CITY OF SCOTT CITY
SCOTT CITY, KANSAS

DECEMBER 31, 2012

CITY OF SCOTT CITY

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
12/31/2012

DIRKS, ANTHONY & DUNCAN, LLC
CERTIFIED PUBLIC ACCOUNTANTS
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CITY OF SCOTT CITY, KANSAS
Financial Statements
For the Year Ended December 31, 2012

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INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Scott City
Scott City, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Scott City, Kansas, a municipality, 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 A 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 2 of the financial statement, the financial statement is prepared by the City of Scott 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 the basis of accounting other than accounting principles generally accepted in the United States of America.

The effects of the financial statement of the variances between the regulatory basis of accounting described in Note 2 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 Scott 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
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 Scott 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 A.

Report on Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the 2012 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds and other supporting schedules (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 2012 basic financial statement. The 2012 information has been subjected to the auditing procedures applied in the audit of the 2012 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 2012 basic financial statement or to the 2012 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 2012 basic financial statement as a whole, on the basis of accounting described in Note A.

The 2011 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedules of regulatory basis receipts and expenditures-actual (Schedules 2 listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2011 basic financial statements upon when we rendered an unqualified opinion dated June 26, 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 relates directly to the underlying accounting and other records used to prepare the 2011 basic financial statement. The 2011 comparative information was subjected to the auditing procedures applied in the audit of the 2011 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 2011 basic financial statement or to the 2011 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 2011 comparative information is fairly stated in all material respects in relation to the 2011 basic financial statement as a whole, on the basis of accounting described in Note A.

Dirks, Anthony, & Duncan L.L.C

DIRKS, ANTHONY & DUNCAN, LLC
Certified Public Accountants

June 11, 2013

CITY OF SCOTT CITY, KANSAS
Summary of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2012

STATEMENT 1

Fund	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance
Governmental Type Funds:				
General Fund	$ 1,601,782	2,592,270	2,720,429	1,473,623
Special Purpose Funds:				
Special Highway Fund	44,794	198,598	160,351	83,041
Employee Benefit Fund	57,307	220,589	198,210	79,686
Special Parks Fund	19,175	1,841	2,509	18,507
Municipal Equipment Reserve Fund	81,466	20,000	54,260	47,206
Transient Guest Tax Fund	113,123	79,721	63,990	128,854
Airport Sinking Fund	248,829	159,508	123,686	284,651
Fire Equipment Sinking Fund	409,219	42,842	-	452,061
Capital Project Funds:				
Water Improvement Fund	-	3,001,304	3,062,845	(61,541)
Business Funds:				
Sewer Utility Fund	230,708	191,949	127,032	295,625
Airport Fund	14,557	13,905	16,201	12,261
Water Utility Fund	69,514	1,196,065	397,836	867,743
Trust Funds:				
Municipal Court Fund	-	161,812	161,812	-
Total Primary Government	$ 2,890,474	7,880,404	7,089,161	3,681,717

Composition of Cash:

Time Deposits, Security State Bank, Scott City, Kansas	
Time Deposits, First National Bank, Scott City, Kansas	
Cash in checking, Security State Bank, Scott City, Kansas	
Transit Deposit	
Less O/S checks	
Money Market Investment Account & CD's , Western State Bank, Scott City, Kansas	
Cash with Municipal Judge	
Add Transit Deposit	
Less O/S checks	
Total Composition of Cash	

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

	Add: Encumbrances and Accounts Payable		Ending Cash Balance
	254,958		1,728,580
	625		83,666
	16,216		95,902
	-		18,507
	32,260		79,466
	7,884		136,738
	-		284,651
	-		452,061
	77,792		16,251
	10,974		306,600
	3,707		15,968
	32,466		900,209
	32,978		32,978
	469,860		4,151,576
		$	701,784
			2,366,029
$	325,460		
	-		
	(4,123)		
			321,337
			729,448
$	33,039		
	(61)		
			32,978
		$	4,151,576

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Financial Reporting Entity

The City of Scott City is a municipal corporation governed by an elected mayor and an eight member council. This financial statement presents the City of Scott City, Kansas (the municipality). A related municipal entity is an entity established to benefit the City and/or its constituents. The City has no related municipal entities.

2. Regulatory Basis Fund Types

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

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long- term debt) that are intended for specified purposes.

Bond and Interest Fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Business Fund - funds financed in whole or in part by fees charged to users of the goods or services.

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.

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.).

Agency fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

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

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

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

4. 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 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

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

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, trust funds and certain special purpose funds.

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

5. Ad Valorem Tax Revenue

The determination of assessed valuation and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser's Office annually determines assessed valuation and the County Clerk spreads the annual assessment on the tax rolls. Taxes are levied by November 1 and a lien for all taxes attaches on that same date until the taxes are paid. One-half of the property taxes is due December 20 and distributed to the City by January 20, and the second half is due May 10 and distributed to the City by June 5. The City draws available funds from the County Treasurer's office at designated times throughout the year.

6. Special Assessments

Projects financed in part by special assessments are financed through issuance of general obligation bonds of the City and are retired from the bond and interest fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the Bond and Interest Fund.

B. 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 to 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 to 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.

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 carrying amount of the City's deposits, including certificates of deposit, was $4,151,576 and the bank balance was $4,155,760. Of the bank balance, $750,000 was covered by federal depository insurance, and $3,405,760 was collateralized with securities held by the pledging financial institutions agents in the City's name.

C. PENSION COSTS AND EMPLOYEE BENEFITS

1. Defined Benefit Pension Plan

Plan Description. The City of Scott City, Kansas, contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPER issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603), at the following website: http://www.kpers.org/annualreport2012.pdf or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-419 and 74-49,210 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 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. The City of Scott City employer contributions to KPERS for the years ending December 31, 2012, 2011, and 2010 were $72,680, $72,308 and $56,775, respectively, equal to the regulatory required contributions for each year as set forth by the legislature.

2. Other Employee Benefits

Vacation leave and Sick leave – Vacation and sick leave is earned and credited according to a table in the employee policy handbook. No more than 80 hours of accrued vacation leave may be carried over from one calendar year to the next.

Upon retirement or death of an employee, the City pays an accrued vacation leave to the employee or his/her estate. The amount of accrued leave at December 31, 2012 was $22,830 at December 31, 2011 it was $22,415. Because sick pay is not payable to the employee upon termination, no amount for accrued sick pay has been encumbered.

Section 125 Cafeteria Plan/Health Insurance - The City offers a Section 125 cafeteria plan for all employees electing to participate. The City uses this for health insurance premiums, unreimbursed medical and dependent care expense. Annually in January, each employee determines the amount of contribution to the plan for these expenses. The plan is administered by the Employer.

3. Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement. This year the City had no retirees participating in the health insurance.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

D. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regularity Authority	Amount
General Fund	Municipal Equipment Reserve Fund	K.S. A. 12-1,117	$20,000.00
General Fund	Special Highway Fund	K.S.A. 12-1,119	100,000
Water Improvement Fund	Water Utility Fund	K.S.A. 12-825d	229,547

E. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft or damage to, and destruction of assets: errors and omissions; injuries to employees; and natural disasters. The City continues to carry commercial insurance for all other risks of loss, including property, liability, employee benefits, workers compensation and commercial output. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

F. CONTINGENCIES

The City, at times, receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the City at December 31, 2012.

G. CAPITAL PROJECTS

The City of Scott City had a Water Improvement Capital Project Fund in place for the year ending December 31, 2012 for water treatment system improvements to the City's water system.

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

	Project Authorization	Cash Disbursements and Accounts Payable to Date
Water treatment system improvements	$4,000,000	$3,062,845

H. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date of this report. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in this financial statement.

I. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

There was a cash basis violation in the Water Improvement Fund of $61,541 which will be absorbed by the final issuance of the General Obligation Bonds used to pay off the Temporary Note and cost of the project. There were no budget law violations for the year ending December 31, 2012.

J. **Long-Term Debt**

Changes in long-term liabilities for the City of Scott 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
General Obligation Bonds:					
Series 2009 - Law Enforcement	3.5-4.4%	3/4/2009	944,900	2024	$ 793,100
					793,100
Temporary Notes					
R-1, Series 2012A	0.95%	3/1/2012	3,000,000	2013	$ -
					-
Capital Lease Debt					
Street Sweeper Lease	2.95%	12/28/2011	139,609	2/15/2014	108,145
Police Radio Lease	3%	10/8/2011	10,740	10/10/2014	10,740
Siren capital lease	2.75%	11/23/2010	$ 58,055	11/23/2013	$ 39,226
					158,111
Total Long - Term Debt					$ 832,326

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

	Year				
	2013	2014	2015	2016	2017 & Beyond
Principal:					
General obligation bonds - Water System Refunding Bonds, Series 2010 - Law Enforcement	$ 49,500	51,700	53,900	56,100	534,600
	$ 49,500	51,700	53,900	56,100	534,600
Temporary Notes:					
R-1, Series 2012A	$ 3,000,000	-	-	-	-
	$ 3,000,000	-	-	-	-
Capital Lease Debt					
Street Sweeper Lease	$ 33,979	34,942	-	-	-
Police Radio Lease	3,580	3,687	-	-	-
Siren capital lease	19,879	-	-	-	-
	$ 57,438	38,629	-	-	-
Total principal	$ 3,106,938	90,329	53,900	56,100	534,600
Interest:					
General obligation bonds - Water System Refunding Bonds, Series 2010 - Law Enforcement	$ 30,824	28,844	26,776	24,620	107,619
	$ 30,824	28,844	-	24,620	107,619
Temporary Notes:					
R-1, Series 2012A	$ 28,500	-	-	-	-
	$ 28,500	-	-	-	-
Capital Lease Debt					
Street Sweeper Lease	$ 2,069	1,047	-	-	-
Police Radio Lease	217	110	-	-	-
Siren capital lease	547	-	-	-	-
	$ 2,833	1,157	-	-	-
Total interest	$ 62,157	30,001	-	24,620	107,619
Total principal and interest	$ 3,169,095	120,330	53,900	80,720	642,219

Additions	Reductions/ Payments	Balance End of Year	Interest Paid
$ -	$ 47,300	$ 745,800	$ 147,633
-	47,300	745,800	147,633
$ 3,000,000	$ -	$ 3,000,000	$ -
3,000,000	-	3,000,000	-
-	39,224	68,921	360
-	3,473	7,267	324
$ -	$ 19,347	$ 19,879	$ 1,079
-	62,044	96,067	1,763
3,000,000	66,647	3,841,867	148,712

Total
745,800
745,800
3,000,000
3,000,000
68,921
7,267
19,879
96,067
3,841,867
111,064
111,064
28,500
28,500
3,116
327
547
3,990
143,554
3,985,421

CITY OF SCOTT CITY

REGULATORY REQUIRED SUPPLEMENTAL INFORMATION

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

SCHEDULE 1

Fund	Certified Budget	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance-Over (Under)
Governmental Type Funds:				
General Fund	$ 4,003,965	4,003,965	2,720,429	1,283,536
Special Purpose Funds:				
Special Highway Fund	230,223	230,223	160,351	69,872
Employee Benefit Fund	266,759	266,759	198,210	68,549
Special Parks Fund	15,411	15,411	2,509	12,902
Municipal Equipment Reserve Fund	69,266	69,266	54,260	15,006
Transient Guest Tax	145,687	145,687	63,990	81,697
Airport Sinking Fund	601,012	601,012	123,686	477,326
Fire Equipment Sinking Fund	455,120	455,120	-	455,120
Capital Project Funds:				
Water Improvement Fund				
Business Funds:				
Sewer Utility Fund	411,693	411,693	127,032	284,661
Airport Fund	30,557	30,557	16,201	14,356
Water Utility Fund	856,091	856,091	397,836	458,255
Trust Funds:				
Municipal Court Fund	N/A	N/A	161,812	N/A
Total Primary Government			$ 4,026,315	

CITY OF SCOTT CITY, 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)

		2012		
	2011 Actual	Actual	Budget	Variance-Over (Under)
Cash Receipts				
Taxes and Shared Revenue				
Ad valorem tax and 16/20M vehicles	$ 991,983	967,501	1,008,412	(40,911)
Delinquent tax	4,132	1,725	-	1,725
Motor vehicle tax	200,620	208,272	204,224	4,048
Recreational vehicle tax	2,501	2,622	3,044	(422)
Redemption tax	10,156	6,625	10,000	(3,375)
Clean up weeds	625	460	300	160
Federal grants	-	-	-	-
County Airport Support	-	-	-	-
Rental and Excise tax/Protested tax	607	346	150	196
Local liquor tax	1,823	1,841	1,847	(6)
City sales tax	671,087	730,132	640,000	90,132
Highway connecting links	15,180	15,190	15,138	52
Franchise tax	156,479	148,728	160,000	(11,272)
Dog license	844	645	1,000	(355)
Miscellaneous licenses	14,558	12,090	12,000	90
Building permits	31,728	18,260	22,000	(3,740)
Special permits	9,451	11,195	8,000	3,195
Court fines/Diversion fees	113,118	139,382	90,000	49,382
Special assessments	16,714	15,362	22,000	(6,638)
Dispatcher salaries reimbursement	97,757	107,733	96,000	11,733
Pool collections and concessions	23,621	24,797	2,200	22,597
Property sales	2,600	1,500	1,500	-
Miscellaneous	21,183	20,284	15,000	5,284
Interest on idle funds	20,343	15,284	27,000	(11,716)
Private sector reimbursement	81,975	77,144	85,000	(7,856)
Dog redemption fees	1,350	1,780	1,500	280
Compensation use tax	61,609	63,371	68,000	(4,629)
Donations	-		-	-
Federal aid - emergency preparedness	-	-	-	-
State aid - emergency preparedness	-	-	-	-
Playground Project	-	-	-	-
Streetscape project	-	-	-	-
Total Cash Receipts	$ 2,552,044	2,592,270	2,494,315	97,955

CITY OF SCOTT CITY, KANSAS
General Fund
Schedule of Receipts and Expensitures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

SCHEDULE 2-1

		2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)
Expenditures and Transfers Subject to Budget				
Mayor, Council and Treasurer	$ 41,344	40,652	48,340	7,688
City Administrator	-	-	-	-
City Clerk	133,278	140,163	152,000	11,837
City Attorney	13,619	15,059	18,700	3,641
City Inspector	19,762	21,250	25,260	4,010
Playground project	-		-	-
Police Department	600,715	621,156	675,657	54,501
Fire Department	35,561	35,850	47,850	12,000
Municipal Court	38,249	47,712	44,950	(2,762)
Public Service Officer	35,236	40,657	55,600	14,943
Public Works	329,895	346,914	419,297	72,383
CDBG Grant	-		-	-
Park Department	103,621	66,948	112,705	45,757
Swimming Pool	154,584	115,838	140,950	25,112
City Improvements & Special Projects	137,569	135,864	901,300	765,436
Insurance	364,230	373,227	417,000	43,773
Sales Tax Projects	300,000	314,365	300,000	(14,365)
Risk Management	52,635	55,453	60,000	4,547
City Hall	8,347	12,060	28,000	15,940
Community Support Programs	93,221	95,768	105,600	9,832
Public Utilities Services	109,792	121,493	150,000	28,507
Neighborhood Revitalization Rebate	-	-	30,756	30,756
Special Items	-	-	150,000	150,000
Transfer to Municipal Equipment	20,000	20,000	20,000	-
Transfer to Special Highway	-	100,000	100,000	-
Reserve Fund	-	-	-	-
Total Expenditures and Transfers Subject to Budget	$ 2,591,658	2,720,429	4,003,965	1,283,536
Receipts Over (Under) Expenditures	$ (39,614)	(128,160)		
Unencumbered Cash, Beginning	1,641,395	1,601,782		
Unencumbered Cash, Ending	$ 1,601,782	1,473,623		

CITY OF SCOTT CITY, 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)

SCHEDULE 2-2

		2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts				
State of Kansas Gas Tax	$ 95,311	98,598	94,950	3,648
Transfer from General Fund	-	100,000	100,000	-
Total Cash Receipts	$ 95,311	198,598	194,950	3,648
Expenditures and Transfers Subject to Budget				
Salary	$ -	-	-	-
Overtime	-	-	-	-
Asphalt, oil, sand, and gypsum	143,580	160,351	2,500	(157,851)
Snow removal	5,280	-	-	-
Capital outlay	-	-	-	-
Contractual services	-	-	199,723	199,723
Other materials	-	-	28,000	28,000
Total Expenditures and Transfers Subject to Budget	$ 148,860	160,351	230,223	69,872
Receipts Over (Under) Expenditures	$ (53,549)	38,247		
Unencumbered Cash, Beginning	98,343	44,794		
Unencumbered Cash, Ending	$ 44,794	83,041		

CITY OF SCOTT CITY, KANSAS
Employee Benefit Fund SCHEDULE 2-3
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)

		2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts				
Taxes and Shared Revenues				
Ad valorem tax and 16/20M vehicles	$ 145,253	187,193	195,544	(8,351)
Delinquent tax	702	254	-	254
Motor vehicle tax	34,438	31,637	29,897	1,740
Recreational vehicle tax	429	1,434	446	988
Redemption tax	1,559	14	-	14
Rental and Excise tax/Protested tax	96	57	-	57
Total Cash Receipts	$ 182,477	220,589	225,887	(5,298)
Expenditures and Transfers Subject to Budget				
Workman's compensation	$ 25,462	27,063	42,310	15,247
KPERS	70,913	82,546	92,000	9,454
Social security	79,019	87,511	97,949	10,438
Miscellaneous	-	-	26,000	26,000
Neighborhood revitalization rebate	-	-	6,000	
Unemployment insurance	1,010	1,090	2,500	1,410
Total Expenditures and Transfers Subject to Budget	$ 176,404	198,210	266,759	62,549
Receipts Over (Under) Expenditures	$ 6,074	22,379		
Unencumbered Cash, Beginning	51,233	57,307		
Unencumbered Cash, Ending	$ 57,307	79,686		

CITY OF SCOTT CITY, KANSAS
Special Parks 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)

SCHEDULE 2-4

		2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts				
Taxes and Shared Revenue				
Local Liquor Tax	$ 1,823	1,841	1,848	(7)
Payments from State	-	-	-	-
Total Cash Receipts	$ 1,823	1,841	1,848	(7)
Expenditures and Transfers Subject to Budget				
Capital Outlay	$ 3,363	2,509	15,411	12,902
Total Expenditures and Transfers Subject to Budget	$ 3,363	2,509	15,411	12,902
Receipts Over (Under) Expenditures	$ (1,540)	(668)		
Unencumbered Cash, Beginning	20,715	19,175		
Unencumbered Cash, Ending	$ 19,175	18,507		

CITY OF SCOTT CITY, KANSAS
Municipal Equipment 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)

SCHEDULE 2-5

		2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts				
Miscellaneous Income	-	-	-	-
Transfers from other funds	$ 20,000	20,000	20,000	-
Total Cash Receipts	$ 20,000	20,000	20,000	-
Expenditures and Transfers				
Capital Outlay	$ 7,800	54,260	69,266	15,006
Total Expenditures and Transfers	$ 7,800	54,260	69,266	15,006
Receipts Over (Under) Expenditures	$ 12,200	(34,260)		
Unencumbered Cash, Beginning	69,266	81,466		
Unencumbered Cash, Ending	$ 81,466	47,206		

CITY OF SCOTT CITY, KANSAS
Transient Guest Tax 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)

SCHEDULE 2-6

		2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts				
Transient guest tax	$ 70,569	79,721	60,000	19,721
Total Cash Receipts	$ 70,569	79,721	60,000	19,721
Expenditures and Transfers Subject to Budget				
Salary	$ -	10,017	12,500	2,483
Contract Printing Expense	6,556	-	15,000	15,000
Mailing and Delivery Service/Dues	406	475	800	325
Other Technical Services	1,191	4,651	3,000	(1,651)
Other Administrative Services	-	276	-	(276)
Other Advertising Services	16,017	39,676	30,000	(9,676)
Telephone	408	524	600	76
Travel	1,202	2,458	3,000	542
Seminars, Conferences & Schooling	203	245	600	355
Office, Data processing and Computer Supplies	4,550	5,668	1,000	(4,668)
Capital Outlay	-	-	79,187	79,187
Total Expenditures and Transfers Subject to Budget	$ 30,533	63,990	145,687	81,697
Receipts Over (Under) Expenditures	$ 40,036	15,731		
Unencumbered Cash, Beginning	73,087	113,123		
Unencumbered Cash, Ending	$ 113,123	128,854		

CITY OF SCOTT CITY, KANSAS
Airport Sinking 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)

SCHEDULE 2-7

		2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts				
Taxes and Shared Revenues				
Ad valorem tax and 16/20M vehicles	$ 47,143	47,177	49,295	(2,118)
Delinquent tax	196	82	-	82
Motor vehicle tax	9,479	9,888	9,706	182
Recreational vehicle tax	118	125	145	(20)
Redemption tax	488	315	-	315
Rental and Excise tax/Protested tax	28	16	-	16
Private sector reimbursement	1,598		-	-
Federal grants	434,871	24,425	290,938	(266,513)
State grants	-	77,480	-	77,480
Total Cash Receipts	$ 493,921	159,508	350,084	(190,576)
Expenditures and Transfers Subject to Budget				
Neighborhood Revitalization Rebate	$ -	-	1,512	1,512
Capital Outlay	487,264	123,686	599,500	475,814
Total Expenditures and Transfers Subject to Budget	$ 487,264	123,686	601,012	477,326
Receipts Over (Under) Expenditures	$ 6,657	35,822		
Unencumbered Cash, Beginning	242,172	248,829		
Unencumbered Cash, Ending	$ 248,829	284,651		

CITY OF SCOTT CITY, KANSAS
Fire Equipment Sinking 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)

SCHEDULE 2-8

		2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts				
Taxes and Shared Revenues				
Ad valorem tax and 16/20M vehicles	$ 35,168	35,064	36,625	(1,561)
Delinquent tax	146	61	-	61
Motor vehicle tax	7,079	7,376	7,240	136
Recreational vehicle tax	88	326	108	218
Protested taxes/Rental taxes	21	12	-	12
Redemption tax/Slider	370	3	-	3
Total Cash Receipts	$ 42,872	42,842	43,973	(1,131)
Expenditures and Transfers Subject to Budget				
Capital Outlay	$ -	-	454,000	454,000
Nieghborhood Revitalization Rebate	-	-	1,120	1,120
Total Expenditures and Transfers Subject to Budget	$ -	-	455,120	455,120
Receipts Over (Under) Expenditures	$ 42,872	42,842		
Unencumbered Cash, Beginning	366,347	409,219		
Unencumbered Cash, Ending	$ 409,219	452,061		

CITY OF SCOTT CITY, KANSAS
Water Improvement Fund
Schedule of Receipts and Expenitures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2012
(With Comparative Actual Total for the Prior Year Ended December 31, 2011)

SCHEDULE 2-9

		2011 Actual	2012 Actual
Cash Receipts			
Proceeds from Temporary Notes	$	-	3,000,000
Interest		-	79
Refunds		-	1,225
Total Cash Receipts	$	-	3,001,304
Expenditures and Transfers			
Professional Engineering Service	$	-	22,639
Temporary Note issuance Costs		-	15,532
Transfer to Water Utility Fund		-	229,547
Capital Outlay		-	2,795,127
Fees paid to Scott County Law Library		-	-
Attorney's fees		-	-
Fees paid to State Treasurer - Municipal Judge Training Fund		-	-
Miscellaneous		-	-
Total Expenditures and Transfers	$	-	3,062,845
Receipts Over (Under) Expenditures	$	-	(61,541)
Unencumbered Cash, Beginning		-	-
Unencumbered Cash, Ending	$	-	(61,541)

CITY OF SCOTT CITY, KANSAS
Sewer Utility Fund
SCHEDULE 2-10
Schedule of Receipts and Expenitures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts				
Revenues				
Sewer Collections	$ 168,732	191,949	170,000	21,949
Delinquent sewer	-	-	-	-
Redemption tax	-	-	-	-
Total Cash Receipts	$ 168,732	191,949	170,000	21,949
Expenditures and Transfers Subject to Budget				
Salary and overtime	$ 57,608	64,908	65,950	1,042
Repairs, supplies & miscellaneous	5,645	3,039	23,900	20,861
Professional services	8,791	23,293	12,000	(11,293)
Printing, mailing & delivery services	1,980	1,968	2,800	832
Schooling	20	1,010	1,000	(10)
Data processing	3,128	2,917	3,000	83
Utilities	11,176	10,561	12,000	1,439
Capital Outlay water and sewer materials	23,779	19,336	20,000	664
Capital Outlay	35,192	-	271,043	271,043
Total Expenditures and Transfers Subject to Budget	$ 147,318	127,032	411,693	284,661
Receipts Over (Under) Expenditures	$ 21,415	64,917		
Unencumbered Cash, Beginning	209,293	230,708		
Unencumbered Cash, Ending	$ 230,708	295,625		

CITY OF SCOTT CITY, KANSAS
Airport Fund
SCHEDULE 2-11
Schedule of Reciepts and Expenitures- Actual and Budget
Regulatory Basis
For the Year Ended Decemeber 31. 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts				
Revenue				
Lease payments	$ 10,095	10,798	9,000	1,798
Fuel sales	1,822	2,749	3,000	(251)
Fuel flowage tax	-	-	-	-
Miscellaneous	99	358	-	358
Total Cash Receipts	$ 12,016	13,905	12,000	1,905
Expenditures and Transfers Subject to Budget				
Capital outlay	$ 750	1,530	16,057	14,527
Chemicals	-	-	-	-
Education	984	828	2,000	1,172
Technical services	5,576	3,570	6,000	2,430
Maintenance	260	358	2,000	1,642
Utilities	2,184	1,996	2,500	504
Materials, small tools & equipment	7,202	7,919	2,000	(5,919)
Total Expenditures and Transfers Subject to Budget	$ 16,956	16,201	30,557	14,356
Receipts Over (Under) Expenditures	$ (4,940)	(2,296)		
Unencumbered Cash, Beginning	19,497	14,557		
Unencumbered Cash, Ending	$ 14,557	12,261		

CITY OF SCOTT CITY, KANSAS
Water Utility Fund
SCHEDULE 2-12
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)

		2012		
	2011 Actual	Actual	Budget	Variance- Over (Under)
Cash Receipts				
Revenue				
Water sales	$ 739,156	937,545	660,000	277,545
Service charges	8,545	7,831	8,500	(669)
Private sector reimbursement	41,728	8,430	15,000	(6,570)
Miscellaneous	1,148	2,737	500	2,237
Transfers from Water Improvement Fund	-	229,547	-	229,547
Penalties	7,540	9,198	7,000	2,198
Tax collected	3,378	777	1,200	(423)
Total Cash Receipts	$ 801,495	1,196,065	692,200	503,865
Expenditures and Transfers Subject to Budget				
Salary and overtime	$ 87,736	93,213	94,650	1,437
Chemicals	-	-	250	250
Miscellaneous and transmission	6,932	6,410	-	(6,410)
Printing, mailing, & dues	10,101	12,016	9,700	(2,316)
Education	674	1,227	2,000	773
Utilities	91,881	104,110	103,000	(1,110)
Technical services and maintenance	112,177	18,187	80,000	61,813
Taxes	23,998	21,614	23,000	1,386
Data processing & supplies	4,659	3,721	5,000	1,279
Repairs	1,175	2,032	32,000	29,968
Materials and supplies	94,525	100,036	85,550	(14,486)
Capital outlay	156,877	35,270	420,941	385,671
Debt service	635,575	-	-	-
Total Expenditures and Transfers Subject to Budget	$ 1,226,310	397,836	856,091	458,255
Receipts Over (Under) Expenditures	$ (424,815)	798,229		
Unencumbered Cash, Beginning	494,329	69,514		
Unencumbered Cash, Ending	$ 69,514	867,743		

CITY OF SCOTT CITY, KANSAS
Municipal Court Fund
Schedule of Receipts and Expenitures- Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2012
(With Comparative Actual Total for the Prior Year Ended December 31, 2011)

SCHEDULE 2-13

		2011 Actual	2012 Actual
Cash Receipts			
Cash bonds, fines and fees	$	171,077	161,812
Total Cash Receipts	$	171,077	161,812
Expenditures and Transfers			
Fines remitted to City Clerk's office	$	102,953	107,970
Diversion fees remitted to City Clerk		21,522	21,338
Remittance to drug and alcohol programs		-	-
Refunds		-	-
Fees paid to Scott County Law Library		-	-
Attorney's fees		-	-
Fees paid to State Treasurer - Municipal Judge Training Fund		517	540
Miscellaneous		46,085	31,964
Total Expenditures and Transfers	$	171,077	161,812
Receipts Over (Under) Expenditures	$	-	-
Unencumbered Cash, Beginning		-	-
Unencumbered Cash, Ending	$	-	-