

CITY OF HOXIE

HOXIE, KANSAS

FINANCIAL STATEMENT
For the Year Ended December 31, 2012



DAVID E. LEOPOLD

Certified Public Accountant
Hoxie, Kansas

CITY OF HOXIE, KANSAS

FINANCIAL STATEMENT

For the Year Ended December 31, 2012

TABLE OF CONTENTS

	<u>Page Number</u>
Independent Auditor's Report	1 - 2
Statement 1	
Summary of Receipts, Expenditures, and Unencumbered Cash	3
Notes to the Financial Statement	4 - 10
Schedule 1	
Summary of Expenditures - Actual and Budget	11
Schedule 2-A	
Individual Fund Schedules of Receipts and Expenditures - Actual and Budget	
General Fund	12-13
Library Fund	14
Employee Benefits Fund	15
Street Resurfacing Fund	16
Airport Fund	17
Special Highway Fund	18
Fuller Cemetery Fund	19
Special Parks and Recreation Fund	20
Bed Tax Fund	21
Bond and Interest Fund	22
Water and Sewer Utility Fund	23
Refuse Utility Fund	24
Schedule 2-B	
Individual Fund Schedules of Receipts and Expenditures – Actual	
Capital Improvement Fund	25
Equipment Reserve Fund	26
Walking Park Fund	27
Pool Project Fund	28
125 th Celebration Fund	29
Schedule 3	
Schedule of Receipts and Disbursements	
Agency Funds	30

David E. Leopold
CERTIFIED PUBLIC ACCOUNTANT
P.O. Box 235
Hoxie, KS 67740
•
785-675-3711
FAX - 785-675-3580

INDEPENDENT AUDITOR'S REPORT

December 9, 2013

City Council
City of Hoxie, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Hoxie, 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 Statements

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.

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 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 Hoxie to meet the requirements of the State of Kansas on the basis of 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 Hoxie, 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 Hoxie, 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 1.

Report of 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 regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic 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 basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the 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.

Restriction on Use

This report is intended solely for the information and use of the City Council members and management of the City of Hoxie, Kansas, and for filing with the Kansas Division of Account and Reports and is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which upon acceptance by the City Council, Hoxie, Kansas, is a matter of public record.



David E. Leopold
Certified Public Accountant

CITY OF HOXIE, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
 Regulatory Basis
 For the Year Ended December 31, 2012

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances & Accounts Payable	Ending Cash Balance
Governmental Type Funds						
General Fund:	\$ 50,911.05	\$ 358,986.06	\$ 381,377.42	\$ 28,519.69	\$ 17,642.84	\$ 46,162.53
Special Purpose Funds:						
Library	366.35	35,492.75	35,241.27	617.83	-	617.83
Employee Benefits	45,045.37	120,546.34	138,064.98	27,526.73	-	27,526.73
Street Resurfacing	14,532.67	60,128.15	-	74,660.82	-	74,660.82
Airport	12,223.83	3,796.66	584.57	15,435.92	23.22	15,459.14
Special Highway	5,968.05	31,087.73	33,111.77	3,944.01	-	3,944.01
Fuller Cemetery	17,081.45	18,350.00	7,575.21	27,856.24	-	27,856.24
Special Parks and Recreation	2,299.34	521.92	-	2,821.26	-	2,821.26
Bed Tax	3,523.10	3,783.63	4,000.00	3,306.73	-	3,306.73
Capital Improvement	16,608.35	10,000.00	-	26,608.35	-	26,608.35
Equipment Reserve	45,140.97	35,000.00	21,848.58	58,292.39	-	58,292.39
Walking Park	3,385.00	150.00	3,535.00	-	-	-
Pool Project	-	5,739.20	4,483.75	1,255.45	-	1,255.45
125th Celebration	3,958.78	-	-	3,958.78	-	3,958.78
Capital Projects Fund:						
None	-	-	-	-	-	-
Debt Service Fund:						
Bond and Interest	24,166.74	48,285.02	50,861.23	21,590.53	-	21,590.53
Proprietary Type Funds						
Enterprise Funds:						
Water and Sewer Utility	4,631.26	319,116.21	253,798.83	69,948.64	5,820.19	75,768.83
Refuse Utility	6,669.59	173,934.86	157,979.34	22,625.11	9,756.05	32,381.16
Total Reporting Entity (Excluding Agency Funds)	\$ 256,511.90	\$ 1,224,918.53	\$ 1,092,461.95	\$ 388,968.48	\$ 33,242.30	\$ 422,210.78
Composition of Cash:						
				Cash on Hand		100.00
				Petty Cash Account		500.00
				Checking Accounts		170,618.83
				Money Market Account		3,836.69
				Certificates of Deposit		250,000.00
				Total Cash		425,055.52
				Agency Funds per Schedule 3		(2,844.74)
				Total Reporting Entity (Excluding Agency Funds)		\$ 422,210.78

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

CITY OF HOXIE
Notes to the Financial Statement
December 31, 2012

NOTE 1: Summary of Significant Accounting Policies

Reporting Entity

The City of Hoxie is a municipal corporation governed by an elected three-member commission. The commission is comprised of a Street Commissioner, Water Commissioner, and the City Mayor. This financial statement presents The City of Hoxie, the primary government. Component units of the City are not included in the financial statement.

A component unit is defined as an entity legally separate from the City, which has a significant dependence on, or relationships with, the City.

Fund Accounting

For the purpose of this report, 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/or encumbrances, 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 type of funds comprised the financial activities of the City for the year of 2012:

Governmental Funds:

- General Fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.
- Special Purpose Fund – used 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 – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.
- Capital Projects Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Proprietary Funds:

- Business Funds – funds financed in whole or in part by fees charged to users of the good or services (i.e. enterprise and internal service fund etc.)

Fiduciary Funds:

- Trust and Agency Funds – to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. In 2012 this included an Agency Fund.

Statutory Basis of Accounting

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 receivable 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.

NOTE 2: 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. Although directory rather than mandatory, 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 of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

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

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 the capital projects funds, fiduciary funds, permanent funds, and the following special purpose funds:

Equipment Reserve Fund	Capital Improvement Fund
125 th Celebration Fund	Walking Park Fund
Pool Project 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.

All budgets must be filed with the County Clerk by August 25th. The County Clerk must calculate the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the Clerk certifies the tax roll to the County Treasurer, who prepares tax statements and receives payments.

These taxes become a lien against all property November 1st. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 20th and May 10th. For the 2012 calendar year, delinquent taxes were assessed interest at 7% per annum. This interest is retained by the County.

Taxes levied to finance the budget are made available to the City Funds after the first of the year and are distributed by the County Treasurer approximately every month and a half. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed annually.

NOTE 3: Property Taxes

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

It is not feasible to apportion delinquent taxes held by the County Treasurer at the end of the audit period and, further, the amounts thereof are not material to the financial statements taken as a whole.

NOTE 4: Compensated Absences

In accordance with the provisions of Statement of Financial Accounting Standards No. 43, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. Also, no liability has been recorded for vested or accumulated vacation leave because the amount cannot be reasonably estimated.

NOTE 5: Reimbursed Expenses

Reimbursed expenses are defined as repayments of amounts remitted on behalf of another party. All reimbursed expenses shown in the financial statements meet the following criteria: 1) the related disbursement was made in the current year on behalf of the payee, 2) the item paid for was directly identifiable as having been used by or provided to the payee, and 3) the amount of the reimbursed expense was directly tied to the amount of the original cash disbursement.

NOTE 6: Deposits & Investments

As of December 31, 2012, the City had no investments other than money market accounts & certificates of deposit with the local banking institutions.

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 Government is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on 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 other policies 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.

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 no designated "peak periods". All deposits were legally secured at December 31, 2012.

At December 31, 2012, the City's carrying amount of deposits, including certificates of deposit, was \$424,955.52 and the bank balance was \$457,105.69. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$358,034.90 was covered by federal depository insurance and the remaining \$99,070.79 was collateralized with securities held by the pledging financial institutions' agents in the City'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 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.

NOTE 7: Interfund Transfers

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General	Equipment Reserve	12-1, 117	\$ 12,500.00
Water & Sewer	Bond & Interest	12-825d	17,500.00
Water & Sewer	Equipment Reserve	12-1, 117	12,500.00
Water & Sewer	General	12-825d	30,000.00
Water & Sewer	Capital Improvement	12-1, 118	10,000.00
Refuse	Equipment Reserve	12-631p	10,000.00

NOTE 8: Defined Benefit Pension Plan

Plan description: The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. 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. 74-419 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. K.S.A. 74-4975 establishes KP&F member-employee rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on a actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The employer rate established for calendar year 2012 was 7.34%-8.34%. The City employer contributions to KPERS for the years ending December 31, 2012, 2011, and 2010 were \$29,307.35, \$26,156.68, and \$23,659.99, respectively, equal to the required contributions for each year as set forth by the legislature.

NOTE 9: Compliance with Finance-Related Legal and Contractual Provisions

Compliance with Kansas Statute

K.S.A. 10-1117 requires the City Clerk to maintain a record of fund encumbrances. K.S.A. 79-2934 requires the City Clerk to maintain an account of each fund showing the unencumbered budget balance. The City does not keep a formal record of encumbrances throughout the year, but does keep a detailed record of year-end encumbrances by fund.

K.S.A. 79-2935 requires that no indebtedness be created in excess of budgeted limits. The expenditures for the Refuse Fund exceeded the amount budgeted for the fund in 2012.

Note 10: Capital Leases

The City currently has one lease-purchase agreement in effect. The lease-purchase agreement is with First National Bank of Hutchinson for a brush chipper. The lease started on March 27, 2007 with lease payments of \$417.46 due monthly until April 5, 2012. The lease payments are based on a 4.85% nominal annual interest rate.

Note 11: Long-Term Debt

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

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions /Payments	Net Change	Balance End of Year	Interest Paid
Gen. Obligation Bonds:										
Street Bond 2003-Ser A	5.0%-5.9%	11/1/03	\$ 137,000.00	3/1/24	105,000.00	-	5,000.00	-	100,000.00	5,150.00
Water Bond 2003-Ser B	4.15%-5.90%	11/1/03	\$ 380,000.00	3/1/24	295,000.00	-	15,000.00	-	280,000.00	13,992.50
KDOT Loans:										
Transportation Rev. Loan	3.68%	6/1/10	\$ 213,794.67	08/1/27	178,223.73	-	8,212.88	-	170,010.85	6,558.64
Capital Leases:										
Brush Chipper	4.85%	3/27/07	\$ 22,175.50	4/5/12	1,652.76	-	1,652.76	-	-	17.08
Total Cont. Indebtedness					579,876.49	-	29,865.64	-	550,010.85	25,718.22
Total Long-Term Debt					\$ 579,876.49	\$ -	\$ 29,865.64	\$ -	\$ 550,010.85	\$ 25,718.22

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

	Year									
	2013	2014	2015	2016	2017	2018-2022	2023-2027	2028	Total	
Principal:										
General Obligation Bonds	\$ 20,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 30,000.00	\$ 175,000.00	\$ 80,000.00	\$ -	\$ 380,000.00	
KDOT Loans	8,535.66	8,871.12	9,219.74	9,582.08	9,958.66	55,980.72	67,862.87	-	170,010.85	
Capital Leases	-	-	-	-	-	-	-	-	-	
Total Principal	28,535.66	33,871.12	34,219.74	34,582.08	39,958.66	230,980.72	147,862.87	-	550,010.85	
Interest:										
General Obligation Bonds	18,181.25	17,187.50	16,067.50	14,875.00	13,500.00	41,875.00	4,000.00	-	125,686.25	
KDOT Loans	6,256.40	5,942.28	5,615.82	5,276.54	4,923.92	18,825.76	7,683.26	-	54,523.98	
Capital Leases	-	-	-	-	-	-	-	-	-	
Total Interest	24,437.65	23,129.78	21,683.32	20,151.54	18,423.92	60,700.76	11,683.26	-	180,210.23	
Total Principal and Interest	\$ 52,973.31	\$ 57,000.90	\$ 55,903.06	\$ 54,733.62	\$ 58,382.58	\$ 291,681.48	\$ 159,546.13	\$ -	\$ 730,221.08	

CITY OF HOXIE, KANSAS
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

Schedule 1

Regulatory Basis
For the Year Ended December 31, 2012

<u>Fund</u>	<u>Total Budget</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over (Under)</u>
Governmental Type Fund:			
General Fund	\$ 468,801.00	\$ 381,377.42	\$ (87,423.58)
Special Purpose Funds:			
Library	37,053.00	35,241.27	(1,811.73)
Employee Benefits	165,000.00	138,064.98	(26,935.02)
Street Resurfacing	59,558.00	-	(59,558.00)
Airport	16,818.00	584.57	(16,233.43)
Special Highway	35,415.00	33,111.77	(2,303.23)
Fuller Cemetery	41,045.00	7,575.21	(33,469.79)
Special Parks and Recreation	4,177.00	-	(4,177.00)
Bed Tax	7,759.00	4,000.00	(3,759.00)
Debit Service Fund:			-
Bond and Interest	69,360.00	50,861.23	(18,498.77)
Proprietary Type Funds:			-
Water and Sewer Utility	255,115.00	253,798.83	(1,316.17)
Refuse Utility	156,239.00	157,979.34	1,740.34

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
Cash Receipts			
Taxes & Shared Revenue:			
Ad Valorem Tax	\$ 52,538.44	\$ 52,485.00	\$ 53.44
Delinquent Tax	769.69	940.00	(170.31)
Motor Vehicle Tax	13,489.51	12,818.00	671.51
Rec. Vehicle Tax	199.60	261.00	(61.40)
16/20 M Vehicle Tax	297.68	334.00	(36.32)
Local Alcohol Liquor Fund	521.92	1,313.00	(791.08)
Payment in Lieu of Taxes	-	-	-
Highway Connecting Link	3,494.41	3,500.00	(5.59)
Local Sales & Compensating Use Tax	120,502.83	88,000.00	32,502.83
Licenses & Permits			
Franchise Fees	89,943.95	115,000.00	(25,056.05)
Liquor, Beer, & Other City Licenses	2,000.00	900.00	1,100.00
Dog & Cat Licenses	195.00	200.00	(5.00)
Fines & Forfeits			
Municipal Court	11,952.14	14,000.00	(2,047.86)
Charges for Services			
Municipal Pool	11,119.99	12,000.00	(880.01)
Miscellaneous	226.30	500.00	(273.70)
Building Rent	12,900.00	13,000.00	(100.00)
Sale of Surplus Property	-	-	-
Lot Deposit	-	-	-
Donations	-	-	-
Equipment Rental	1,500.51	250.00	1,250.51
Refunds/Reimbursements	4,430.59	12,000.00	(7,569.41)
Interest	2,903.50	5,000.00	(2,096.50)
Transfer from Water & Sewer	30,000.00	30,000.00	-
	<hr/>	<hr/>	<hr/>
Total Receipts & Transfers	358,986.06	362,501.00	(3,514.94)

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
Expenditures			
General Government:			
Personal Services	\$ 80,691.86	\$ 87,150.00	\$ (6,458.14)
Contractual Services	44,142.02	50,000.00	(5,857.98)
Commodities	6,435.95	15,000.00	(8,564.05)
Streets			
Personal Services	27,160.08	28,875.00	(1,714.92)
Contractual Services	35,235.85	106,276.00	(71,040.15)
Commodities	24,513.89	32,000.00	(7,486.11)
Parks & Pool			
Personal Services	21,488.44	22,050.00	(561.56)
Contractual Services	15,394.03	9,000.00	6,394.03
Commodities	12,066.08	17,000.00	(4,933.92)
Police			
Personal Services	81,052.20	77,700.00	3,352.20
Contractual Services	9,414.91	4,000.00	5,414.91
Commodities	11,008.79	19,500.00	(8,491.21)
Cemetery			
Contractual Services	263.83	250.00	13.83
Commodities	9.49	-	9.49
Transfer to Street Resurfacing	-	-	-
Transfer to Equipment Reserve	12,500.00	-	12,500.00
	<hr/>	<hr/>	<hr/>
Total Expenditures & Transfers	381,377.42	\$ 468,801.00	\$ (87,423.58)
	<hr/>	<hr/>	<hr/>
Receipts Over (Under) Expenditures	(22,391.36)		
Unencumbered Cash, Jan. 1	50,911.05		
	<hr/>		
Unencumbered Cash, Dec. 31	\$ 28,519.69		
	<hr/>		

LIBRARY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
Cash Receipts			
Ad Valorem Tax	\$ 27,685.61	\$ 27,659.00	\$ 26.61
Delinquent Tax	388.73	335.00	53.73
Motor Vehicle Tax	7,163.27	7,177.00	(13.73)
Rec. Vehicle Tax	106.81	147.00	(40.19)
16/20 M Vehicle Tax	148.33	187.00	(38.67)
	<hr/>	<hr/>	<hr/>
Total Receipts	35,492.75	35,505.00	(12.25)
	<hr/>	<hr/>	<hr/>
Expenditures			
Contractual Services	35,241.27	37,053.00	(1,811.73)
	<hr/>	<hr/>	<hr/>
Total Expenditures	35,241.27	<u>\$ 37,053.00</u>	<u>\$ (1,811.73)</u>
	<hr/>	<hr/>	<hr/>
Receipts Over (Under) Expenditures	251.48		
Unencumbered Cash, Jan. 1	366.35		
	<hr/>		
Unencumbered Cash, December 31	<u>\$ 617.83</u>		

EMPLOYEE BENEFITS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
Cash Receipts			
Ad Valorem Tax	\$ 100,356.45	\$ 100,305.00	\$ 51.45
Delinquent Tax	1,028.57	1,100.00	(71.43)
Motor Vehicle Tax	18,494.86	17,788.00	706.86
Recreational Vehicle Tax	275.08	363.00	(87.92)
16/20 M Vehicle Tax	391.38	463.00	(71.62)
Refunds	-	-	-
	<hr/>	<hr/>	<hr/>
Total Receipts	120,546.34	120,019.00	527.34
	<hr/>	<hr/>	<hr/>
Expenditures			
Contractual Services	138,064.98	165,000.00	(26,935.02)
	<hr/>	<hr/>	<hr/>
Total Expenditures	138,064.98	<u>\$ 165,000.00</u>	<u>\$ (26,935.02)</u>
	<hr/>	<hr/>	<hr/>
Receipts Over (Under) Expenditures	(17,518.64)		
Unencumbered Cash, Jan. 1	45,045.37		
	<hr/>		
Unencumbered Cash, Dec. 31	<u>\$ 27,526.73</u>		

STREET RESURFACING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
Cash Receipts			
Ad Valorem Tax	\$ 48,808.59	\$ 48,772.00	\$ 36.59
Delinquent Tax	590.24	400.00	190.24
Motor Vehicle Tax	10,347.97	9,835.00	512.97
Recreational Vehicle Tax	153.13	201.00	(47.87)
16/20 M Vehicle Tax	228.22	256.00	(27.78)
Miscellaneous	-	-	-
Transfer from General	-	-	-
	<hr/>	<hr/>	<hr/>
Total Receipts	60,128.15	59,464.00	664.15
	<hr/>	<hr/>	<hr/>
Expenditures			
Contractual Services	-	59,558.00	(59,558.00)
	<hr/>	<hr/>	<hr/>
Total Expenditures	-	<u>\$ 59,558.00</u>	<u>\$ (59,558.00)</u>
	<hr/>	<hr/>	<hr/>
Receipts Over (Under) Expenditures	60,128.15		
Unencumbered Cash, Jan. 1	<hr/> 14,532.67		
Unencumbered Cash, Dec. 31	<u>\$ 74,660.82</u>		

AIRPORT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
Cash Receipts			
Ad Valorem Tax	\$ 2,973.89	\$ 2,968.00	\$ 5.89
Delinquent Tax	42.82	38.00	4.82
Motor Vehicle Tax	752.27	716.00	36.27
Recreational Vehicle Tax	11.14	15.00	(3.86)
16/20 M Vehicle Tax	16.54	19.00	(2.46)
Refunds	-	-	-
	<hr/>	<hr/>	<hr/>
Total Receipts	3,796.66	3,756.00	40.66
Expenditures			
Contractual Services	584.57	15,318.00	(14,733.43)
Commodities	-	1,500.00	(1,500.00)
	<hr/>	<hr/>	<hr/>
Total Expenditures	584.57	<u>\$ 16,818.00</u>	<u>\$ (16,233.43)</u>
Receipts Over (Under) Expenditures	3,212.09		
Unencumbered Cash, Jan. 1	<hr/> 12,223.83		
Unencumbered Cash, Dec. 31	<u>\$ 15,435.92</u>		

SPECIAL HIGHWAY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
Cash Receipts			
State Payments Direct	\$ 31,087.73	\$ 30,160.00	\$ 927.73
Total Receipts	<u>31,087.73</u>	<u>30,160.00</u>	<u>927.73</u>
Expenditures			
Personal Services	33,111.77	34,800.00	(1,688.23)
Contract Services	-	615.00	(615.00)
Commodities	-	-	-
Capital Outlay	-	-	-
Transfer to Equipment Reserve	-	-	-
Total Expenditures & Transfers	<u>33,111.77</u>	<u>\$ 35,415.00</u>	<u>\$ (2,303.23)</u>
Receipts Over (Under) Expenditures	(2,024.04)		
Unencumbered Cash, Jan. 1	<u>5,968.05</u>		
Unencumbered Cash, Dec. 31	<u>\$ 3,944.01</u>		

FULLER CEMETERY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
Cash Receipts			
Sale of Lots	\$ 425.00	\$ 2,000.00	\$ (1,575.00)
Farm Income	15,200.00	15,200.00	-
Grave Opening	2,695.00	6,000.00	(3,305.00)
Permits	30.00	500.00	(470.00)
Donations	-	-	-
	<hr/>	<hr/>	<hr/>
Total Receipts	18,350.00	23,700.00	(5,350.00)
	<hr/>	<hr/>	<hr/>
Expenditures			
Personal Services	5,936.07	7,350.00	(1,413.93)
Contractual Services	941.02	1,500.00	(558.98)
Commodities	698.12	32,195.00	(31,496.88)
	<hr/>	<hr/>	<hr/>
Total Expenditures	7,575.21	\$ 41,045.00	\$ (33,469.79)
	<hr/>	<hr/>	<hr/>
Receipts Over (Under) Expenditures	10,774.79		
Unencumbered Cash, Jan. 1	17,081.45		
	<hr/>		
Unencumbered Cash, Dec. 31	\$ 27,856.24		
	<hr/>		

SPECIAL PARKS & RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
Cash Receipts			
State of Kansas - Liquor Tax	\$ 521.92	\$ 1,313.00	\$ (791.08)
Total Receipts	<u>521.92</u>	<u>1,313.00</u>	<u>(791.08)</u>
Expenditures			
Contractual Services	-	4,177.00	(4,177.00)
Commodities	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>\$ 4,177.00</u>	<u>\$ (4,177.00)</u>
Receipts Over (Under) Expenditures	521.92		
Unencumbered Cash, Jan. 1	<u>2,299.34</u>		
Unencumbered Cash, Dec. 31	<u>\$ 2,821.26</u>		

BED TAX FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
Cash Receipts			
Local Bed Tax	\$ 3,783.63	\$ 4,000.00	\$ (4,000.00)
	<u>3,783.63</u>	<u>4,000.00</u>	<u>(4,000.00)</u>
Total Receipts & Transfers			
Expenditures			
Contractual Services	4,000.00	-	4,000.00
Commodities	-	7,759.00	(7,759.00)
	<u>4,000.00</u>	<u>\$ 7,759.00</u>	<u>\$ (3,759.00)</u>
Total Expenditures			
Receipts Over (Under) Expenditures	(216.37)		
Unencumbered Cash, Jan. 1	<u>3,523.10</u>		
Unencumbered Cash, Dec. 31	<u>\$ 3,306.73</u>		

BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
Cash Receipts			
Ad Valorem Tax	\$ 18,651.19	\$ 18,650.00	\$ 1.19
Delinquent Tax	99.96	110.00	(10.04)
Motor Vehicle Tax	3,309.81	3,702.00	(392.19)
Recreational Vehicle Tax	52.67	76.00	(23.33)
16/20 M Vehicle Tax	29.45	96.00	(66.55)
Special Assessments	8,641.94	8,421.00	220.94
Transfer from Water & Sewer	17,500.00	15,000.00	2,500.00
	<hr/>	<hr/>	<hr/>
Total Receipts & Transfers	48,285.02	46,055.00	2,230.02
Expenditures			
Bonds	28,212.88	28,213.00	(0.12)
Interest	22,421.82	25,701.00	(3,279.18)
Commission	226.53	446.00	(219.47)
Cash Basis Reserve	-	15,000.00	(15,000.00)
	<hr/>	<hr/>	<hr/>
Total Expenditures & Transfers	50,861.23	\$ 69,360.00	\$ (18,498.77)
Receipts Over (Under) Expenditures	(2,576.21)		
Unencumbered Cash, Jan. 1	<hr/>		
	24,166.74		
Unencumbered Cash, Dec. 31	<hr/>		
	\$ 21,590.53		

WATER AND SEWER UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
Cash Receipts			
Customer Charges	\$ 312,906.67	\$ 245,000.00	\$ 67,906.67
Late Charges	2,940.47	-	2,940.47
Connect Fees	1,290.00	1,600.00	(310.00)
Bulk	1,552.96	1,200.00	352.96
Refunds	-	2,500.00	(2,500.00)
Miscellaneous	426.11	-	426.11
	<hr/>	<hr/>	<hr/>
Total Receipts	319,116.21	250,300.00	68,816.21
	<hr/>	<hr/>	<hr/>
Expenditures and Transfers			
Production & Transmission (Water)			
Personal Services	84,434.68	85,600.00	(1,165.32)
Contractual Services	64,736.90	65,415.00	(678.10)
Commodities	18,753.94	32,100.00	(13,346.06)
Transmission (Sewer)			
Contractual Services	9,612.81	-	9,612.81
Commodities	6,260.50	-	6,260.50
Non-Operating			
Transfer to General	30,000.00	30,000.00	-
Transfer to Equip. Reserve	12,500.00	15,000.00	(2,500.00)
Transfer to Capital Improvement	10,000.00	8,500.00	1,500.00
Transfer to Bond & Interest	17,500.00	15,000.00	2,500.00
Transfer to Refuse	-	3,500.00	(3,500.00)
	<hr/>	<hr/>	<hr/>
Total Expenditures & Transfers	253,798.83	\$ 255,115.00	\$ (1,316.17)
	<hr/>	<hr/>	<hr/>
Receipts Over (Under) Expenditures	65,317.38		
Unencumbered Cash, Jan. 1	4,631.26		
	<hr/>		
Unencumbered Cash, Dec. 31	\$ 69,948.64		
	<hr/>		

REFUSE UTILITY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>	<u>Budget</u>	Variance- Over <u>(Under)</u>
Cash Receipts			
Customer Charges	\$ 166,921.48	\$ 150,000.00	\$ 16,921.48
Bags	450.00	500.00	(50.00)
Containers	6,377.50	1,000.00	5,377.50
Late Fee	90.88	250.00	(159.12)
Miscellaneous	95.00	-	95.00
Refunds	-	-	-
Transfer from Water	-	3,500.00	(3,500.00)
	<hr/>	<hr/>	<hr/>
Total Receipts	173,934.86	155,250.00	18,684.86
	<hr/>	<hr/>	<hr/>
Expenditures and Transfers			
Personal Services	74,774.73	75,000.00	(225.27)
Contractual Services	4,715.00	12,000.00	(7,285.00)
Commodities	21,189.61	17,000.00	4,189.61
Landfill	47,300.00	52,239.00	(4,939.00)
Transfer to Equip. Reserve	10,000.00	-	10,000.00
Transfer to Capital Improvement	-	-	-
	<hr/>	<hr/>	<hr/>
Total Expenditures and Transfers	157,979.34	\$ 156,239.00	\$ 1,740.34
	<hr/>	<hr/>	<hr/>
Receipts Over (Under) Expenditures	15,955.52		
Unencumbered Cash, Jan. 1	6,669.59		
	<hr/>		
Unencumbered Cash, Dec. 31	\$ 22,625.11		
	<hr/>		

CAPITAL IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL
Regulatory Basis
For the Year Ended December 31, 2012

	<u>ACTUAL</u>
Cash Receipts	
Loans from KDOT	\$ -
Transfer from General	-
Transfer from Water & Sewer	<u>10,000.00</u>
Total Receipts and Transfers	<u>10,000.00</u>
Expenditures	
Contractual Services	-
KDOT Loan Payment	-
Interest Paid	<u>-</u>
Total Expenditures & Transfers	<u>-</u>
Receipts Over (Under) Expenditures	10,000.00
Unencumbered Cash, Jan. 1	<u>16,608.35</u>
Unencumbered Cash, Dec. 31	<u><u>\$ 26,608.35</u></u>

EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL
Regulatory Basis
For the Year Ended December 31, 2012

	<u>Actual</u>
Cash Receipts	
Sale of Equipment	\$ -
Transfer from General	12,500.00
Transfer from Water & Sewer	12,500.00
Transfer from Refuse	<u>10,000.00</u>
 Total Receipts & Transfers	 <u>35,000.00</u>
 Expenditures	
Contractual Services	-
Commodities	-
Equipment	<u>21,848.58</u>
 Total Expenditures	 <u>21,848.58</u>
 Receipts Over (Under) Expenditures	 13,151.42
 Unencumbered Cash, Jan. 1	 <u>45,140.97</u>
 Unencumbered Cash, Dec. 31	 <u><u>\$ 58,292.39</u></u>

WALKING PARK FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL
Regulatory Basis
For the Year Ended December 31, 2012

	<u>ACTUAL</u>
Cash Receipts	
Donations	\$ 150.00
Miscellaneous	-
	<hr/>
Total Receipts and Transfers	150.00
	<hr/>
Expenditures	
Contractual Services	3,535.00
Commodities	-
	<hr/>
Total Expenditures & Transfers	3,535.00
	<hr/>
Receipts Over (Under) Expenditures	(3,385.00)
Unencumbered Cash, Jan. 1	<hr/> 3,385.00
Unencumbered Cash, Dec. 31	<hr/> <hr/> \$ -

POOL PROJECT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL
Regulatory Basis
For the Year Ended December 31, 2012

	<u>ACTUAL</u>
Cash Receipts	
Donations	\$ 5,739.20
Miscellaneous	-
	<hr/>
Total Receipts and Transfers	<u>5,739.20</u>
Expenditures	
Contractual Services	953.03
Commodities	3,530.72
	<hr/>
Total Expenditures & Transfers	<u>4,483.75</u>
Receipts Over (Under) Expenditures	1,255.45
Unencumbered Cash, Jan. 1	<hr/> -
Unencumbered Cash, Dec. 31	<u><u>\$ 1,255.45</u></u>

125th CELEBRATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES-ACTUAL
Regulatory Basis
For the Year Ended December 31, 2012

	<u>ACTUAL</u>
Cash Receipts	
Donations	\$ -
State of Kansas - Take Charge	-
Miscellaneous	-
	<hr/>
Total Receipts and Transfers	<hr/> -
Expenditures	
Contractual Services	-
Commodities	-
	<hr/>
Total Expenditures & Transfers	<hr/> -
Receipts Over (Under) Expenditures	-
Unencumbered Cash, Jan. 1	<hr/> 3,958.78
Unencumbered Cash, Dec. 31	<u><u>\$ 3,958.78</u></u>

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS
Regulatory Basis
For the Year Ended December 31, 2012

	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Payroll Clearing Fund	\$ -	\$ 472,176.70	\$ 472,176.70	\$ -
Flexible Spending Account (Employee Cafeteria Plan)	1,406.13	9,450.00	8,011.39	2,844.74
Total	\$ 1,406.13	\$ 481,626.70	\$ 480,188.09	\$ 2,844.74