

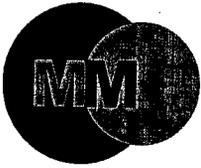
CITY OF QUINTER, KANSAS  
Financial Statement with Independent Auditor's Report  
For the Year Ended December 31, 2012

MAPES & MILLER LLP  
Certified Public Accountants  
Quinter, Kansas

CITY OF QUINTER, KANSAS  
Financial Statement with Independent Auditor's Report  
For the Year Ended December 31, 2012

TABLE OF CONTENTS

	<u>Page Numbers</u>
Independent Auditor's Report	1
 <u>FINANCIAL SECTION</u>	
STATEMENT 1	
Summary Statement of Receipts, Expenditures and Unencumbered Cash	3
Notes to the Financial Statement	4
 <u>REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION</u>	
SCHEDULE 1	
Summary of Expenditures - Actual and Budget	13
SCHEDULE 2	
Schedule of Receipts and Expenditures - Actual and Budget	
General Fund	14
Special Purpose Funds	16
Capital Project Funds	19
Business Funds	20
Trust Funds	24



# Mapes & Miller LLP

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## INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council  
City of Quinter  
Quinter, Kansas 67752

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Quinter, Kansas, as of and for the year ended December 31, 2012, and the related notes to the financial statement.

### *Management's Responsibility for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### *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 Quinter, 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" 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 Quinter, 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 Quinter, 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 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 and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 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.

*Mapes & Miller LLP*

CERTIFIED PUBLIC ACCOUNTANTS

July 15, 2013

STATEMENT 1

CITY OF QUINTER, 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 and Accounts Payable	Ending Cash Balance
<b>Governmental Type Funds:</b>						
General Funds:						
General Fund	\$ 174,288	627,880	556,959	245,209	8,014	253,223
Special Purpose Funds:						
Library Fund	6,202	53,296	50,825	8,673	0	8,673
Employee Benefits Fund	16,902	36,480	39,493	13,889	5,861	19,750
Special Highway Fund	8,780	23,796	29,099	3,477	0	3,477
Equipment Reserve Fund	17,809	12,000	0	29,809	0	29,809
Capital Improvement Fund	90,438	25,000	46,633	68,805	30,756	99,561
City Park Donations Fund	298	0	0	298	0	298
Capital Project Funds:						
Fire Station Project Fund	0	233,760	233,760	0	0	0
<b>Business Funds:</b>						
Water Utility - Revenue Fund	102,290	178,357	147,960	132,687	0	132,687
Water Utility - Principal & Interest Fund	42,232	39,778	39,778	42,232	0	42,232
Water Utility - Operations & Maintenance Fund	0	106,982	106,982	0	5,329	5,329
Water Utility - Bond Reserve Fund	11,600	1,200	0	12,800	0	12,800
Sewer Utility Fund	46,132	126,613	122,899	49,846	1,977	51,823
Sewer Utility - Principal & Interest Fund	82,878	76,712	76,396	83,194	0	83,194
<b>Trust Funds:</b>						
Revolving Loan I Fund	2,378	9,662	7,582	4,458	10	4,468
Revolving Loan II Fund	11,045	25,890	19,214	17,721	10	17,731
<b>Total Reporting Entity</b>	<b>\$ 613,272</b>	<b>1,577,406</b>	<b>1,477,580</b>	<b>713,098</b>	<b>51,957</b>	<b>765,055</b>

Composition of Cash:

The Bank, Quinter, KS	\$	576
Checking Accounts		742,543
Money Market Accounts		21,936
NOW Accounts		
<b>Total Reporting Entity</b>	<b>\$</b>	<b>765,055</b>

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

CITY OF QUINTER, KANSAS  
Notes to the Financial Statement  
December 31, 2012

**1: Summary of Significant Accounting Policies**

**Financial Reporting Entity**

The City of Quinter, Kansas, operates as a third class city in accordance with the laws of the State of Kansas. The City operates under a mayor-council form of government and provides the following services; public safety (police and fire protection), highways and streets, water, sewer, sanitation, culture and recreation, planning and zoning, public improvements and general administrative services.

**Regulatory Basis Fund Types**

The following types of funds comprise the financial activities of the City of Quinter for the year ended December 31, 2012:

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.

Capital Project 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.

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

Trust Fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

**Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America**

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The municipality 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 municipality 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 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<sup>st</sup>.
2. Publication in local newspaper on or before August 5<sup>th</sup> of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25<sup>th</sup>.

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 capital project funds, trust funds and the following funds:

Special Purpose Funds

Equipment Reserve Fund  
City Park Donations Fund  
Capital Improvement Fund

Business Funds

Water Utility – Bond Reserve Fund

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

## 2. Deposits and Investments

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, 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%. All deposits were legally secured at December 31, 2012.

At December 31, 2012, the City's carrying amount of deposits was \$766,055, and the bank balance was \$788,883. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and the balance of \$538,883 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. The City had no investments at December 31, 2012.

## 3. Defined Benefit Pension Plan

*Plan description.* The City of Quinter, Kansas, 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 benefits 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 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

*Funding Policy.* K.S.A. 74-4919 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. 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 an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates.

#### 4. Revolving Loan I Fund

The City of Quinter, Kansas, obtained funds from a Small Cities Community Development-Economic Development Grant in 1986 and subsequently loaned the funds to Flex-King, Inc. Per the grant agreement, the recapture of the grant money from Flex-King, Inc. could be returned to the State or retained locally to create a Revolving Loan Fund. The latter option was chosen.

The City of Quinter Revolving Loan Fund I was established to stimulate private investment and create or retain permanent jobs for low and moderate income citizens of the City. The monies from this fund provide fixed asset financing for new and expanding businesses. Potential businesses must demonstrate that their project is economically viable and meet other eligibility requirements.

#### 5. Revolving Loan II Fund

The City obtained funds from a Rural Business Enterprise Grant in 1999 to establish this fund. The purpose of this fund is to stimulate private investment and create or retain permanent jobs in Quinter. To be eligible for the monies, a potential business must demonstrate economic viability, be located within the city limits, and meet leverage requirements. The City is required to comply with certain relending criteria.

#### 6. Other Long-Term Obligations

##### *Compensated Absences*

*Sick Leave.* Full-time employees earn one full day per month of sick leave. There is no maximum accumulation for sick leave. Sick leave accumulates monthly and may be claimed with pay only in the case of an illness which renders the employee incapable of performing their duties, doctors appointments, or care of a close relative. Any accumulated days over 120 will be paid at fifty percent.

*Vacation Leave.* Vacation leave accumulates for one year only and may be claimed as part of the pay for each unit of twelve months of continuous service.

Full-time employees are entitled to vacation leave as follows:

Year 1	-	5 days
Year 2 to 10	-	10 days per year
Year 11 to 19	-	15 days per year
Year 20 and above	-	20 days per year

Accrued vacation leave is paid to the employee upon termination.

*Compensatory Time.* Compensatory time is earned for overtime hours worked and is accrued at one and one-half times the overtime hours worked. Compensatory time may be carried over from month to month and year to year, but will not exceed 20 hours from any given month or year. All hours over the allowed 20 hours at the end of each month are paid, subject to review by the City Administrator/City Clerk.

### **7. Special Items-Industrial Revenue Bonds**

In 2000, the City authorized the issuance of Industrial Revenue Bonds, Series 2000 in the amount of \$275,000 for the purposes of acquiring, renovating and improving a commercial facility to lease such facility to Formation Plastics, Inc. The lease agreement provides the lease payment to be paid by Formation Plastics, Inc. directly to the fiscal agent, First National Bank, Goodland, Kansas. The fiscal agent is responsible for collecting the lease payments and paying the interest and bonds to the bond holders.

On November 22, 2005, the City authorized the issuance of Industrial Revenue Bonds, Series 2005 in the aggregate principal amount not to exceed \$525,000 for the purpose of acquiring, renovating and improving a commercial facility to lease such facility to T & T Chemical, Inc. The lease agreement provides the lease payment to be paid by T & T Chemical, Inc. directly to the fiscal agent, State Bank, Hoxie, Kansas. The fiscal agent is responsible for collecting the lease payments and paying the interest and bonds to the bond holders.

### **8. Capital Projects**

Capital project authorizations with approved change orders compared with cash disbursements and encumbrances from inception are as follows:

	<u>Project Authorization</u>	<u>Cash Disbursements and Encumbrances to Date</u>
Fire Station	\$249,492	\$249,492

Expenditures for this project were made out of the Fire Station Project Fund, General Fund, and Capital Improvement Fund.

**9. Interfund Transfers**

Operating transfers were as follows:

From	To	Amount	Statutory Authority
General Fund	Equipment Reserve Fund	\$ 12,000	12-1,117
General Fund	Capital Improvement Fund	25,000	12-1,118
Water Utility – Revenue Fund	Water Utility–Principal & Interest Fund	39,778	12-825d
Water Utility – Revenue Fund	Water Utility – Operations & Maintenance Fund	106,982	12-825d
Water Utility – Revenue Fund	Water Utility - Bond Reserve Fund	1,200	12-825d
Sewer Utility Fund	Sewer Utility – Principal & Interest Fund	76,712	12-825d

**10. Risk Management**

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 purchased commercial insurance for these potential risks. Settled claims resulting from these risks have not exceeded commercial insurance coverage during the past three fiscal years.

**11. Regulatory Compliance**

K.S.A. 44-1030 states that contracts for the construction, alteration, or repair of any public building or public work, or for the acquisition of material, equipment, supplies or services comply with the mandatory nondiscrimination provisions. The City contracted with various vendors for materials, equipment, and goods and services that each cumulatively totaled \$5,000 or more for the year. The contracts with these vendors didn't have the required statutory language. This is a violation of this statute.

K.S.A. 9-1405 requires a written custodial and security interest agreement with any depository holding the City's deposits and said deposits are in excess of FDIC coverage. The City didn't obtain a written custodial and security interest agreement with The Bank. This is a violation of this statute.

**12. Revenue Bond Indenture Requirements**

Ordinance Number 457-- Summary of significant requirements:

		<u>Compliance</u>	
		<u>Yes</u>	<u>No</u>
The City shall:			
a.	Create proper principal and interest, bond reserve, and operations and maintenance accounts.	X	
b.	Maintain required balance in the following:		
	Water Utility - Bond Reserve	X	
	Water Utility - Principal & Interest	X	
	Water Utility - Operations & Maintenance	X	
c.	Allow public inspection of annual CPA audit.	X	
d.	Mail operating budget to original purchaser.	X	
e.	Adjust rates to pay next year's principal and interest and operation expenses.	X	
f.	Maintain books, records, and accounts in which complete and correct entries are made of all dealings and transactions of or in relation to the system. Such accounts show the amount of revenues from the system, the application of such revenues, and all financial transactions in connection therewith. This financial statement is presented on a basis of accounting which demonstrates compliance with the cash basis and budget laws of Kansas.	X	
g.	Obtain engineering inspection of water system every 5 years.		Waived by bond holder
h.	Report the number of customers at year end		
	12-31-11 – 502	X	
	12-31-12 – 506	X	
i.	Maintain adequate property, liability and workman's compensation insurance coverage.	X	

**13. Long-Term Debt**

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Principal Payments	Balance End of Year	Interest Paid
General Obligation Bonds Series 2012	0.00%	2012	\$ 233,760	2021	\$ -	233,760	-	233,760	-
Revenue Bonds: Water Improvement	4.4 to 4.9%	2003	350,000	2014	115,000	-	35,000	80,000	4,777
KDHE Loans: Sewer Improvement	3.39%	2001	535,140	2022	268,591	-	21,693	246,898	8,265
Sewer Improvement	2.77%	2007	800,007	2028	617,342	-	28,878	588,464	15,376
Capital Leases Payable: John Deere Backhoe Loader	2.95%	2010	55,000	2013	30,383	-	16,769	13,614	905
					<u>1,031,316</u>	<u>233,760</u>	<u>102,340</u>	<u>1,162,736</u>	<u>29,323</u>
			Total Contractual Indebtedness						

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

<u>PRINCIPAL</u>	<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</u>	<u>Total</u>
General Obligation Bonds	\$ 25,760	26,000	26,000	26,000	26,000	104,000	-	-	233,760
Revenue Bonds	40,000	40,000	-	-	-	-	-	-	80,000
KDHE Loans	52,118	53,712	55,357	57,052	58,800	306,855	206,623	44,845	835,362
Capital Leases Payable	13,614	-	-	-	-	-	-	-	13,614
<b>TOTAL PRINCIPAL</b>	<b>\$ 131,492</b>	<b>119,712</b>	<b>81,357</b>	<b>83,052</b>	<b>84,800</b>	<b>410,855</b>	<b>206,623</b>	<b>44,845</b>	<b>1,162,736</b>
<u>INTEREST</u>									
General Obligation Bonds	\$ -	-	-	-	-	-	-	-	-
Revenue Bonds	2,940	980	-	-	-	-	-	-	3,920
KDHE Loans	22,222	20,757	19,250	17,693	16,089	54,598	20,265	850	171,724
Capital Leases Payable	437	-	-	-	-	-	-	-	437
<b>TOTAL INTEREST</b>	<b>25,599</b>	<b>21,737</b>	<b>19,250</b>	<b>17,693</b>	<b>16,089</b>	<b>54,598</b>	<b>20,265</b>	<b>850</b>	<b>176,081</b>
<b>TOTAL PRINCIPAL &amp; INTEREST</b>	<b>\$ 157,091</b>	<b>141,449</b>	<b>100,607</b>	<b>100,745</b>	<b>100,889</b>	<b>465,453</b>	<b>226,888</b>	<b>45,695</b>	<b>1,338,817</b>

Regulatory-Required Supplementary Information

CITY OF QUINTER, KANSAS

Summary of Expenditures - Actual and Budget  
Regulatory Basis

For the Year Ended December 31, 2012

SCHEDULE 1

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
<b>Governmental Type Funds:</b>					
General Funds:					
General Fund	\$ 745,650	0	745,650	556,959	(188,691)
Special Purpose Funds:					
Library Fund	50,825	0	50,825	50,825	0
Employee Benefits Fund	52,300	0	52,300	39,493	(12,807)
Special Highway Fund	29,099	0	29,099	29,099	0
<b>Business Funds:</b>					
Water Utility - Revenue Fund	166,778	0	166,778	147,960	(18,818)
Water Utility - Principal & Interest Fund	44,779	0	44,779	39,778	(5,001)
Water Utility - Operations & Maintenance Fund	128,540	0	128,540	106,982	(21,558)
Sewer Utility Fund	130,312	0	130,312	122,899	(7,413)
Sewer Utility - Principal & Interest Fund	79,712	0	79,712	76,396	(3,316)

CITY OF QUINTER, KANSAS  
 General Funds  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012

General Fund	Actual	Budget	Variance Over (Under)
<b>Receipts</b>			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 305,674	307,681	(2,007)
Delinquent Tax	1,977	1,000	977
Motor Vehicle Tax	41,179	29,412	11,767
Recreational Vehicle Tax	1,176	1,422	(246)
16/20M Vehicle Tax	371	70	301
Intergovernmental:			
Local Intangible Tax	11,010	10,675	335
Sales Tax	110,011	85,000	25,011
Compensating Use Tax	15,157	18,000	(2,843)
Franchise Fees	32,647	28,000	4,647
Fines, Permits, Licenses, and Tags	3,967	4,500	(533)
Swimming Pool	15,942	11,000	4,942
Interest on Idle Funds	1,036	0	1,036
Recreation	13,065	16,000	(2,935)
Recreation - Concession Stand	0	10,000	(10,000)
Miscellaneous	5,506	0	5,506
Reimbursements	3,191	500	2,691
Donations - Pool Slide	28,096	0	28,096
Donations - Fire Department	4,500	0	4,500
Gove County - Rural Fire District	27,500	27,644	(144)
Sale of Surplus Property/Equipment	5,875	0	5,875
<b>Total Receipts</b>	<b>627,880</b>	<b>550,904</b>	<b>76,976</b>
<b>Expenditures</b>			
General Government			
Personal Services	67,886	75,500	(7,614)
Contractual Services	19,896	16,000	3,896
Commodities	6,867	15,500	(8,633)
Capital Outlay	17,674	15,000	2,674
Telephone	3,885	7,000	(3,115)
Insurance	25,363	30,000	(4,637)
Training & Miscellaneous	3,392	4,000	(608)
<b>Total General Government</b>	<b>144,963</b>	<b>163,000</b>	<b>(18,037)</b>
Police			
Personal Services	12,214	40,000	(27,786)
Contractual Services	2,517	6,000	(3,483)
Commodities	2,271	4,000	(1,729)
<b>Total Police</b>	<b>17,002</b>	<b>50,000</b>	<b>(32,998)</b>
Pool			
Personal Services	32,606	31,250	1,356
Contractual Services	1,640	500	1,140
Commodities	12,624	10,200	2,424
Capital Outlay	10,823	0	10,823
Capital Outlay - Pool Slide	1,378	0	1,378
<b>Total Pool</b>	<b>\$ 59,071</b>	<b>41,950</b>	<b>17,121</b>

CITY OF QUINTER, KANSAS  
 General Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012

Schedule 2  
 Page 2

	Actual	Budget	Variance Over (Under)
<b>Street</b>			
Personal Services	\$ 17,235	35,000	(17,765)
Contractual Services	7,114	50,000	(42,886)
Commodities	32,113	50,000	(17,887)
Capital Outlay	66,369	0	66,369
Total Street	<u>122,831</u>	<u>135,000</u>	<u>(12,169)</u>
<b>Fire</b>			
Personal Services	6,570	4,500	2,070
Contractual Services	7,084	1,500	5,584
Commodities	11,571	6,000	5,571
Capital Outlay	13,913	0	13,913
Total Fire	<u>39,138</u>	<u>12,000</u>	<u>27,138</u>
<b>Park</b>			
Contractual Services	1,386	1,700	(314)
Commodities	5,035	2,500	2,535
Capital Outlay	4,538	7,500	(2,962)
Total Park	<u>10,959</u>	<u>11,700</u>	<u>(741)</u>
<b>Recreation</b>			
Personal Services	35,397	41,000	(5,603)
Contractual Services	6,477	5,000	1,477
Commodities	10,740	9,000	1,740
Capital Outlay	1,797	10,000	(8,203)
Total Recreation	<u>54,411</u>	<u>65,000</u>	<u>(10,589)</u>
Utility Service Cost	59,255	61,500	(2,245)
Audit Cost	6,950	7,500	(550)
Noxious Weed	690	2,000	(1,310)
Transfer to Capital Improvement Fund	25,000	25,000	0
Transfer to Equipment Reserve Fund	12,000	12,000	0
Appropriation to Senior Citizens Center	4,689	7,500	(2,811)
Lease Purchase Payment - Backhoe	0	18,000	(18,000)
Capital Improvements	0	133,500	(133,500)
Total Expenditures	<u>556,959</u>	<u>745,650</u>	<u>(188,691)</u>
Receipts over (under) Expenditures	70,921		
Unencumbered Cash, Beginning	<u>174,288</u>		
Unencumbered Cash, Ending	<u>\$ 245,209</u>		

CITY OF QUINTER, KANSAS  
Special Purpose Funds  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012

	Actual	Budget	Variance Over (Under)
<b>Library Fund</b>			
Receipts			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 46,303	46,621	(318)
Delinquent Tax	362	0	362
Motor Vehicle Tax	6,391	4,001	2,390
Recreational Vehicle Tax	182	193	(11)
16/20M Vehicle Tax	58	10	48
	<u>53,296</u>	<u>50,825</u>	<u>2,471</u>
Total Receipts			
Expenditures			
Appropriation to Jay Johnson Public Library	50,825	50,825	0
	<u>50,825</u>	<u>50,825</u>	<u>0</u>
Receipts over (under) Expenditures			
Unencumbered Cash, Beginning	2,471		
	<u>6,202</u>		
Unencumbered Cash, Ending			
	\$ <u>8,673</u>		
<b>Employee Benefits Fund</b>			
Receipts			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 30,711	30,798	(87)
Delinquent Tax	280	180	100
Motor Vehicle Tax	5,305	4,549	756
Recreational Vehicle Tax	146	220	(74)
16/20M Vehicle Tax	38	11	27
	<u>36,480</u>	<u>35,758</u>	<u>722</u>
Total Receipts			
Expenditures			
Social Security and Medicare	17,385	25,000	(7,615)
KPERS	15,328	16,000	(672)
State Unemployment	222	300	(78)
Workman's Compensation Insurance	3,454	11,000	(7,546)
Miscellaneous	3,104	0	3,104
	<u>39,493</u>	<u>52,300</u>	<u>(12,807)</u>
Total Expenditures			
Receipts over (under) Expenditures			
Unencumbered Cash, Beginning	(3,013)		
	<u>16,902</u>		
Unencumbered Cash, Ending			
	\$ <u>13,889</u>		

CITY OF QUINTER, KANSAS  
Special Purpose Funds  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2012

	Actual	Budget	Variance Over (Under)
<b>Special Highway Fund</b>			
Receipts			
Motor Fuel Tax-State of Kansas	\$ 23,796	21,600	2,196
Expenditures			
Contractual Services	600	20,000	(19,400)
Commodities	0	9,099	(9,099)
Capital Outlay	28,499	0	28,499
Total Expenditures	29,099	29,099	0
Receipts over (under) Expenditures	(5,303)		
Unencumbered Cash, Beginning	8,780		
Unencumbered Cash, Ending	\$ 3,477		

CITY OF QUINTER, KANSAS  
Special Purpose Funds  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2012

	Actual
<b>Equipment Reserve Fund</b>	
Receipts	
Transfer from General Fund	\$ <u>12,000</u>
Expenditures	<u>0</u>
Receipts over (under) Expenditures	12,000
Unencumbered Cash, Beginning	<u>17,809</u>
Unencumbered Cash, Ending	<u><u>\$ 29,809</u></u>
 <b>Capital Improvement Fund</b>	
Receipts	
Transfer from General Fund	\$ <u>25,000</u>
Expenditures	
Capital Outlay	<u>46,633</u>
Receipts over (under) Expenditures	(21,633)
Unencumbered Cash, Beginning	<u>90,438</u>
Unencumbered Cash, Ending	<u><u>\$ 68,805</u></u>
 <b>City Park Donations Fund</b>	
Receipts	\$ <u>0</u>
Expenditures	<u>0</u>
Receipts over (under) Expenditures	0
Unencumbered Cash Beginning	<u>298</u>
Unencumbered Cash Ending	<u><u>\$ 298</u></u>

**CITY OF QUINTER, KANSAS**  
 Capital Project Funds  
 Schedule of Receipts and Expenditures  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	Actual
<b>Fire Station Fund</b>	
Receipts	
General Obligation Bond Proceeds	\$ <u>233,760</u>
Expenditures	
Capital Outlay	<u>233,760</u>
Receipts over (under) Expenditures	0
Unencumbered Cash, Beginning	<u>0</u>
Unencumbered Cash, Ending	<u><u>\$ 0</u></u>

CITY OF QUINTER, KANSAS  
 Business Funds  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	Actual	Budget	Variance Over (Under)
<b>Water Utility - Revenue Fund</b>			
Receipts			
Water Sales	\$ 173,793	165,000	8,793
Deposits and Taps	1,885	1,000	885
Reconnect & Late Fees	1,207	1,000	207
Miscellaneous	1,472	0	1,472
Total Receipts	178,357	167,000	11,357
Expenditures			
Transfer to Water Utility - Operation & Maintenance Fund	106,982	127,000	(20,018)
Transfer to Water Utility - Principal & Interest Fund	39,778	39,778	0
Transfer to Water Utility - Bond Reserve Fund	1,200	0	1,200
Total Expenditures	147,960	166,778	(18,818)
Receipts over (under) Expenditures	30,397		
Unencumbered Cash, Beginning	102,290		
Unencumbered Cash, Ending	\$ 132,687		
<b>Water Utility - Principal &amp; Interest Fund</b>			
Receipts			
Transfer from Water Utility - Revenue Fund	\$ 39,778	39,788	(10)
Expenditures			
Principal - Revenue Bonds	35,000	35,000	0
Interest - Revenue Bonds	4,777	4,778	(1)
Fees	1	1	0
Cash Reserve	0	5,000	(5,000)
Total Expenditures	39,778	44,779	(5,001)
Receipts over (under) Expenditures	0		
Unencumbered Cash, Beginning	42,232		
Unencumbered Cash, Ending	\$ 42,232		

CITY OF QUINTER, KANSAS  
 Business Funds  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	Actual	Budget	Variance Over (Under)
<b>Water Utility - Operations &amp; Maintenance Fund</b>			
<b>Receipts</b>			
Transfer from Water Utility - Revenue Fund	\$ 106,982	127,000	(20,018)
<b>Expenditures</b>			
Personal Services	64,129	78,700	(14,571)
Contractual Services	7,956	10,070	(2,114)
Commodities	22,848	22,770	78
Capital Outlay	3,376	12,000	(8,624)
Miscellaneous	3,204	0	3,204
Travel	968	1,000	(32)
State Water Plan	4,501	4,000	501
Total Expenditures	106,982	128,540	(21,558)
Receipts over (under) Expenditures	0		
Unencumbered Cash, Beginning	0		
Unencumbered Cash, Ending	\$ 0		

CITY OF QUINTER, KANSAS  
 Business Funds  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2012

	Actual	Budget	Variance Over (Under)
<b>Sewer Utility Fund</b>			
Receipts			
User Charges	\$ 126,613	125,500	1,113
Expenditures			
Personal Services	4,593	15,000	(10,407)
Contractual Services	4,542	16,000	(11,458)
Commodities	12,950	10,000	2,950
Capital Outlay	10,008	0	10,008
Sewer Maintenance Contract	14,094	12,600	1,494
Transfer to Sewer Utility - Principal & Interest Fund	76,712	76,712	0
Total Expenditures	122,899	130,312	(7,413)
Receipts over (under) Expenditures	3,714		
Unencumbered Cash, Beginning	46,132		
Unencumbered Cash, Ending	\$ 49,846		
 <b>Sewer Utility - Principal &amp; Interest Fund</b>			
Receipts			
Transfer from Sewer Utility Fund	\$ 76,712	76,712	0
Expenditures			
Principal - KDHE	50,571	50,571	0
Interest - KDHE	23,641	23,641	0
Fees	2,184	2,500	(316)
Cash Reserve	0	3,000	(3,000)
Total Expenditures	76,396	79,712	(3,316)
Receipts over (under) Expenditures	316		
Unencumbered Cash, Beginning	82,878		
Unencumbered Cash, Ending	\$ 83,194		



CITY OF QUINTER, KANSAS  
Trust Funds  
Schedule of Receipts and Expenditures  
Regulatory Basis  
For the Year Ended December 31, 2012

		<u>Actual</u>
<b>Revolving Loan I Fund</b>		
Receipts		
Principal and Interest Payments Received	\$	9,660
Interest on Idle Funds		<u>2</u>
Total Receipts		<u>9,662</u>
Expenditures		
Contractual Services		582
Loan Disbursements		<u>7,000</u>
Total Expenditures		<u>7,582</u>
Receipts over (under) Expenditures		2,080
Unencumbered Cash, Beginning		<u>2,378</u>
Unencumbered Cash, Ending	\$	<u><u>4,458</u></u>
 <b>Revolving Loan II Fund</b>		
Receipts		
Principal and Interest Payments Received	\$	25,886
Interest on Idle Funds		<u>4</u>
Total Receipts		<u>25,890</u>
Expenditures		
Contractual Services		714
Loan Disbursements		<u>18,500</u>
Total Expenditures		<u>19,214</u>
Receipts over (under) Expenditures		6,676
Unencumbered Cash, Beginning		<u>11,045</u>
Unencumbered Cash, Ending	\$	<u><u>17,721</u></u>