

CITY OF MOUNT HOPE, KANSAS

Financial Statement

For the Year Ended December 31, 2012

City of Mount Hope, Kansas
City of the Third Class
For the Year Ended December 31, 2012

Terry Somers, Mayor

CITY COUNCIL

Dwayne McCaskill

Rex Reynolds

Jeff Ostlund

Amanda Buoy

CITY OFFICERS

Mary Faulkner, Clerk

Leslie Stephan, Assistant City Clerk/
Court Clerk

Stan Juhnke, Attorney

Ken Moore, Public Officer

City of Mount Hope, Kansas

CONTENTS

For the Year Ended December 31, 2012

| | <u>Page</u> |
|---|-------------|
| Independent Auditor's Report | 1-2 |
| <u>FINANCIAL SECTION</u> | |
| Statement 1 Summary of Cash Receipts, Expenditures and Unencumbered Cash | 3 |
| Notes to Financial Statement | 4-9 |
| <u>SUPPLEMENTARY INFORMATION</u> | |
| Schedule 1 Summary of Expenditures - Actual and Budget | 10 |
| Schedule 2 Schedule of Cash Receipts and Expenditures - Actual and Budget | |
| 2-1 General Fund | 11-14 |
| <u>Special Purpose Funds</u> | |
| 2-2 Employee Benefits Fund | 15 |
| 2-3 Library Fund | 16 |
| 2-4 Special Street and Highway Fund | 17 |
| 2-5 Ambulance Fund | 18 |
| <u>Bond and Interest Fund</u> | |
| 2-6 Bond and Interest Fund | 19 |
| <u>Capital Project Funds</u> | |
| 2-7 Equipment Replacement Fund | 20 |
| <u>Business Funds</u> | |
| 2-8 Electric Utility Fund | 21 |
| 2-9 Electric Maintenance Reserve Fund | 22 |
| 2-10 Sewer Utility Fund | 23 |
| 2-11 Sewer Reserve Fund | 24 |
| 2-12 Solid Waste Utility Fund | 25 |
| 2-13 Water Utility Fund | 26 |
| 2-14 Water Reserve Fund | 27 |
| <u>Related Municipal Entity</u> | |
| Schedule 3 Library Board | 28 |

Knudsen Monroe & Company LLC

INDEPENDENT AUDITOR'S REPORT

City Council
City of Mount Hope
Mount Hope, Kansas 67056

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

Also, 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 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 regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and the schedule of regulatory basis receipts and expenditures-related municipal entity 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 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 related municipal entity (Schedules 2 and 3 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2011 financial statement upon which we rendered an unqualified opinion dated April 6, 2012. The 2011 financial statements and our accompanying 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://da.ks.gov/ar/muniserv/>. Such 2011 comparative information is the responsibility of management was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 financial statement. The 2011 comparative information was subjected to the auditing procedures applied in the audit of the 2011 financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2011 financial statement or to the 2011 financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2011 comparative information is fairly stated in all material respects in relation to the 2011 financial statement as a whole.

Knudsen, Manwe & Company LLC

Certified Public Accountants

March 11, 2013

City of Mount Hope, Kansas

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

| <u>Funds</u> | Beginning Unencumbered Cash Balance | Cash Receipts | Expenditures | Ending Unencumbered Cash Balance | Add Encumbrances and Accounts Payable | Ending Cash Balance |
|---------------------------------|---|------------------|------------------|--|--|---------------------------|
| General Fund | \$ 70,752 | 411,735 | 389,660 | 92,827 | 1,859 | 94,686 |
| Special Purpose Funds | | | | | | |
| Employee benefit | 13,454 | 75,951 | 66,257 | 23,148 | 15 | 23,163 |
| Library | 1,178 | 19,084 | 19,617 | 645 | - | 645 |
| Special street and highway | 81,841 | 30,429 | 85,448 | 26,822 | - | 26,822 |
| Ambulance | - | 1,622 | 1,622 | - | - | - |
| Total Special Purpose Funds | <u>96,473</u> | <u>127,086</u> | <u>172,944</u> | <u>50,615</u> | <u>15</u> | <u>50,630</u> |
| Bond and Interest Fund: | | | | | | |
| Bond and interest | <u>17,093</u> | <u>75,224</u> | <u>86,460</u> | <u>5,857</u> | <u>-</u> | <u>5,857</u> |
| Capital Project Fund: | | | | | | |
| Equipment replacement fund | <u>61,983</u> | <u>-</u> | <u>25,582</u> | <u>36,401</u> | <u>-</u> | <u>36,401</u> |
| Business Funds | | | | | | |
| Electric utility | 154,165 | 642,016 | 608,755 | 187,426 | 2,778 | 190,204 |
| Electric maintenance | 86,691 | - | - | 86,691 | - | 86,691 |
| Sewer utility | 30,336 | 45,796 | 56,286 | 19,846 | 407 | 20,253 |
| Sewer utility reserve | 5,340 | - | - | 5,340 | - | 5,340 |
| Solid waste utility | 7 | 65,510 | 58,543 | 6,974 | 4,227 | 11,201 |
| Water utility | 20,730 | 76,659 | 80,619 | 16,770 | 10,844 | 27,614 |
| Water utility reserve | <u>24,730</u> | <u>-</u> | <u>-</u> | <u>24,730</u> | <u>-</u> | <u>24,730</u> |
| Total Business Funds | <u>321,999</u> | <u>829,981</u> | <u>804,203</u> | <u>347,777</u> | <u>18,256</u> | <u>366,033</u> |
| Total Primary Government | <u>568,300</u> | <u>1,444,026</u> | <u>1,478,849</u> | <u>533,477</u> | <u>20,130</u> | <u>553,607</u> |
| Related Municipal Entity | | | | | | |
| Library Board | <u>7,255</u> | <u>33,690</u> | <u>40,080</u> | <u>865</u> | <u>3,473</u> | <u>4,338</u> |
| Total Reporting Entity | <u>\$ 575,555</u> | <u>1,477,716</u> | <u>1,518,929</u> | <u>534,342</u> | <u>23,603</u> | <u>557,945</u> |

Composition of Cash:

| | |
|---|-----------------------|
| Cash on hand | \$ 200 |
| Cash in bank, First National Bank of Hutchinson, Checking | 217,010 |
| Cash in bank, First National Bank of Hutchinson, Money Market | 66,820 |
| Certificates of Deposit, First National Bank of Hutchinson | 269,577 |
| Related Municipal Entity | <u>4,338</u> |
| Total Financial Reporting Entity | <u>\$ 557,945</u> |

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

City of Mount Hope, Kansas

NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

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

Library Board--The City of Mount Hope Library Board operates the City's public library. The City provides funding for the library through special purpose and general fund appropriations.

KMAAG Regulatory Basis of Presentation Fund Definitions

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds – 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 specific purposes.

Capital Project Funds – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

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.

Business funds – funds financed in whole or in part by fees charged to users of the goods and services (i.e., water fund, electric fund, etc.).

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.

City of Mount Hope, Kansas

NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 on or before August 5 of the proposed budget and notice of public hearing on the budget
3. Public hearing on or before August 15, 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 budget amendments for the year 2012.

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 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 City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds and business fund reserve accounts.

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

City of Mount Hope, Kansas

NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2012

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

Management is not aware of any statutory violation incurred 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 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. As of December 31, 2012, the City's investments included only bank savings accounts and certificates of deposit with a fair value of \$340,973, which are not subject to investment rating.

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 \$557,745. The bank balance totaled \$577,854. The balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by FDIC insurance and the remaining \$327,854 was collateralized with securities held by the pledging financial institution's agents in the City's name.

City of Mount Hope, Kansas

NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2012

4. LONG-TERM DEBT

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

| <u>Issue</u> | <u>Interest Rates</u> | <u>Date of Issue</u> | <u>Amount of Issue</u> | <u>Maturity Date</u> | <u>Balance 12-31-11</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balance 12-31-12</u> | <u>Interest Paid 2012</u> |
|---------------------------|-----------------------|----------------------|------------------------|----------------------|-------------------------|------------------|--------------------|-------------------------|---------------------------|
| General Obligation Bonds: | | | | | | | | | |
| Series 2005 | 3.55-4.45% | 08/17/05 | 335,000 | 12/01/20 | \$ 230,000 | - | 20,000 | 210,000 | 9,660 |
| Series 2010 | 4.00% | 06/29/10 | 685,000 | 12/01/30 | <u>670,000</u> | <u>-</u> | <u>30,000</u> | <u>640,000</u> | <u>26,800</u> |
| Total Long-Term Debt | | | | | <u>\$ 900,000</u> | <u>-</u> | <u>50,000</u> | <u>850,000</u> | <u>36,460</u> |

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

| | Year ending December 31 | | | | | | | | |
|------------------------------|-------------------------|-------------|-------------|-------------|-------------|------------------|------------------|------------------|--------------|
| | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018-2022</u> | <u>2023-2027</u> | <u>2028-2030</u> | <u>Total</u> |
| Principal | | | | | | | | | |
| General Obligation Bonds | \$ 50,000 | 55,000 | 60,000 | 60,000 | 60,000 | 295,000 | 195,000 | 75,000 | 850,000 |
| Interest | | | | | | | | | |
| General Obligation Bonds | 34,490 | 32,510 | 30,310 | 27,885 | 25,435 | 87,550 | 36,000 | 6,000 | 280,180 |
| Total principal and interest | \$ 84,490 | 87,510 | 90,310 | 87,885 | 85,435 | 382,550 | 231,000 | 81,000 | 1,130,180 |

5. INTERFUND TRANSFERS

Operating transfers were as follows:

| <u>Transfers To</u> | <u>Transfers From</u> | | | |
|---------------------|-----------------------|--------------|---------------|----------------|
| | <u>Electric</u> | <u>Sewer</u> | <u>Water</u> | <u>Total</u> |
| General | \$ 60,000 | - | - | 60,000 |
| Employee Benefit | 40,000 | - | - | 40,000 |
| Bond and Interest | - | 8,000 | 16,000 | 24,000 |
| | <u>\$ 100,000</u> | <u>8,000</u> | <u>16,000</u> | <u>124,000</u> |

6. DEFINED BENEFIT PENSION PLAN

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

City of Mount Hope, Kansas

NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2012

6. DEFINED BENEFIT PENSION PLAN (Continued)

and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. Those reports 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 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 employees and at 6% of covered salary for Tier 2 members. 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 the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the contribution rates. The employer rate established by statute for calendar year 2012 was 8.34%. The City employer contributions to KPERS for the years ending December 31, 2012, 2011 and 2010 were \$14,540, \$15,968 and \$14,775 equal to the regulatory required contributions for each year as set forth by the legislature.

Other Employee Benefits

Full-time employees earn paid vacation according to the following schedule:

| | | | | |
|-----------------------------|------|------|-------|-------|
| Years of continuous service | 0-5 | 5-10 | 10-20 | 20+ |
| Hours earned per month | 6.66 | 8.50 | 10.00 | 13.20 |
| Maximum hours accumulation | 80 | 104 | 120 | 160 |

Unused vacation time has not been recorded as a liability in accompanying financial statements.

Full-time employees earn eight hours of sick leave for each month of service which can be accumulated to a maximum of 480 hours. Unused sick leave is not paid to employees upon termination. Unused sick leave has not been recorded in the accompanying financial statements.

7. CLAIMS AND JUDGMENTS

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There has been no significant reduction in insurance coverage from 2011 to 2012 and there were no settlements that exceeded insurance coverage in the past three years.

During the course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2012

8. SUBSEQUENT EVENTS

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 March 11, 2013, which is the date at which the financial statements were available to be issued.

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

City of Mount Hope, Kansas

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

(Budgeted Funds Only)

For the Year Ended December 31, 2012

| | Certified Budget | Adjustment for Qualifying Budget Credits | Total Budget for Comparison | Expenditures Chargeable to Current Year | Variance - Favorable (Unfavorable) |
|--|---------------------|--|-----------------------------------|--|--|
| General Fund | <u>\$ 476,060</u> | <u>-</u> | <u>476,060</u> | <u>389,660</u> | <u>86,400</u> |
| Special Purpose Funds: | | | | | |
| Employee benefit | 90,500 | - | 90,500 | 66,257 | 24,243 |
| Library | 21,000 | - | 21,000 | 19,617 | 1,383 |
| Special street and highway | 95,000 | - | 95,000 | 85,448 | 9,552 |
| Ambulance | <u>4,000</u> | <u>-</u> | <u>4,000</u> | <u>1,622</u> | <u>2,378</u> |
| Total Special Purpose Funds | <u>210,500</u> | <u>-</u> | <u>210,500</u> | <u>172,944</u> | <u>37,556</u> |
| Bond and Interest Fund: | | | | | |
| Bond and interest | <u>86,460</u> | <u>-</u> | <u>86,460</u> | <u>86,460</u> | <u>-</u> |
| Business Funds: | | | | | |
| Electric utility | 798,250 | - | 798,250 | 608,755 | 189,495 |
| Sewer Utility | 78,200 | - | 78,200 | 56,286 | 21,914 |
| Solid waste utility | 72,600 | - | 72,600 | 58,543 | 14,057 |
| Water utility | <u>107,700</u> | <u>-</u> | <u>107,700</u> | <u>80,619</u> | <u>27,081</u> |
| Total Business Funds | <u>1,056,750</u> | <u>-</u> | <u>1,056,750</u> | <u>804,203</u> | <u>252,547</u> |
| Expenditures subject to current budget | <u>\$ 1,829,770</u> | <u>-</u> | <u>1,829,770</u> | 1,453,267 | <u>376,503</u> |
| Expenditures not subject to budget | | | | <u>25,582</u> | |
| Total expenditures, statement 1 | | | | <u>\$ 1,478,849</u> | |

See Independent Auditor's Report.

City of Mount Hope, Kansas

General Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|-----------------------------------|----------------|----------------|----------------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| Taxes | | | | |
| Ad valorem property tax | \$ 146,662 | 149,522 | 159,735 | (10,213) |
| Delinquent tax | 4,762 | 5,478 | 9,500 | (4,022) |
| Vehicle tax | 25,002 | 26,012 | 26,421 | (409) |
| Recreational vehicle tax | - | 513 | - | 513 |
| 16/20M vehicle tax | - | 8 | - | 8 |
| State assessed utilities tax | - | 4,748 | - | 4,748 |
| Local sales tax | 108,098 | 109,319 | 110,000 | (681) |
| Total Taxes | <u>284,524</u> | <u>295,600</u> | <u>305,656</u> | <u>(10,056)</u> |
| Fines and fees | 1,663 | 1,096 | 10,000 | (8,904) |
| Licenses and permits | 3,930 | 699 | 3,500 | (2,801) |
| Franchise tax | | | | |
| Sprint Telephone | 4,338 | - | 15,000 | (15,000) |
| Southwestern Bell Telephone | 553 | 398 | - | 398 |
| IdeaTek | - | 148 | - | 148 |
| Kansas Gas Service | 7,930 | 6,265 | - | 6,265 |
| Kan-Oklahoma | 420 | 1,946 | - | 1,946 |
| Sedgwick County Electrical Co-op | 233 | 205 | - | 205 |
| Total franchise taxes | <u>13,474</u> | <u>8,962</u> | <u>15,000</u> | <u>(6,038)</u> |
| Charges for Services | | | | |
| Fire protection fees | 8,824 | 9,195 | 16,000 | (6,805) |
| Late charges | 10,547 | 8,243 | 12,000 | (3,757) |
| Police other | 1,242 | - | 500 | (500) |
| Swimming pool | 11,481 | 9,257 | 12,000 | (2,743) |
| Other | 9,440 | 8,357 | 5,000 | 3,357 |
| Total Charges for Services | <u>41,534</u> | <u>35,052</u> | <u>45,500</u> | <u>(10,448)</u> |
| Transfer from Electric Fund | 50,000 | 60,000 | 60,000 | - |
| Use of Money and Property | | | | |
| Interest | 1,278 | 3,185 | 3,000 | 185 |

See Independent Auditor's Report.

City of Mount Hope, Kansas

General Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|-----------------------------|----------------|---------|---------|--|
| | | Actual | Budget | |
| Other Income | | | | |
| State collections | 6,213 | 2,138 | 7,000 | (4,862) |
| Neighborhood Revitalization | - | 5,003 | 4,000 | 1,003 |
| Reimbursements | 53,936 | - | 500 | (500) |
| Total Other Income | 60,149 | 7,141 | 11,500 | (4,359) |
| Total Cash Receipts | 456,552 | 411,735 | 454,156 | (42,421) |
| EXPENDITURES | | | | |
| Administrative | \$ 123,584 | - | 85,000 | 85,000 |
| Personal services | - | 43,970 | - | (43,970) |
| Contractual services | - | 838 | - | (838) |
| Commodities | - | 7,737 | - | (7,737) |
| Total Administrative | 123,584 | 52,545 | 85,000 | 32,455 |
| General Business | | | | |
| Contractual services | - | 11,017 | - | (11,017) |
| Commodities | - | 8,301 | - | (8,301) |
| Total General Business | - | 19,318 | - | (19,318) |
| Police | | | | |
| Personal services | 96,114 | 66,396 | 99,000 | 32,604 |
| Contractual services | - | 969 | - | (969) |
| Commodities | - | 20,555 | - | (20,555) |
| Total Police | 96,114 | 87,920 | 99,000 | 11,080 |
| Fire | | | | |
| Personal services | 18,511 | 4,490 | 22,000 | 17,510 |
| Contractual services | - | 3,509 | - | (3,509) |
| Commodities | - | 14,018 | - | (14,018) |
| Total Fire | 18,511 | 22,017 | 22,000 | (17) |
| Ambulance subsidy | | | | |
| Personal services | 64,338 | 65,269 | 64,000 | (1,269) |

City of Mount Hope, Kansas

General Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|--------------------------|----------------|--------|--------|--|
| | | Actual | Budget | |
| Swimming Pool | | | | |
| Personal services | 36,743 | 20,474 | 41,200 | 20,726 |
| Contractual services | - | 88 | - | (88) |
| Commodities | - | 16,139 | - | (16,139) |
| Capital Outlay | - | 11,097 | - | (11,097) |
| Total Swimming Pool | 36,743 | 47,798 | 41,200 | (6,598) |
| Court | | | | |
| Personal services | 5,668 | 4,516 | 12,000 | 7,484 |
| Contractual services | - | 1,552 | - | (1,552) |
| Commodities | - | 812 | - | (812) |
| Total Court | 5,668 | 6,880 | 12,000 | 5,120 |
| Park Department | | | | |
| Personal services | 4,713 | 1,777 | 11,660 | 9,883 |
| Contractual services | - | 1,392 | - | (1,392) |
| Commodities | - | 6,372 | - | (6,372) |
| Total Park Department | 4,713 | 9,541 | 11,660 | 2,119 |
| Ball Park | | | | |
| Personal services | 6,039 | 692 | 2,700 | 2,008 |
| Contractual services | - | 342 | - | (342) |
| Commodities | - | 4,127 | - | (4,127) |
| Total Ball Park | 6,039 | 5,161 | 2,700 | (2,461) |
| Street | | | | |
| Personal services | 10,844 | 1,356 | 35,000 | 33,644 |
| Contractual services | - | 1,369 | - | (1,369) |
| Commodities | - | 6,955 | - | (6,955) |
| Total Street | 10,844 | 9,680 | 35,000 | 25,320 |
| Community Projects | | | | |
| Contractual services | 13,265 | 2,030 | 13,500 | 11,470 |
| Commodities | - | 14,310 | - | (14,310) |
| Total Community Projects | 13,265 | 16,340 | 13,500 | (2,840) |

See Independent Auditor's Report.

City of Mount Hope, Kansas

General Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 | | 2012 | |
|------------------------------------|-----------|---------|---------|--|
| | Actual | Actual | Budget | Variance - Favorable (Unfavorable) |
| Economic Development | | | | |
| Personal services | 4,522 | 226 | 20,000 | 19,774 |
| Contractual services | - | 1,084 | - | (1,084) |
| Commodities | - | 10,393 | - | (10,393) |
| Total Economic Development | 4,522 | 11,703 | 20,000 | 8,297 |
| Planning/Zoning | | | | |
| Contractual services | 8,581 | 10,570 | 12,000 | 1,430 |
| Commodities | - | 25 | - | (25) |
| Total Planning/Zoning | 8,581 | 10,595 | 12,000 | 1,405 |
| Code Enforcement | | | | |
| Personal services | - | 2,870 | 17,000 | 14,130 |
| Contractual services | - | 2,129 | - | (2,129) |
| Commodities | - | 2,225 | - | (2,225) |
| Total Code Enforcement | - | 7,224 | 17,000 | 9,776 |
| Library | | | | |
| Commodities | 4,013 | 6,444 | 6,000 | (444) |
| Neighborhood Revitalization | | | | |
| Contractual services | - | 193 | 8,000 | 7,807 |
| Tax rebate | - | 10,032 | - | (10,032) |
| Total Neighborhood Revitalization | - | 10,225 | 8,000 | (2,225) |
| Tree Board | | | | |
| Commodities | - | 1,000 | 5,500 | 4,500 |
| Capital Outlay | - | - | 3,500 | 3,500 |
| Other | 25 | - | - | - |
| Transfer to Equipment Replacement | 18,000 | - | 18,000 | 18,000 |
| Total expenditures | 414,960 | 389,660 | 476,060 | 86,400 |
| Receipts over (under) expenditures | 41,592 | 22,075 | | |
| UNENCUMBERED CASH, beginning | 29,160 | 70,752 | | |
| UNENCUMBERED CASH, ending | \$ 70,752 | 92,827 | | |

See Independent Auditor's Report.

City of Mount Hope, Kansas

Special Purpose Fund**Employee Benefits Fund**

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|------------------------------------|------------------|---------------|---------------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| Ad valorem property tax | \$ 33,548 | 27,601 | 29,486 | (1,885) |
| Delinquent tax | 1,349 | 1,421 | 3,000 | (1,579) |
| State assessed utility tax | - | 877 | - | 877 |
| Motor vehicle tax | 5,850 | 5,933 | 6,027 | (94) |
| Recreational vehicle tax | - | 117 | - | 117 |
| 16/20M vehicle tax | - | 2 | - | 2 |
| Other | 1,398 | - | - | - |
| Transfer from Electric Fund | 30,500 | 40,000 | 40,000 | - |
| Total Cash Receipts | <u>72,645</u> | <u>75,951</u> | <u>78,513</u> | <u>(2,562)</u> |
| EXPENDITURES | | | | |
| Health insurance premiums | 37,248 | 33,876 | 43,000 | 9,124 |
| Health insurance reserve | 484 | - | - | - |
| Unemployment tax | 241 | 230 | 500 | 270 |
| KPERS | 15,968 | 14,540 | 17,000 | 2,460 |
| Social security | 18,397 | 17,611 | 20,000 | 2,389 |
| Workers compensation insurance | - | - | 10,000 | 10,000 |
| Miscellaneous | 8,162 | - | - | - |
| | <u>80,500</u> | <u>66,257</u> | <u>90,500</u> | <u>24,243</u> |
| Receipts over (under) expenditures | (7,855) | 9,694 | | |
| UNENCUMBERED CASH, beginning | <u>21,309</u> | <u>13,454</u> | | |
| UNENCUMBERED CASH, ending | <u>\$ 13,454</u> | <u>23,148</u> | | |

City of Mount Hope, Kansas

Special Purpose Fund**Library Fund**

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|------------------------------------|----------------|--------|--------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| Ad valorem property tax | \$ 18,025 | 14,691 | 15,695 | (1,004) |
| Delinquent tax | 573 | 666 | 1,000 | (334) |
| State assessed utility tax | - | 467 | - | 467 |
| Motor vehicle tax | - | 3,196 | - | 3,196 |
| Recreational vehicle tax | - | 63 | - | 63 |
| 16/20M vehicle tax | 3,036 | 1 | 3,247 | (3,246) |
| Total Cash Receipts | 21,634 | 19,084 | 19,942 | (858) |
| EXPENDITURES | | | | |
| Appropriations to Library Board | 21,000 | 19,617 | 21,000 | 1,383 |
| Receipts over (under) expenditures | 634 | (533) | | |
| UNENCUMBERED CASH, beginning | 544 | 1,178 | | |
| UNENCUMBERED CASH, ending | \$ 1,178 | 645 | | |

City of Mount Hope, Kansas

Special Purpose Fund**Special Street and Highway Fund**

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|------------------------------------|------------------|---------------|---------------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| State payments | \$ 21,985 | 21,102 | 23,210 | (2,108) |
| County payments | 10,016 | 9,327 | 10,670 | (1,343) |
| Budget credit | 4,750 | - | - | - |
| Total cash receipts | <u>36,751</u> | <u>30,429</u> | <u>33,880</u> | <u>(3,451)</u> |
| EXPENDITURES | | | | |
| Contractual services | - | 85,448 | - | (85,448) |
| Capital outlay | - | - | 95,000 | 95,000 |
| Total expenditures | - | <u>85,448</u> | <u>95,000</u> | <u>9,552</u> |
| Receipts over (under) expenditures | 36,751 | (55,019) | | |
| UNENCUMBERED CASH, beginning | <u>45,090</u> | <u>81,841</u> | | |
| UNENCUMBERED CASH, ending | <u>\$ 81,841</u> | <u>26,822</u> | | |

See Independent Auditor's Report.

City of Mount Hope, Kansas

Special Purpose Fund

Ambulance Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
 Regulatory Basis
 For the Year ended 2012
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|------------------------------------|----------------|--------------|--------------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| Sedgwick County | \$ 2,623 | 1,622 | <u>4,000</u> | <u>(2,378)</u> |
| EXPENDITURES | | | | |
| Contractual services | <u>2,623</u> | <u>1,622</u> | <u>4,000</u> | <u>2,378</u> |
| Receipts over (under) expenditures | - | - | | |
| UNENCUMBERED CASH, beginning | - | - | | |
| UNENCUMBERED CASH, ending | <u>\$ -</u> | <u>-</u> | | |

City of Mount Hope, Kansas

Bond and Interest Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|------------------------------------|------------------|---------------|---------------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| Delinquent tax | \$ 448 | 291 | - | 291 |
| Special assessments | 51,127 | 50,933 | 56,265 | (5,332) |
| Transfer from Water Fund | 26,000 | 16,000 | 26,000 | (10,000) |
| Transfer from Sewer Fund | 8,000 | 8,000 | 8,000 | - |
| Total cash receipts | <u>85,575</u> | <u>75,224</u> | <u>90,265</u> | <u>(15,041)</u> |
| EXPENDITURES | | | | |
| Principal | 35,000 | 50,000 | 36,460 | (13,540) |
| Interest | <u>45,005</u> | <u>36,460</u> | <u>50,000</u> | <u>13,540</u> |
| Total expenditures | <u>80,005</u> | <u>86,460</u> | <u>86,460</u> | <u>-</u> |
| Receipts over (under) expenditures | 5,570 | (11,236) | | |
| UNENCUMBERED CASH, beginning | <u>11,523</u> | <u>17,093</u> | | |
| UNENCUMBERED CASH, ending | <u>\$ 17,093</u> | <u>5,857</u> | | |

City of Mount Hope, Kansas

Capital Project Fund

Equipment Replacement Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
 Regulatory Basis
 For the Year ended 2012
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 | 2012 | | |
|------------------------------------|-----------|----------|--------|--|
| | Actual | Actual | Budget | Variance - Favorable (Unfavorable) |
| CASH RECEIPTS | | | | |
| Transfers from other funds | \$ 18,000 | - | | |
| EXPENDITURES | - | 25,582 | | NOT APPLICABLE |
| Receipts over (under) expenditures | 18,000 | (25,582) | | |
| UNENCUMBERED CASH, beginning | 43,983 | 61,983 | | |
| UNENCUMBERED CASH, ending | \$ 61,983 | 36,401 | | |

City of Mount Hope, Kansas

Business Fund**Electric Utility Fund**

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|---|-------------------|----------------|----------------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| Sales to consumers | \$ 666,450 | 606,031 | 695,000 | (88,969) |
| Miscellaneous | - | 7,475 | 1,500 | 5,975 |
| Reimbursements | 9,424 | 28,510 | 2,500 | 26,010 |
| Total cash receipts | <u>675,874</u> | <u>642,016</u> | <u>699,000</u> | <u>(56,984)</u> |
| EXPENDITURES | | | | |
| Personal services | 77,932 | 45,463 | 45,000 | (463) |
| Contractual services | 402,476 | 8,258 | 32,250 | 23,992 |
| Commodities | 22,596 | 62,750 | 65,000 | 2,250 |
| Capital outlay | 16,947 | - | 80,000 | 80,000 |
| Wholesale electricity | - | 392,284 | 410,000 | 17,716 |
| Transfer to General Fund | 130,500 | 60,000 | 60,000 | - |
| Transfer to Employee Benefit Fund | - | 40,000 | 40,000 | - |
| Transfer to Equipment Replacement Fund | - | - | 40,000 | 40,000 |
| Transfer to Electric Maintenance Reserve Fund | - | - | 26,000 | 26,000 |
| Other | 3,908 | - | - | - |
| Total expenditures | <u>654,359</u> | <u>608,755</u> | <u>798,250</u> | <u>189,495</u> |
| Receipts over (under) expenditures | 21,515 | 33,261 | | |
| UNENCUMBERED CASH, beginning | <u>132,650</u> | <u>154,165</u> | | |
| UNENCUMBERED CASH, ending | <u>\$ 154,165</u> | <u>187,426</u> | | |

City of Mount Hope, Kansas

Business Fund

Electric Maintenance Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
 Regulatory Basis
 For the Year ended 2012
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|-------------------------------------|----------------|--------|----------------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| Interest | \$ 1,355 | - | | |
| Transfer from Electric Utility Fund | 50,000 | - | | |
| Total cash receipts | 51,355 | - | | |
| EXPENDITURES | | | | |
| Capital outlay | 1,769 | - | NOT APPLICABLE | |
| Receipts over (under) expenditures | 49,586 | - | | |
| UNENCUMBERED CASH, beginning | 37,105 | 86,691 | | |
| UNENCUMBERED CASH, ending | \$ 86,691 | 86,691 | | |

City of Mount Hope, Kansas

Business Fund**Sewer Utility Fund**

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|------------------------------------|------------------|---------------|---------------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| Sales to consumers | \$ 46,645 | 45,696 | 62,000 | (16,304) |
| Reimbursements | 50 | 100 | - | 100 |
| | <u>46,695</u> | <u>45,796</u> | <u>62,000</u> | <u>(16,204)</u> |
| EXPENDITURES | | | | |
| Personnel services | 3,046 | 21,641 | 20,000 | (1,641) |
| Contractual services | 4,810 | 8,033 | 6,000 | (2,033) |
| Commodities | 14,291 | 18,612 | 20,200 | 1,588 |
| Capital outlay | 2,856 | - | 14,000 | 14,000 |
| Transfer to Bond & Interest Fund | 4,364 | 8,000 | 8,000 | - |
| Transfer to Sewer Reserve Fund | 8,000 | - | 10,000 | 10,000 |
| | <u>37,367</u> | <u>56,286</u> | <u>78,200</u> | <u>21,914</u> |
| Receipts over (under) expenditures | 9,328 | (10,490) | | |
| UNENCUMBERED CASH, beginning | <u>21,008</u> | <u>30,336</u> | | |
| UNENCUMBERED CASH, ending | <u>\$ 30,336</u> | <u>19,846</u> | | |

City of Mount Hope, Kansas

Business Fund

Sewer Reserve Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|------------------------------------|----------------|--------|--------|--|
| | | Actual | Budget | |
| RECEIPTS | | | | |
| Interest | \$ 986 | - | | |
| EXPENDITURES | | | | |
| Capital outlay | 6,493 | - | | NOT APPLICABLE |
| Receipts over (under) expenditures | (5,507) | - | | |
| UNENCUMBERED CASH, beginning | 10,847 | 5,340 | | |
| UNENCUMBERED CASH, ending | \$ 5,340 | 5,340 | | |

City of Mount Hope, Kansas

Business Fund**Solid Waste Utility Fund**

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|------------------------------------|----------------|---------------|---------------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| User fees | \$ 67,002 | 65,450 | 70,000 | (4,550) |
| Other | 20 | 60 | 2,500 | (2,440) |
| Total Cash Receipts | <u>67,022</u> | <u>65,510</u> | <u>72,500</u> | <u>(6,990)</u> |
| EXPENDITURES | | | | |
| Personnel services | 3,351 | 3,381 | 4,000 | 619 |
| Contractual services | 68,886 | 55,162 | 61,000 | 5,838 |
| Commodities | 448 | - | 7,600 | 7,600 |
| Total Expenditures | <u>72,685</u> | <u>58,543</u> | <u>72,600</u> | <u>14,057</u> |
| Receipts over (under) expenditures | (5,663) | 6,967 | | |
| UNENCUMBERED CASH, beginning | <u>5,670</u> | <u>7</u> | | |
| UNENCUMBERED CASH, ending | <u>\$ 7</u> | <u>6,974</u> | | |

City of Mount Hope, Kansas

Business Fund**Water Utility Fund**

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year ended 2012

(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|------------------------------------|------------------|---------------|----------------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| Sales | \$ 61,462 | 74,724 | 66,700 | 8,024 |
| Fees | 18,719 | - | 20,000 | (20,000) |
| Other | 65 | 1,935 | 8,000 | (6,065) |
| | <u>80,246</u> | <u>76,659</u> | <u>94,700</u> | <u>(18,041)</u> |
| EXPENDITURES | | | | |
| Personnel services | 1,985 | 19,710 | 20,000 | 290 |
| Contractual services | 26,177 | 7,614 | 23,000 | 15,386 |
| Commodities | 16,930 | 37,295 | 23,700 | (13,595) |
| Transfer to Bond & Interest fund | 26,000 | 16,000 | 26,000 | 10,000 |
| Transfer to Water Reserve fund | - | - | 15,000 | 15,000 |
| | <u>71,092</u> | <u>80,619</u> | <u>107,700</u> | <u>27,081</u> |
| Receipts over (under) expenditures | 9,154 | (3,960) | | |
| UNENCUMBERED CASH, beginning | <u>11,576</u> | <u>20,730</u> | | |
| UNENCUMBERED CASH, ending | <u>\$ 20,730</u> | <u>16,770</u> | | |

City of Mount Hope, Kansas

Business Fund

Water Reserve Fund

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET
Regulatory Basis
For the Year ended 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

| | 2011 Actual | 2012 | | Variance - Favorable (Unfavorable) |
|------------------------------------|----------------|--------|----------------|--|
| | | Actual | Budget | |
| CASH RECEIPTS | | | | |
| Interest | \$ 1,112 | - | | |
| EXPENDITURES | | | | |
| Capital outlay | 46,110 | - | NOT APPLICABLE | |
| Receipts over (under) expenditures | (44,998) | - | | |
| UNENCUMBERED CASH, beginning | 69,728 | 24,730 | | |
| UNENCUMBERED CASH, ending | \$ 24,730 | 24,730 | | |

See Independent Auditor’s Report.

City of Mount Hope, Kansas

Related Municipal Entity

Library Board

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES – ACTUAL

Regulatory Basis

For the Years ended December 31, 2012 and 2011

| | <u>2012</u> | <u>2011</u> |
|------------------------------------|---------------|---------------|
| CASH RECEIPTS | | |
| City of Mt. Hope | \$ 17,449 | 21,000 |
| SCKLS and other grants | 8,391 | 8,686 |
| State of Kansas | - | - |
| Township appropriation | 7,540 | 7,289 |
| Fundraising | 54 | - |
| Interest | 6 | 34 |
| Other | <u>250</u> | <u>1,489</u> |
| Total cash receipts | <u>33,690</u> | <u>38,498</u> |
| EXPENDITURES | | |
| Personnel services | 18,108 | 19,397 |
| Books, periodicals and materials | 14,382 | 16,356 |
| Operating supplies and commodities | 5,914 | 4,219 |
| Telephone and utilities | <u>1,676</u> | <u>1,719</u> |
| Total expenditures | <u>40,080</u> | <u>41,691</u> |
| Receipts over (under) expenditures | (6,390) | (3,193) |
| UNENCUMBERED CASH, beginning | <u>7,255</u> | <u>10,448</u> |
| UNENCUMBERED CASH, ending | <u>\$ 865</u> | <u>7,255</u> |