u>Encumbrances</u>	Cash Balance <u>12/31/12</u>
<b>Business Funds:</b>						
Waterworks and waste water						
Waterworks operating	\$ 244,555	629,892	595,487	278,960	-	278,960
Waste water operating	109,989	272,198	268,811	113,376	-	113,376
Depreciation/replacement reserve	213,120	16,800	10,409	219,511	-	219,511
Gas						
Gas plant operating	249,006	1,362,122	1,354,741	256,387	-	256,387
Gas reserve	62,000	10,000	10,710	61,290	-	61,290
Refuse	21,214	126,588	127,405	20,397	-	20,397
Storm water	<u>15,219</u>	<u>10,615</u>	<u>17,310</u>	<u>8,524</u>	<u>-</u>	<u>8,524</u>
Total business funds	<u>\$ 915,103</u>	<u>2,428,215</u>	<u>2,384,873</u>	<u>958,445</u>	<u>-</u>	<u>958,445</u>
<b>Related Municipal Entities:</b>						
Halstead Public Library	\$ 45,133	83,587	75,363	53,357		53,357
Halstead Recreation	<u>14,623</u>	<u>71,946</u>	<u>75,263</u>	<u>11,306</u>	<u>-</u>	<u>11,306</u>
Total related municipal entities	<u>\$ 59,756</u>	<u>155,533</u>	<u>150,626</u>	<u>64,663</u>	<u>-</u>	<u>64,663</u>

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

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

Related Municipal Entities

The related municipal entities section of the financial statements includes the financial data of the discretely presented related municipal entities. These related municipal entities are reported separately to emphasize that they are legally separate from the City. The governing bodies of all of these related municipal entities are appointed by the City.

1. Halstead Library Board - The City of Halstead Library Board operates the City's public library. The City provides funding for the library through special revenue and general fund appropriations.
2. Halstead Recreation Commission - The Commission organizes youth and adult recreational leagues and events in the City of Halstead and oversees the operations of the municipal swimming pool.

Related Organization

The Halstead 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 Kansas Municipal Audit and Accounting Guide (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 of 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.

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

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.

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.
2. Public hearing on or before August 15th, but at least ten days after publication on notice of hearing.
3. 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)

Budgetary information (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, business reserve accounts, and the following special purpose funds:

1. Cemetery Perpetual Care Fund
2. City Equipment Reserve Fund
3. Capital Improvement Fund
4. Sales Tax Revenue Reserve Fund

Spending in funds that 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

Management is not aware of any statutory violations occurring in the year ended December 31, 2012.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories that 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 \$349,683 which are not subject to investment rating.

City of Halstead, 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 \$2,550,079. The bank balance totaled \$2,607,250. Of the bank balance, \$346,282 was covered by FDIC insurance and the remaining \$2,260,968 was collateralized with securities held by the pledging financial institution's agents in the City's name.

Composition of Cash Balance

	<u>Primary Government</u>	<u>Component Units</u>	<u>Total</u>
Financial institution deposits			
Checking accounts:			
Operating	\$ 2,196,431	3,965	2,200,396
Savings and time deposits:			
Cemetery perpetual care	30,675	-	30,675
Idle funds	<u>258,310</u>	<u>60,698</u>	<u>319,008</u>
	<u>\$ 2,485,416</u>	<u>64,663</u>	<u>2,550,079</u>

4. CAPITAL PROJECTS

Project Authorization

Capital improvement authorizations compared to actual expenditures since the beginning of the projects are as follows:

	<u>Project Authorization</u>	<u>Expenditures to Date</u>	<u>Excess Authorization</u>
Building Construction and Remodeling	<u>\$ 1,500,000</u>	<u>1,500,000</u>	<u>-</u>

City of Halstead, Kansas

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

5. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Maturity Date	Balance 12/31/11	Additions	Retired/Refunded	Balance 12/31/12	Interest Paid 2012
<b>General Obligation Bonds:</b>									
1999 Series	4.90-6.75%	07/01/99	\$2,065,000	10/01/14	\$ 110,000	-	110,000	-	5,780
2003 Refunding and Improvement	2.50-4.30%	10/01/03	1,510,000	10/01/18	320,000	-	320,000	-	11,415
2005 Refunding	4.00%	06/01/05	1,540,000	10/01/14	1,150,000	-	1,150,000	-	46,000
2006 Golf Course	3.70-3.90%	09/01/06	325,000	09/01/16	180,000	-	145,000	35,000	6,950
2009 GO Sales Tax Revenue	4.00-5.375%	03/23/09	1,400,000	10/01/29	1,340,000	-	1,120,000	220,000	64,556
2010 GO	3.00-4.25%	09/01/10	1,500,000	10/01/30	1,500,000	-	-	1,500,000	113,841
2012 Refunding	1.50-2.50%	11/20/12	2,540,000	10/01/29	-	2,540,000	-	2,540,000	-
					<u>4,600,000</u>	<u>2,540,000</u>	<u>2,845,000</u>	<u>4,295,000</u>	<u>248,542</u>
<b>Kansas Revolving Fund Loan:</b>									
Waste Water Treatment Upgrade	3.33%	01/11/00	793,585	09/01/20	487,604	-	47,302	440,302	15,847
Water Pollution Control	2.50%	02/07/07	325,000	03/01/28	265,073	-	13,159	251,914	6,545
					<u>752,677</u>	<u>-</u>	<u>60,461</u>	<u>692,216</u>	<u>22,392</u>
<b>Total Long-Term Debt</b>					<u>\$ 5,352,677</u>	<u>2,540,000</u>	<u>2,905,461</u>	<u>4,987,216</u>	<u>270,934</u>

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

	Year ending December 31								Total
	2013	2014	2015	2016	2017	2018-2022	2023-2027	2028-2030	
<b>Principal</b>									
General Obligation Bonds	635,000	655,000	205,000	215,000	175,000	865,000	985,000	560,000	4,295,000
Kansas Revolving Fund Loan	62,380	64,361	66,406	68,516	70,694	259,191	90,937	9,731	692,216
<b>Total Principal</b>	<u>697,380</u>	<u>719,361</u>	<u>271,406</u>	<u>283,516</u>	<u>245,694</u>	<u>1,124,191</u>	<u>1,075,937</u>	<u>569,731</u>	<u>4,987,216</u>
<b>Interest</b>									
General Obligation Bonds	167,937	156,425	142,225	136,275	76,269	319,063	196,813	37,838	1,232,845
Kansas Revolving Fund Loan	20,472	18,492	16,447	14,336	12,158	28,776	7,585	122	118,388
<b>Total Interest</b>	<u>188,409</u>	<u>174,917</u>	<u>158,672</u>	<u>150,611</u>	<u>88,427</u>	<u>347,839</u>	<u>204,398</u>	<u>37,960</u>	<u>1,351,233</u>
<b>Total Principal and Interest</b>	<u>\$ 885,789</u>	<u>894,278</u>	<u>430,078</u>	<u>434,127</u>	<u>334,121</u>	<u>1,472,030</u>	<u>1,280,335</u>	<u>607,691</u>	<u>6,338,449</u>

2012 General Obligation Refunding Bonds

During the year ended December 31, 2012, the City issued General Obligation Refunding Bonds, Series 2012, in the principal amount of \$2,540,000. Proceeds from the issue were used to retire higher interest rate general obligation debt through an advanced refunding transaction. Total debt service payments under this arrangement have been reduced by \$171,793, generating a present value savings of \$151,256.

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

6. DEFINED BENEFIT PENSION PLAN

Plan Description

The City of Halstead 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.

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4-6% 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 Halstead contributions to KPERS for the years ending December 31, 2012, 2011 and 2010 were \$73,027, \$63,821 and \$56,161 respectively, equal to the statutory required contributions for each year.

7. COMPENSATED ABSENCES

Full-time employees earn one week of paid vacation upon completion of one year of employment and two weeks of vacation after completing two or more years of service through ten years of service. After ten years of service, employees earn three weeks of paid vacation per year. Unused vacation time has not been recorded as a liability in the accompanying financial statements.

Full-time employees earn 13 days of paid sick leave in one year of service which can be accumulated to a maximum of 90 days. Employees who have accrued more than 90 days sick leave may exchange 4 days of sick leave for 1 day of additional vacation. Unused sick leave is not paid to employees upon termination. On retirement at age 62 or after 20 years of service to the City, payment for unused sick leave will be made at a ratio of 1 day per 4 days of accrued leave. Unused sick leave has not been recorded in the accompanying financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2012

8. COMMITMENTS

Public Wholesale Water Supply District No. 17

The City of Halstead participates in a joint venture agreement with the cities of Newton, North Newton and Sedgwick to form the Public Wholesale Water Supply District No. 17 (the District). The purpose of the District is to secure an additional water supply for sale to member cities and other potential customers. As a part of the operating agreement with the joint venture, the City of Halstead is committed to paying 100% of the cost of the water line that serves Halstead customers. The total of the City of Halstead's separate portion, including design, engineering, construction and administration, was \$395,201. These costs have been included in the total amounts financed by the District through a state water revolving loan. The City of Halstead is paying the District for its portion of the total debt service as it comes due. At December 31, 2012, the remaining balance of the City's separate portion was \$199,606. Water line payments totaling \$30,417 are included in Waterworks fund capital outlay expenditures in the accompanying financial statements for the year ended December 31, 2012.

In addition, the organization agreement specifies that in the event that the District terminates or otherwise fails to meet debt service requirements, the member cities are required to tender their pro rata share of the deficiency.

9. INTERFUND TRANSFERS

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

<u>Transfers To</u>	<u>Transfers From</u>						<u>Total</u>
	<u>General</u>	<u>Special Parks</u>	<u>Sales Tax Revenue</u>	<u>Water Operating</u>	<u>Waste Water Operating</u>	<u>Gas</u>	
General	\$ -	-	-	50,000	-	215,000	265,000
Cemetery Perpetual Care	1,850	-	-	-	-	-	1,850
Equipment Reserve	110,500	1,000	-	20,000	5,000	40,000	176,500
Capital Improvement	20,000	-	-	15,000	5,000	15,000	55,000
Sales Tax Reserve	153,000	-	-	-	-	-	153,000
Bond and Interest	-	-	153,000	50,000	-	60,000	263,000
Water/Waste Water							
Depreciation	-	-	-	12,000	4,800	-	16,800
Gas Reserve	-	-	-	-	-	10,000	10,000
	<u>\$ 285,350</u>	<u>1,000</u>	<u>153,000</u>	<u>147,000</u>	<u>14,800</u>	<u>340,000</u>	<u>941,150</u>

10. MANAGEMENT'S 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 April 26, 2013, which is the date at which the financial statements were available to be issued.

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

City of Halstead, Kansas

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET  
REGULATORY BASIS  
Year ended December 31, 2012

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
General	\$ 2,049,500	48,097	2,097,597	1,766,644	(330,953)
Special Purpose Funds:					
Library	75,839	-	75,839	72,150	(3,689)
Special liability	11,500	-	11,500	9,407	(2,093)
Special street and highway	96,951	-	96,951	22,389	(74,562)
Special parks and recreation	2,337	-	2,337	1,000	(1,337)
Recreation	77,600	-	77,600	77,547	(53)
Bond and Interest Funds:					
Bond and interest	856,592	-	856,592	736,592	(120,000)
Business Funds:					
Waterworks and waste water					
Waterworks operating	755,993	-	755,993	595,487	(160,506)
Waste water operating	349,580	-	349,580	268,811	(80,769)
Gas plant operating	2,103,326	-	2,103,326	1,354,741	(748,585)
Refuse	145,854	-	145,854	127,405	(18,449)
Storm water	<u>17,600</u>	<u>-</u>	<u>17,600</u>	<u>17,310</u>	<u>(290)</u>
Expenditures subject to current budget	<u>\$ 6,542,672</u>	<u>48,097</u>	<u>6,590,769</u>	5,049,483	<u>(1,541,286)</u>
Add expenditures of unbudgeted funds					
Special Purpose				506,366	
Capital Projects				424,074	
Business Fund Reserves				<u>21,119</u>	
Total expenditures, primary government				<u>\$ 6,001,042</u>	

## City of Halstead, 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	
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 396,614	375,228	389,357	(14,129)
Vehicle tax	49,932	55,811	53,217	2,594
Local sales tax	434,114	437,339	430,000	7,339
Liquor tax	875	754	759	(5)
Transient guest tax	450	371	600	(229)
Franchise tax	125,321	109,361	99,000	10,361
Fines and fees	106,963	124,800	122,175	2,625
Ambulance - Harvey County	62,592	61,354	75,000	(13,646)
Fire protection fees	55,904	53,521	53,500	21
Interest	5,393	4,413	3,600	813
Cemetery fees and charges	21,820	15,560	18,200	(2,640)
Golf course fees	100,615	128,050	96,000	32,050
Rent	700	200	4,200	(4,000)
Sale of assets	8,995	6,450	6,000	450
Other	2,112	2,275	23,000	(20,725)
Transfers from other funds	237,500	265,000	300,000	(35,000)
Reimbursement - Federal SAFER grant	31,345	48,097	-	48,097
	<u>1,641,245</u>	<u>1,688,584</u>	<u>1,674,608</u>	<u>13,976</u>
EXPENDITURES, page 14	<u>1,609,483</u>	<u>1,766,644</u>		
Receipts over (under) expenditures	31,762	(78,060)		
UNENCUMBERED CASH, beginning	<u>601,628</u>	<u>633,390</u>		
UNENCUMBERED CASH, ending	<u>\$ 633,390</u>	<u>555,330</u>		

## City of Halstead, 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				
Administration	\$ 89,138	106,617	109,000	(2,383)
Court and legal	36,783	35,712	49,550	(13,838)
City hall/support services	45,717	62,065	92,600	(30,535)
Police	259,505	273,926	302,000	(28,074)
Street	30,497	34,083	55,700	(21,617)
Fire	91,608	140,630	106,800	33,830
Park	72,669	75,043	111,400	(36,357)
Golf	183,682	177,368	195,090	(17,722)
Emergency medical services	138,853	120,522	145,500	(24,978)
Community betterment	53,152	64,565	150,860	(86,295)
Street lighting	30,523	32,316	32,000	316
Cemetery	36,538	55,184	68,500	(13,316)
Employee benefits	243,383	287,529	331,000	(43,471)
Flood control maintenance	14,405	15,734	26,500	(10,766)
Transfers to other funds	283,030	285,350	273,000	12,350
	1,609,483	1,766,644	2,049,500	(282,856)
Qualifying budget credits:				
Federal SAFER grant	-	-	48,097	(48,097)
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,609,483</b>	<b>1,766,644</b>	<b>2,097,597</b>	<b>(330,953)</b>

## City of Halstead, 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	
<b><u>LIBRARY</u></b>				
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 70,461	60,071	62,527	(2,456)
Vehicle tax	<u>7,643</u>	<u>9,820</u>	<u>9,425</u>	<u>395</u>
	78,104	69,891	<u>71,952</u>	<u>(2,061)</u>
<b>EXPENDITURES</b>				
Appropriations to Library Board	<u>75,839</u>	<u>72,150</u>	<u>75,839</u>	<u>(3,689)</u>
Receipts over (under) expenditures	2,265	(2,259)		
UNENCUMBERED CASH, beginning	<u>14</u>	<u>2,279</u>		
UNENCUMBERED CASH, ending	<u>\$ 2,279</u>	<u>20</u>		
<b><u>SPECIAL LIABILITY</u></b>				
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 8,692	7,732	8,023	(291)
Vehicle tax	<u>750</u>	<u>1,195</u>	<u>1,156</u>	<u>39</u>
	9,442	8,927	<u>9,179</u>	<u>(252)</u>
<b>EXPENDITURES</b>				
Insurance premiums	<u>10,157</u>	<u>9,407</u>	<u>11,500</u>	<u>(2,093)</u>
Receipts over (under) expenditures	(715)	(480)		
UNENCUMBERED CASH, beginning	<u>3,015</u>	<u>2,300</u>		
UNENCUMBERED CASH, ending	<u>\$ 2,300</u>	<u>1,820</u>		

City of Halstead, 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	
<b><u>SPECIAL STREET AND HIGHWAY</u></b>				
<b>RECEIPTS</b>				
Gasoline tax	\$ 52,222	54,147	51,250	2,897
<b>EXPENDITURES</b>				
Contractual services	55,479	14,503	67,451	(52,948)
Commodities	12,137	7,886	11,500	(3,614)
Capital outlay	-	-	2,000	(2,000)
Street improvement reserve	-	-	15,000	(15,000)
Miscellaneous	-	-	1,000	(1,000)
	<u>67,616</u>	<u>22,389</u>	<u>96,951</u>	<u>(74,562)</u>
Receipts over (under) expenditures	(15,394)	31,758		
UNENCUMBERED CASH, beginning	<u>109,749</u>	<u>94,355</u>		
UNENCUMBERED CASH, ending	<u>\$ 94,355</u>	<u>126,113</u>		
 <b><u>CEMETERY PERPETUAL CARE</u></b>				
<b>RECEIPTS</b>				
Transfers from other funds	\$ 1,280	1,850		
Interest	-	45		
	1,280	1,895		
<b>EXPENDITURES</b>				
	-	-		NOT APPLICABLE
Receipts over (under) expenditures	1,280	1,895		
UNENCUMBERED CASH, beginning	<u>27,500</u>	<u>28,780</u>		
UNENCUMBERED CASH, ending	<u>\$ 28,780</u>	<u>30,675</u>		

City of Halstead, 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	
<b><u>SPECIAL PARKS AND RECREATION</u></b>				
<b>RECEIPTS</b>				
Liquor tax	\$ 875	755	759	(4)
<b>EXPENDITURES</b>				
Capital outlay	-	-	1,337	(1,337)
Transfer to equipment reserve	1,000	1,000	1,000	-
	<u>1,000</u>	<u>1,000</u>	<u>2,337</u>	<u>(1,337)</u>
Receipts over (under) expenditures	(125)	(245)		
UNENCUMBERED CASH, beginning	4,994	4,869		
UNENCUMBERED CASH, ending	<u>\$ 4,869</u>	<u>4,624</u>		
 <b><u>RECREATION</u></b>				
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 24,835	22,584	22,063	521
Vehicle tax	3,271	3,451	3,283	168
Reimbursements and other	42,963	50,703	48,200	2,503
	<u>71,069</u>	<u>76,738</u>	<u>73,546</u>	<u>3,192</u>
<b>EXPENDITURES</b>				
Appropriation to Recreation Commission	28,120	28,170	30,000	(1,830)
Salaries and benefits	38,638	45,407	40,800	4,607
Supplies and other	4,337	3,970	6,800	(2,830)
	<u>71,095</u>	<u>77,547</u>	<u>77,600</u>	<u>(53)</u>
Receipts over (under) expenditures	(26)	(809)		
UNENCUMBERED CASH, beginning	2,594	2,568		
UNENCUMBERED CASH, ending	<u>\$ 2,568</u>	<u>1,759</u>		

City of Halstead, 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>CITY EQUIPMENT RESERVE</u>				
RECEIPTS				
Transfers from other funds	\$ 178,750	176,500		
Public safety grants	61,369	3,600		
Sale of equipment and other	12,821	44,531		
	<u>252,940</u>	<u>224,631</u>		
EXPENDITURES				
Capital outlay and maintenance	<u>278,037</u>	<u>247,212</u>		NOT APPLICABLE
Receipts over (under) expenditures	(25,097)	(22,581)		
UNENCUMBERED CASH, beginning	<u>466,259</u>	<u>441,162</u>		
UNENCUMBERED CASH, ending	<u>\$ 441,162</u>	<u>418,581</u>		
<u>CAPITAL IMPROVEMENT</u>				
RECEIPTS				
Transfers from other funds	\$ 83,444	55,000		
EXPENDITURES				
Capital outlay and maintenance	<u>91,000</u>	<u>106,154</u>		NOT APPLICABLE
Receipts over (under) expenditures	(7,556)	(51,154)		
UNENCUMBERED CASH, beginning	<u>303,406</u>	<u>295,850</u>		
UNENCUMBERED CASH, ending	<u>\$ 295,850</u>	<u>244,696</u>		
<u>SALES TAX REVENUE RESERVE</u>				
RECEIPTS				
Transfers from other funds	\$ 153,000	153,000		
EXPENDITURES				
Transfer to other funds	<u>153,000</u>	<u>153,000</u>		NOT APPLICABLE
Receipts over (under) expenditures	-	-		
UNENCUMBERED CASH, beginning	<u>-</u>	<u>-</u>		
UNENCUMBERED CASH, ending	<u>\$ -</u>	<u>-</u>		

See Independent Auditor's Report

## City of Halstead, 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	
<b><u>BOND AND INTEREST</u></b>				
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 376,677	342,125	357,032	(14,907)
Special assessments	15,482	14,304	14,300	4
Vehicle tax	51,260	51,872	49,249	2,623
Transfers from other funds	197,056	263,000	230,556	32,444
	<u>640,475</u>	<u>671,301</u>	<u>651,137</u>	<u>20,164</u>
<b>EXPENDITURES</b>				
Bond principal	475,000	495,000	495,000	-
Interest	145,371	241,592	241,592	-
Cash basis reserve	-	-	120,000	(120,000)
	<u>620,371</u>	<u>736,592</u>	<u>856,592</u>	<u>(120,000)</u>
Receipts over (under) expenditures	20,104	(65,291)		
UNENCUMBERED CASH, beginning	185,179	205,283		
UNENCUMBERED CASH, ending	<u>\$ 205,283</u>	<u>139,992</u>		

City of Halstead, Kansas

**Capital Project 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)

	<u>2011</u>	<u>2012</u>
<b><u>BUILDING CONSTRUCTION AND REMODELING</u></b>		
<b>RECEIPTS</b>		
Interest	\$ 3,857	-
<b>EXPENDITURES</b>		
Capital outlay	982,636	391,619
Contractual services	<u>16,983</u>	<u>32,455</u>
	<u>999,619</u>	<u>424,074</u>
Receipts over (under) expenditures	(995,762)	(424,074)
UNENCUMBERED CASH, beginning	<u>1,419,836</u>	<u>424,074</u>
UNENCUMBERED CASH, ending	<u>\$ 424,074</u>	<u>-</u>

\* Capital project funds are not subject to a statutory budget

## City of Halstead, 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	
<b><u>WATERWORKS OPERATING</u></b>				
<b>RECEIPTS</b>				
Sales	\$ 603,346	601,758	585,420	16,338
Service and other	24,196	28,134	17,500	10,634
	<u>627,542</u>	<u>629,892</u>	<u>602,920</u>	<u>26,972</u>
<b>EXPENDITURES</b>				
Personal services	130,969	129,879	145,500	(15,621)
Contractual services	115,343	139,039	140,000	(961)
Water purchases	105,617	92,371	108,000	(15,629)
Commodities	38,820	37,294	42,000	(4,706)
Capital outlay	52,634	49,904	203,493	(153,589)
Transfers to other funds	117,000	147,000	117,000	30,000
	<u>560,383</u>	<u>595,487</u>	<u>755,993</u>	<u>(160,506)</u>
Receipts over (under) expenditures	67,159	34,405		
UNENCUMBERED CASH, beginning	<u>177,396</u>	<u>244,555</u>		
UNENCUMBERED CASH, ending	<u>\$ 244,555</u>	<u>278,960</u>		

City of Halstead, 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	
<b><u>WASTE WATER OPERATING</u></b>				
<b>RECEIPTS</b>				
User fees	\$ 266,481	271,848	270,850	998
Service and other	1,197	350	500	(150)
	<u>267,678</u>	<u>272,198</u>	<u>271,350</u>	<u>848</u>
<b>EXPENDITURES</b>				
Personal services	74,026	75,585	89,000	(13,415)
Contractual services	76,052	74,937	105,950	(31,013)
Commodities	19,591	20,636	29,000	(8,364)
Capital outlay	-	-	3,000	(3,000)
Transfers to other funds	14,800	14,800	14,800	-
Debt service	82,852	82,853	82,852	1
Capital reserve	-	-	24,978	(24,978)
	<u>267,321</u>	<u>268,811</u>	<u>349,580</u>	<u>(80,769)</u>
Receipts over (under) expenditures	357	3,387		
UNENCUMBERED CASH, beginning	<u>109,632</u>	<u>109,989</u>		
UNENCUMBERED CASH, ending	<u>\$ 109,989</u>	<u>113,376</u>		
<b><u>DEPRECIATION/REPLACEMENT RESERVE</u></b>				
<b>RECEIPTS</b>				
Transfers from other funds	\$ 16,800	16,800		
<b>EXPENDITURES</b>				
Commodities and other	-	10,409		NOT APPLICABLE
Receipts over (under) expenditures	16,800	6,391		
UNENCUMBERED CASH, beginning	<u>196,320</u>	<u>213,120</u>		
UNENCUMBERED CASH, ending	<u>\$ 213,120</u>	<u>219,511</u>		

City of Halstead, 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><b>GAS PLANT OPERATING</b></u>				
<b>RECEIPTS</b>				
Sales	\$ 1,493,712	1,339,685	1,796,000	(456,315)
Service and other	19,564	22,437	25,000	(2,563)
	<u>1,513,276</u>	<u>1,362,122</u>	<u>1,821,000</u>	<u>(458,878)</u>
<b>EXPENDITURES</b>				
Personal services	132,233	125,149	135,500	(10,351)
Contractual services	157,053	178,073	216,500	(38,427)
Commodities	39,537	41,397	41,500	(103)
Gas purchased	903,238	664,537	1,260,000	(595,463)
Capital outlay	4,535	5,585	20,000	(14,415)
Transfers to other funds	305,000	340,000	395,000	(55,000)
Capital reserve	-	-	34,826	(34,826)
	<u>1,541,596</u>	<u>1,354,741</u>	<u>2,103,326</u>	<u>(748,585)</u>
Receipts over (under) expenditures	(28,320)	7,381		
UNENCUMBERED CASH, beginning	<u>277,326</u>	<u>249,006</u>		
UNENCUMBERED CASH, ending	<u>\$ 249,006</u>	<u>256,387</u>		
 <u><b>GAS RESERVE</b></u>				
<b>RECEIPTS</b>				
Transfers from other funds	\$ 10,000	10,000		
<b>EXPENDITURES</b>				
Contractual services	-	10,710	NOT APPLICABLE	
Receipts over (under) expenditures	10,000	(710)		
UNENCUMBERED CASH, beginning	<u>52,000</u>	<u>62,000</u>		
UNENCUMBERED CASH, ending	<u>\$ 62,000</u>	<u>61,290</u>		

City of Halstead, 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	
<b><u>REFUSE</u></b>				
<b>RECEIPTS</b>				
User fees	\$ 93,350	94,323	95,960	(1,637)
Recycle fees	32,715	32,265	32,850	(585)
	<u>126,065</u>	<u>126,588</u>	<u>128,810</u>	<u>(2,222)</u>
<b>EXPENDITURES</b>				
Personal services	13,526	14,205	16,000	(1,795)
Contractual services	113,770	113,200	117,500	(4,300)
Commodities and other	-	-	500	(500)
Capital reserve	-	-	11,854	(11,854)
	<u>127,296</u>	<u>127,405</u>	<u>145,854</u>	<u>(18,449)</u>
Receipts over (under) expenditures	(1,231)	(817)		
UNENCUMBERED CASH, beginning	<u>22,445</u>	<u>21,214</u>		
UNENCUMBERED CASH, ending	<u>\$ 21,214</u>	<u>20,397</u>		
 <b><u>STORM WATER</u></b>				
<b>RECEIPTS</b>				
User fees	\$ 10,417	10,615	10,000	615
<b>EXPENDITURES</b>				
Contractual services	1,614	1,714	5,000	(3,286)
Maintenance and repair	5,184	15,596	6,600	8,996
Transfers to other funds	4,000	-	4,000	(4,000)
Capital reserve	-	-	2,000	(2,000)
	<u>10,798</u>	<u>17,310</u>	<u>17,600</u>	<u>(290)</u>
Receipts over (under) expenditures	(381)	(6,695)		
UNENCUMBERED CASH, beginning	<u>15,600</u>	<u>15,219</u>		
UNENCUMBERED CASH, ending	<u>\$ 15,219</u>	<u>8,524</u>		

## City of Halstead, Kansas

**Related Municipal Entities****SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL  
REGULATORY BASIS**

Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<b><u>HALSTEAD PUBLIC LIBRARY</u></b>		
<b>RECEIPTS</b>		
City of Halstead	\$ 72,150	75,839
SCKLS and other grants	7,518	8,338
State aid	888	942
Interest and other	<u>3,031</u>	<u>3,504</u>
	<u>83,587</u>	<u>88,623</u>
<b>EXPENDITURES</b>		
Personal services	46,579	46,381
Books, periodicals and materials	8,936	11,723
Operating supplies and commodities	3,918	4,087
Telephone and utilities	5,812	6,421
Capital outlay	2,887	14,853
Other	<u>7,231</u>	<u>6,935</u>
	<u>75,363</u>	<u>90,400</u>
Receipts over (under) expenditures	8,224	(1,777)
UNENCUMBERED CASH, beginning	<u>45,133</u>	<u>46,910</u>
UNENCUMBERED CASH, ending	<u>\$ 53,357</u>	<u>45,133</u>
 <b><u>HALSTEAD RECREATION</u></b>		
<b>RECEIPTS</b>		
City of Halstead	\$ 28,170	28,120
Athletic programs and pool receipts	43,590	41,124
Interest and other	<u>186</u>	<u>1,401</u>
	<u>71,946</u>	<u>70,645</u>
<b>EXPENDITURES</b>		
Personal services	49,745	42,454
Athletic programs and pool	20,406	17,303
Other	<u>5,112</u>	<u>6,146</u>
	<u>75,263</u>	<u>65,903</u>
Receipts over (under) expenditures	(3,317)	4,742
UNENCUMBERED CASH, beginning	<u>14,623</u>	<u>9,881</u>
UNENCUMBERED CASH, ending	<u>\$ 11,306</u>	<u>14,623</u>