

**CITY OF MULBERRY
MULBERRY, KANSAS**

For the Year Ended December 31, 2012

Regulatory Basis Financial Statement
Independent Auditors' Report with
Regulatory Required Supplementary Information

CITY OF MULBERRY, KANSAS

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
Independent Auditors' Report.....	1 - 3
Financial Statement	
Summary of Receipts, Expenditures and Unencumbered Cash, Regulatory Basis.....	4
Notes to Financial Statement	5 - 12
Regulatory Required Supplementary Information	
Schedule 1	
Summary of Expenditures - Actual and Budget, Regulatory Basis.....	13
Schedule 2	
Schedule of Cash Receipts and Expenditures - Actual and Budget, Regulatory Basis	
General	14 - 15
Special Highway	16
Water Utility	17
Electric Utility.....	18
Natural Gas Utility.....	19
Sewer Utility	20
Sewer Reserve	21
Meter Deposit	22
Haymont Cemetery Trust	23

**Diehl
Banwart
Bolton**

Certified Public Accountants PA

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and the City Council
City of Mulberry, Kansas

We have audited the accompanying Summary Statement of Receipts, Expenditures, and Unencumbered Cash, Regulatory Basis, of the City of Mulberry, 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 Mulberry, Kansas 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” paragraphs, 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 Mulberry, Kansas as of December 31, 2012 or changes in financial position or cash flows thereof for the year then ended.

Unqualified 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 for the City of Mulberry, 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 on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the Summary Statement of Receipts, Expenditures, and Unencumbered Cash Balance, Regulatory Basis (financial statement) as a whole. The Summary of Expenditures – Actual and Budget, Regulatory Basis, individual fund Schedules of Receipts and Expenditures – Actual and Budget, Regulatory Basis, (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and although it is not a required part of the financial statement, the information is 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 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 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 column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2011 basic financial statement upon which we rendered an unqualified opinion dated July 27, 2012. The 2011 basic financial statement 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 and was derived from and related 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, on the basis of accounting described in Note 1.

Diehl Banwart Bolton CPA's PA

DIEHL, BANWART, BOLTON, CPAs PA

July 23, 2013
Pittsburg, Kansas

CITY OF MULBERRY, KANSAS

Notes to the Financial Statement
For the Year Ended December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statement of the City of Mulberry, Kansas, has been prepared in accordance with the regulatory basis of accounting of the State of Kansas. The Kansas Municipal Audit and Accounting Guide (KMAAG), as approved by the director of the Kansas Division of Accounts and Reports, establishes guidelines for the regulatory basis of accounting in the state of Kansas. The more significant of the City's accounting policies follow.

Reporting Entity

The City of Mulberry, Kansas, (the City) is a municipal corporation governed by an elected five member City Council. This financial statement presents the City of Mulberry, Kansas (the primary government). Related municipal entities may be included in the City's reporting entity because of the significance of their operational or financial relationships with the City. The City has determined that there are no related municipal entities.

Basis of Presentation - Fund Accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restriction, or limitations.

The following types of funds comprise the financial activities of the City of Mulberry, Kansas:

GOVERNMENTAL FUNDS

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

Special Purpose Funds – to account for the proceeds of specific revenue sources (other than Capital Project and tax levies for long-term debt) that are restricted by law or administrative action to expenditure for specified purposes.

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

PROPRIETARY FUNDS

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

Trust Funds – used to report assets held in trust for the benefit of the City.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Regulatory Basis of Accounting and Departures 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 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 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 basis of presentation described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown non-cash assets such as receivables, inventories and prepaid expenses; liabilities such as deferred revenue and matured principal and interest payable; and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance, encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the year in accordance with accounting principles generally accepted in the United States of America. Capital assets that account for the land, buildings and equipment owned by the municipality are not presented in the financial statement. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes and compensated absences are not presented in the financial statement.

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.

Budgetary Information

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

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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 5.
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 25.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There 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.

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

A legal operating budget is not required for capital project funds, trust funds and the following business funds:

Meter Deposit Fund

Spending in funds, which 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.

Cash and Investments

Cash and investments include a checking and savings accounts and certificates of deposit. Kansas Statutes permit investment in savings accounts, certificates of deposit, and, in certain cases, obligations of the U.S. Treasury.

Pension Plan

The City participates in the State of Kansas Public Employees Retirement System, which is a multi-employer statewide pension plan.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are a lien on the property.

2. **STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

Compliance with Kansas Statutes

The financial statement has been prepared in order to show compliance with the cash-basis and budget laws of Kansas. The required quarterly treasurer's reports were not published within the 30 days of quarter end as required by K.S.A. 12-1608. There were no other apparent violations of cash basis and budget laws of Kansas.

3. **CASH, INVESTMENTS AND DEPOSITS WITH FINANCIAL 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 City is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no 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%. At December 31, 2012, the City's deposits were adequately secured.

3. CASH, INVESTMENTS AND DEPOSITS WITH FINANCIAL INSTITUTIONS

(Continued)

At December 31, 2012 the City's carrying amount of deposits was \$309,323 and the bank balance was \$338,062. Of the bank balance, all but \$4,000, was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$277,000 was covered by federal depository insurance, and \$61,062 was collateralized by securities with a market value of \$364,471 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.

4. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions, injuries to employees; employees' health and life; and natural disasters. The City continues to carry commercial insurance for these risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

5. INTERFUND TRANSFERS

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
Sewer Utility	Sewer Reserve	K.S.A. 10-1204	\$ 25,335
Electric Utility	General	K.S.A. 10-1204	\$ 85,000
Natural Gas Utility	General	K.S.A. 10-1204	\$ 10,000
Water Utility	General	K.S.A. 10-1204	\$ 5,000

6. CONCENTRATIONS

During 2012, the City of Mulberry purchased all of its water for resale from one supplier. The city also purchased all of its electricity for resale from one supplier. Additionally all of the City's natural gas purchased for resale was from a single supplier.

7. 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 K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report with 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.

7. **PENSION PLAN** (Continued)

Funding Policy

K.S.A. 74-4919 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 employees 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. The employer collects and remits member-employee contributions according to the provisions of Section 414 (h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established by statute for the period from January 1, 2012, to December 31, 2012, was 7.34%. The City employer contributions to KPERS, for the years ending December 31, 2012, 2011, and 2010, were \$13,317, \$11,019, and \$8,180, respectively, equal to the statutory required contributions for the year.

8. **SUBSEQUENT EVENT**

Subsequent events have been evaluated through July 23, 2013. There are no subsequent events recognized in these financial statements or disclosed in the notes to the financial statements.

9. **LONG-TERM DEBT**

Attached are schedules detailing the City's bonds outstanding and their maturity schedules.

9. **LONG TERM OBLIGATIONS** (Continued)

Schedule of Changes in Long Term Obligations

	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balances		Additions / New Debt	Reductions / Principal Paid	Balances	
					Beginning of Year	End of Year			Beginning of Year	End of Year
General Obligation Bonds Series A 1995 Sewer	4.50%	8/24/1995	\$ 460,000	8/24/2035	\$ 363,000	\$ 354,000	\$ 9,000	\$ 354,000	\$ 16,335	\$ 16,335
Series 2002 Street	5.00%	3/1/2002	50,000	9/1/2012	6,000	-	6,000	-	300	-
Series 2004 Street	2.90-5.55%	3/1/2004	192,500	9/1/2014	70,000	50,000	20,000	50,000	2,635	2,635
Lease Purchases Backhoe	5.690%	6/20/2009	56,250	6/20/2013	24,382	12,528	11,854	12,528	1,387	1,387
Tractor and Mower	4.95%	7/2/2010	14,015	7/2/2013	4,668	-	4,668	-	236	-
Ford Truck	3.99%	8/11/2011	25,211	8/11/2016	25,211	20,568	4,643	20,568	1,022	1,022
					\$ 493,261	\$ 437,096	\$ 56,165	\$ 437,096	\$ 21,915	\$ 21,915

Schedule of Maturities in Long Term Obligations

9. LONG TERM OBLIGATIONS (Continued)

	2013	2014	2015	2016	2017	2018 to 2022	2023 to 2027	2028 to 2032	2033 to 2037	Totals
PRINCIPAL										
General Obligation Bonds										
Series A 1995 Sewer	\$ 9,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 11,000	\$ 62,000	\$ 77,000	\$ 96,000	\$ 69,000	\$ 354,000
Series 2004 Street	25,000	25,000	-	-	-	-	-	-	-	50,000
Lease Purchases										
Backhoe	12,528	-	-	-	-	-	-	-	-	12,528
Ford Truck	4,844	5,038	5,239	5,447	-	-	-	-	-	20,568
Total Principal	\$ 51,372	\$ 40,038	\$ 15,239	\$ 15,447	\$ 11,000	\$ 62,000	\$ 77,000	\$ 96,000	\$ 69,000	\$ 437,096
INTEREST										
General Obligation Bonds										
Series A 1995 Sewer	\$ 15,930	\$ 15,525	\$ 15,075	\$ 14,625	\$ 14,175	\$ 63,135	\$ 47,835	\$ 28,845	\$ 6,300	\$ 221,445
Series 2004 Street	1,925	988	-	-	-	-	-	-	-	2,913
Lease Purchases										
Backhoe	713	-	-	-	-	-	-	-	-	713
Ford Truck	821	627	426	217	-	-	-	-	-	2,091
Total Interest	\$ 19,389	\$ 17,140	\$ 15,501	\$ 14,842	\$ 14,175	\$ 63,135	\$ 47,835	\$ 28,845	\$ 6,300	\$ 227,162

CITY OF MULBERRY, KANSAS
For the Year Ended December 31, 2012

REGULATORY REQUIRED
SUPPLEMENTAL INFORMATION

CITY OF MULBERRY, KANSAS

Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2012

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget For Comparison	Expenditures Charged to Current Year	Variance - Over (Under)
General	\$329,477	-	\$329,477	\$293,224	(\$36,253)
Special Purpose Funds:					
Special Highway	17,370	-	17,370	15,457	(\$1,913)
Business Funds:					
Water Utility	139,763	-	139,763	125,753	(\$14,010)
Electric Utility	503,761	-	503,761	396,722	(\$107,039)
Natural Gas Utility	326,884	-	326,884	167,492	(\$159,392)
Sewer Utility	95,785	-	95,785	72,046	(\$23,739)
Sewer Reserve	25,335	-	25,335	25,335	-
Total Reporting Entity	\$1,438,375				

CITY OF MULBERRY, KANSAS
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2012

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes				
Ad valorem property tax	\$29,414	\$29,167	\$30,309	(\$1,142)
Delinquent	2,602	3,756	2,400	1,356
Motor vehicle	14,008	13,520	14,880	(1,360)
Intergovernmental				
Sales tax	39,499	38,956	39,000	(44)
Parks/Recreation tax	787	1,507	600	907
Grants	773	-	-	-
Licenses and Permits	-	-	50	(50)
Franchise tax	3,232	3,326	3,200	126
Fines, forfeitures and penalties	8,007	15,179	5,500	9,679
Cemetery	15,130	15,815	11,500	4,315
Trash	-	25,060	-	25,060
Miscellaneous	17,147	11,251	3,000	8,251
Interest	558	359	800	(441)
Operating transfers from:				
Water fund	5,000	5,000	5,000	-
Electric fund	85,000	85,000	85,000	-
Natural Gas fund	30,000	10,000	45,000	(35,000)
Special Street Fund	-	-	-	-
Total Cash Receipts	251,156	257,895	\$246,239	\$11,656

CITY OF MULBERRY, KANSAS
GENERAL FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2012

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures				
General government	48,584	63,620	\$68,800	(\$5,180)
Police department	96,205	106,389	112,000	(5,611)
Fire department	11,781	20,380	28,500	(8,120)
Street department	30,808	27,149	76,642	(49,494)
Cemetary	18,315	22,902	14,600	8,302
Trash	-	23,849	-	23,849
Bond interest and principal	29,895	28,938	28,935	3
Operating transfers to:	-	-	-	-
Capital projects fund	-	-	-	-
Total Expenditures	<u>235,589</u>	<u>293,224</u>	<u>\$329,477</u>	<u>(\$36,253)</u>
Receipts Over (Under) Expenditures	15,568	(35,329)		
Unencumbered Cash, Beginning	<u>59,484</u>	<u>75,052</u>		
Unencumbered Cash, Ending	<u>\$75,052</u>	<u>\$39,722</u>		

CITY OF MULBERRY, KANSAS
SPECIAL HIGHWAY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis

For the Year Ended December 31, 2012

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

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Intergovernmental				
Gas tax	\$14,195	\$13,485	\$15,470	(\$1,985)
County allocations	1,971	1,789	1,900	(112)
Other	502	552		552
Total Cash Receipts	16,668	15,825	\$17,370	(\$1,545)
Expenditures				
Personnel services	14,996	15,173	\$15,500	(\$327)
Contractual services	20	228	1,000	(772)
Commodities	1,653	55	870	(815)
Reimbursed expense	-	-	-	-
Total Expenditures	16,669	15,457	\$17,370	(\$1,913)
Receipts Over (Under) Expenditures	(1)	369		
Unencumbered Cash, Beginning	72	71		
Unencumbered Cash, Ending	\$71	\$440		

CITY OF MULBERRY, KANSAS

WATER UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2012

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
Customer charges	\$112,016	\$111,774	\$110,000	\$1,774
Interest	387	141	800	(659)
Other	7,942	12,599	300	12,299
Total Cash Receipts	120,345	124,515	\$111,100	\$13,415
Expenditures				
Personnel services	35,005	35,269	\$31,000	\$4,269
Contractual services	11,326	17,458	19,500	(2,042)
Commodities	9,474	13,670	7,500	6,170
Lease Payments	-	-	1,635	(1,635)
Water purchased for resale	67,762	54,356	54,500	(144)
Capital Outlay	12,562	-	20,628	(20,628)
Operating Transfers to Other Funds				
General	5,000	5,000	5,000	-
Total Expenditures	141,130	125,753	\$139,763	(\$14,010)
Receipts Over (Under) Expenditures	(20,785)	(1,238)		
Unencumbered Cash, Beginning	35,198	14,413		
Unencumbered Cash, Ending	\$14,413	\$13,175		

CITY OF MULBERRY, KANSAS
ELECTRIC UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2012

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
Customer charges	\$340,018	\$399,580	\$355,000	\$44,580
Interest	1,794	777	3,000	(2,223)
Other	9,622	660	2,000	(1,340)
Total Cash Receipts	<u>351,434</u>	<u>401,017</u>	<u>\$360,000</u>	<u>\$41,017</u>
Expenditures				
Personnel services	48,856	54,771	\$47,000	\$7,771
Contractual services	14,187	17,890	21,500	(3,610)
Commodities	11,226	8,017	8,000	17
Electricity purchased for resale	247,805	229,409	226,000	3,409
Capital Outlays-Lease	-	1,635	1,635	(0)
Capital Outlays	1,635	-	114,626	(114,626)
Operating Transfers to Other Funds				
General fund	85,000	85,000	85,000	-
Sewer fund	-	-	-	-
Total Expenditures	<u>408,708</u>	<u>396,722</u>	<u>\$503,761</u>	<u>(\$107,039)</u>
Receipts Over (Under) Expenditures	(57,274)	4,295		
Unencumbered Cash, Beginning	<u>163,719</u>	<u>106,445</u>		
Unencumbered Cash, Ending	<u>\$106,445</u>	<u>\$110,740</u>		

CITY OF MULBERRY, KANSAS

NATURAL GAS UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2012

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
Customer charges	\$198,943	\$161,888	\$287,000	(\$125,112)
Interest	655	276	1,200	(924)
Other	2,765	3,098	2,400	698
Total Cash Receipts	202,363	165,262	\$290,600	(\$125,338)
Expenditures				
Personnel services	18,833	20,819	\$16,500	\$4,319
Contractual services	60,702	61,263	64,000	(2,737)
Commodities	604	10,009	1,504	8,505
Gas purchased for resale	98,064	65,402	162,000	(96,598)
Capital Outlays	-	-	37,880	(37,880)
Operating Transfers to Other Funds				
General fund	30,000	10,000	45,000	(35,000)
Sewer fund	-	-	-	-
Total Expenditures	208,204	167,492	\$326,884	(\$159,392)
Receipts Over (Under) Expenditures	(5,841)	(2,231)		
Unencumbered Cash, Beginning	35,884	30,044		
Unencumbered Cash, Ending	\$30,044	\$27,813		

CITY OF MULBERRY, KANSAS
SEWER UTILITY FUND

Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
Customer charges	\$67,194	\$68,085	\$68,700	(\$615)
Interest	316	138	500	(362)
Other	4,530	541	500	41
Operating transfers from:				
Electric utility fund	-	-	-	-
Natural gas utility fund	-	-	-	-
Total Cash Receipts	72,040	68,765	\$69,700	(\$935)
Expenditures				
Personnel services	31,352	30,690	\$28,000	\$2,690
Contractual services	9,321	9,903	13,000	(3,097)
Commodities	6,540	2,897	3,700	(803)
Sewer Pump	-	-	-	-
Capital Outlays	4,580	3,221	25,750	(22,529)
Operating Transfers to Other Funds				
Sewer reserve fund	24,695	25,335	25,335	-
Total Expenditures	76,488	72,046	\$95,785	(\$23,739)
Receipts Over (Under) Expenditures	(4,448)	(3,281)		
Unencumbered Cash, Beginning	19,600	15,152		
Unencumbered Cash, Ending	<u>\$15,152</u>	<u>\$11,871</u>		

CITY OF MULBERRY, KANSAS

SEWER RESERVE FUND

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2012

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

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Operating Transfer from Sewer utility fund	\$24,695	\$25,335	\$25,335	-
Total Cash Receipts	24,695	25,335	\$25,335	-
Expenditures				
Debt Service				
Principal	8,000	9,000	\$9,000	-
Interest	16,695	16,335	16,335	-
Other	-	-	-	-
Total Expenditures	24,695	25,335	\$25,335	-
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	-	-		

CITY OF MULBERRY, KANSAS
METER DEPOSIT FUND

Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Year Ended December 31, 2012

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

	<u>2011</u>	<u>2012</u>
Cash Receipts		
Meter deposits	<u>\$10,057</u>	<u>\$11,196</u>
Total Cash Receipts	<u>10,057</u>	<u>11,196</u>
Expenditures		
Meter deposits	<u>10,057</u>	<u>11,196</u>
Total Expenditures	<u>10,057</u>	<u>11,196</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>-</u>	<u>-</u>

CITY OF MULBERRY, KANSAS
HAYMONT CEMETARY TRUST
Schedule of Receipts and Expenditures - Actual
Regulatory Basis

For the Year Ended December 31, 2012

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

	2011	2012
Cash Receipts		
Gift	-	-
Interest income	317	200
Total Cash Receipts	<u>317</u>	<u>200</u>
Expenditures		
Cemetery Expense	-	53
Total Expenditures	<u>-</u>	<u>53</u>
Receipts Over (Under) Expenditures	317	147
Unencumbered Cash, Beginning	<u>14,349</u>	<u>14,666</u>
Unencumbered Cash, Ending	<u>\$14,666</u>	<u>\$14,813</u>