

*City of South Haven, Kansas*

**Annual Financial Report**

*December 31, 2012*

*Governing Body*

Don Minor, Mayor  
Linda Elliott  
Steve Nicholson  
Crystal Smith  
Diana Locke  
Katrina Hallman

*City Clerk*

Amy Brown

*Independent Auditor*

Kenneth L Cooper Jr CPA, Chtd  
Certified Public Accountant  
*Wellington, Kansas*

# *City of South Haven, Kansas*

*Year Ended December 31, 2012*

## **TABLE OF CONTENTS**

	<u>Page Number</u>
<b>Independent Auditor's Report</b> .....	1-2
<b>Statement 1</b> Summary Statement of Receipts, Expenditures and Unencumbered Cash, Regulatory Basis .....	3
<b>Notes to Financial Statements</b> .....	4-8
<b><u>Regulatory – Required Supplemental Information</u></b>	
<b>Schedule 1</b> Summary of Expenditures – Actual and Budget, Regulatory Basis .....	9
<b>Schedule 2</b> Schedule of Receipts and Expenditures -- Actual and Budget, Regulatory Basis	
<b><u>General Fund</u></b>	
2-1 General Fund.....	10-11
<b><u>Special Purpose Funds</u></b>	
2-2 Special Highway .....	12
2-3 Firefighter Donation.....	13
<b><u>Bond and Interest Fund</u></b>	
2-4 Bond & Interest.....	14
<b><u>Business Funds</u></b>	
2-5 Sewer Utility .....	15
2-6 Water Utility .....	16

**KENNETH L COOPER JR CPA, CHTD**  
Certified Public Accountant

Independent Auditor's Report

To the Honorable Mayor and City Council  
City of South Haven  
South Haven, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the City of South Haven, 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 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 statements 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 that 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 adverse and unqualified audit opinions.

***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 South Haven, 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 accordance with accounting principles generally accepted in the United States of America, the financial position of the City of South Haven, Kansas as of December 31, 2012, or changes in net position and, when applicable, cash flows thereof for the year then ended.

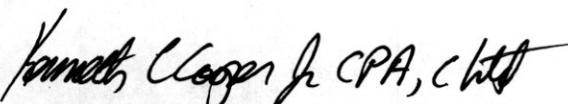
***Opinion on Regulatory Basis of Accounting***

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 South Haven, Kansas as of December 31, 2012, and the aggregate receipts and expenditures for the year 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 2012 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of expenditures-actual and budget, regulatory basis, and the 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 additional analysis and are not a required part of the 2012 basic financial statement; however are required to be presented under the provisions of the *Kansas Municipal Audit 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 1.

The 2011 Actual column presented in the individual fund schedules of receipts and expenditures-actual and budget, regulatory basis (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2011 basic financial statement upon which we rendered an unqualified opinion dated October 18, 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 taken as a whole, on the basis of accounting described in Note 1.

  
Certified Public Accountants  
Wellington, Kansas  
January 6, 2014

**City of South Haven, Kansas**  
**Summary Statement of Receipts, Expenditures and Unencumbered Cash**  
**Regulatory Basis**  
*For the Year Ended December 31, 2012*

<u>Funds</u>	Beginning Unencumbered Cash <u>Cash Balance</u>	Cash <u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances/ Accounts Pay.	Ending Cash Balance
General	\$ 18,971	\$ 109,164	\$ 123,395	\$ 4,740	\$ 63	\$ 4,803
Special Purpose Funds:						
Special Highway	6,885	12,879	15,909	3,855	-	3,855
Firefighter's Donation	5,984	14,532	14,856	5,660	-	5,660
Bond & Interest Funds:						
Bond and Interest	1,203	4,550	4,685	1,068	-	1,068
Business Funds:						
Sewer	1,045	15,488	16,159	374	-	374
Water	<u>22,659</u>	<u>85,034</u>	<u>97,217</u>	<u>10,476</u>	<u>3,795</u>	<u>14,271</u>
Total reporting entity	<u>\$ 56,747</u>	<u>\$ 241,647</u>	<u>\$ 272,221</u>	<u>\$ 26,173</u>	<u>\$ 3,858</u>	<u>\$ 30,031</u>

Composition of Cash Balance:

Checking Accounts:	Bank of Commerce & Trust Co - Operating account	\$ 24,371
	Bank of Commerce & Trust Co - Fire Dept. Donations account	<u>5,660</u>
		<u>\$ 30,031</u>

# *City of South Haven, Kansas*

## **Notes to Financial Statement**

*December 31, 2012*

### **1. Summary of Significant Accounting Policies**

#### **A. Municipal Financial Reporting entity**

The City of South Haven, Kansas (“City”) is a municipal corporation operating under a Mayor-Council form of government. It provides the following services: Public Safety-Police, Fire Protection, Streets, Public Improvements, Utilities-Water, Sewer, and Refuse, and General Administrative Services. This regulatory financial statement presents only the municipality with no related municipal entities.

#### **B. Regulatory Basis Fund Types**

General Fund--the chief operating fund of the City. 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 (i.e. utility services and internal service funds).

#### **C. Basis of Accounting**

*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.

# *City of South Haven, Kansas*

## **Notes to Financial Statement**

*December 31, 2012*

### **1. Summary of Significant Accounting Policies (continued)**

#### **D. Property taxes**

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and are levied 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 the 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. Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year.

Recognized state shared taxes represent payments received during the current fiscal period. State statutes specify distribution dates for such shared taxes. For revenue recognition purposes, amounts collected and held by the State on behalf of the City at year-end are not due and receivable until the ensuing year.

Federal and State grant aid and unrestricted aid is reported as revenue in the fiscal year the entitlement is received.

#### **E. Reimbursements**

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund.

### **2. Stewardship, Compliance and Accountability**

#### **A. 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 of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

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

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.

# *City of South Haven, Kansas*

## **Notes to Financial Statement**

*December 31, 2012*

### **2. Stewardship, Compliance and Accountability (continued)**

#### **A. Budgetary Information (continued)**

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 commitments, 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 projects funds, trust funds, the following special purpose fund- Equipment Reserve Fund. Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

#### **B. Compliance With Finance-Related Legal and Contractual Provisions**

- Encumbrance Records and Record of Unencumbered Budget Balance K.S.A. 10-1117 requires the clerk to maintain a record of indebtedness or liabilities against each fund. This record can be used to prevent liabilities from exceeding the cash balances in each fund or expenditures from exceeding budget. A record of encumbrances or liabilities against each fund was not maintained. In addition, the record required by K.S.A. 79-2934 showing the unencumbered budget balance of each fund was not maintained.
- Treasurer's Fund Record K.S.A. 10-1118 requires that the treasurer of every municipality keep records to show the amount of money in each fund. The Clerk at the City of South Haven maintains such records since there is no City Treasurer.
- Budget Law K.S.A. 79-2935 states that expenditures, including encumbrances, should not exceed the adopted budget of expenditures, plus any reimbursements of current year expenditures for such fund. The Special Highway Fund exceeded its budget during 2012, as shown on Schedule 1.

**City of South Haven, Kansas**  
**Notes to Financial Statement**  
December 31, 2012

**3. 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 investment policy that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investments of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; US 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%. The City did not designate any peak periods in 2012. All deposits were legally secured at December 31, 2012.

At December 31, 2012, the City's carrying amount of deposits was \$30,031 and the bank balance was \$48,129. The bank balance was held by one bank resulting in a concentration of credit risk. The entire bank balance was under the \$250,000 coverage provided by the FDIC. The City owned no investments at December 31, 2012.

**4. Long-term debt**

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

Issue	Issue Date	Interest Rate	Maturity	Original Amount	Balance 1/1/2012	Additions	Reductions/ Payments	Balance 12/31/2012	Interest Paid
<b>General Obligation Bonds</b>									
Series 2004	9/1/2004	5.4%	9/1/2019	47,000.00	29,000.00	-	3,000.00	26,000.00	1,551.50
Series 2008 Water	8/15/2008	4.1%	8/15/2048	774,000.00	749,237.00	-	8,860.00	740,377.00	30,990.70
					<u>778,237.00</u>	<u>-</u>	<u>11,860.00</u>	<u>766,377.00</u>	<u>32,542.20</u>

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

	2013	2014	2015	2016	2017	2018-2022	2023-2027	2028-2032	2033-2037	2038-2042	2043-2047	2048	Total
<b>Principal</b>													
Series 2004 GO Bond	3,000	3,000	4,000	4,000	4,000	8,000	-	-	-	-	-	-	26,000
Series 2008 GO Bond	9,310	9,694	10,094	10,430	10,940	61,775	75,614	92,502	113,300	138,687	169,765	38,266	740,377
	<u>12,310</u>	<u>12,694</u>	<u>14,094</u>	<u>14,430</u>	<u>14,940</u>	<u>69,775</u>	<u>75,614</u>	<u>92,502</u>	<u>113,300</u>	<u>138,687</u>	<u>169,765</u>	<u>38,266</u>	<u>766,377</u>
<b>Interest</b>													
Series 2004 GO Bond	1,391	1,231	1,070	856	642	642	-	-	-	-	-	-	5,832
Series 2008 GO Bond	30,541	30,157	29,757	29,421	28,910	137,478	123,639	106,752	85,952	60,564	29,487	1,583	694,239
	<u>31,932</u>	<u>31,387</u>	<u>30,827</u>	<u>30,277</u>	<u>29,552</u>	<u>138,120</u>	<u>123,639</u>	<u>106,752</u>	<u>85,952</u>	<u>60,564</u>	<u>29,487</u>	<u>1,583</u>	<u>700,071</u>
<b>Total Principal &amp; Interest</b>	<u>44,242</u>	<u>44,081</u>	<u>44,921</u>	<u>44,707</u>	<u>44,492</u>	<u>207,895</u>	<u>199,253</u>	<u>199,254</u>	<u>199,252</u>	<u>199,251</u>	<u>199,252</u>	<u>39,849</u>	<u>1,466,448</u>

**City of South Haven, Kansas**  
**Notes to Financial Statement**  
*December 31, 2012*

**5. Capital project funds**

The City had no capital project funds during 2012.

**6. Risk Management**

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

During the ordinary course of its operations, the City may be a party to various claims, legal actions and complaints. It is the opinion of the City's management that there are no such matters anticipated to have a material financial impact on the City.

**7. Interfund transfers and other interfund activity**

The following is a schedule of interfund operating transfers made in 2012:

<u>From:</u>	<u>To:</u>	<u>Regulatory Authority</u>	<u>Amount</u>
General Fund	Sewer Fund	KSA 12-1,117	\$1,000

**8. Other Long-Term Obligations from Operations**

A. Post-Employment Pension and Other Benefits

The City does not offer a pension plan or group health insurance plan for its employees, nor does it have any other post-employment benefits.

B. Compensated absences

Vacation leave is earned beginning with the completion of the training period for full-time employees. The one full time employee receives two weeks of vacation per year. Vacation may be accumulated year to year. No employee may choose to receive pay instead of vacation. Any employee who resigns or is discharged for unsatisfactory performance or is laid off will receive pay for the unused vacation earned. Any retiring employee is to be paid all earned and unused vacation.

**9. Contingencies**

Grant Program Involvement

The City participates in various federal or state grant programs from year to year on an intermittent basis. The programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

**10. Subsequent Events**

Management has evaluated the effects of the financial statement of subsequent events occurring through December 31, 2013.

**REGULATORY—REQUIRED  
SUPPLEMENTARY INFORMATION**

***City of South Haven, Kansas***  
**Summary of Expenditures-Actual and Budget**  
 Regulatory Basis  
*(Budgeted Funds Only)*  
 For the Year Ended December 31, 2012

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Favorable/ (Unfavorable)</u>
General	\$ 130,805	\$ -	\$ 130,805	\$ 123,395	\$ 7,410
Special Purpose Funds:					
Special Highway	12,824	-	12,824	15,909	(3,085)
Firefighters Donation	-	14,856	14,856	14,856	-
Bond & Interest Funds:					
Bond and Interest	6,562	-	6,562	4,685	1,877
Business Funds:					
Sewer	19,617	-	19,617	16,159	3,458
Water	107,545	-	107,545	97,217	10,328
Total primary Government	<u>\$ 277,353</u>	<u>\$ 14,856</u>	<u>\$ 292,209</u>	<u>\$ 272,221</u>	<u>\$ 19,988</u>

**City of South Haven, 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)

	2011 <u>Actual</u>	2012		Variance- Favorable/ Unfavorable
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts:</u>				
Taxes and Intergovernmental:				
Ad valorem tax	\$ 49,620	\$ 52,713	\$ 57,875	\$ (5,162)
Delinquent tax	3,813	3,036	-	3,036
Motor vehicle tax	14,230	10,578	13,960	(3,382)
Recreational vehicle tax	275	222	208	14
16/20M vehicle tax	673	736	605	131
Electric franchise tax	2,578	3,282	5,500	(2,218)
Gas franchise tax	2,624	2,279	-	2,279
Total taxes	<u>\$ 73,813</u>	<u>\$ 72,846</u>	<u>\$ 78,148</u>	<u>\$ (5,302)</u>
<u>Other:</u>				
Police fines	\$ -	\$ 2,357	\$ 160	\$ 2,197
Rural fire fees/other fire fees	5,733	6,467	10,000	(3,533)
Insurance dividend	642	691	1,000	(309)
Trash collections	21,425	24,160	22,000	2,160
Interest income	182	150	100	50
Dog tags	159	174	150	24
Mowing	451	675	1,000	(325)
Reimbursements	4,788	1,644	800	844
Total other revenue	<u>\$ 33,380</u>	<u>\$ 36,318</u>	<u>\$ 35,210</u>	<u>\$ 1,108</u>
Total Cash Receipts	<u>\$ 107,193</u>	<u>\$ 109,164</u>	<u>\$ 113,358</u>	<u>\$ (4,194)</u>

**City of South Haven, 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)

	2011 <u>Actual</u>	2012		Variance- Favorable/ <u>Unfavorable</u>
		<u>Actual</u>	<u>Budget</u>	
<u>Expenditures</u>				
General government-operations	\$ 37,047	\$ 38,369	\$ 40,000	\$ 1,631
General government-personal services	10,294	10,987	20,000	9,013
Street lights	9,513	9,388	11,000	1,612
Fire-operations	14,136	22,257	20,000	(2,257)
Fire-personal services	1,689	2,351	-	(2,351)
Police-operations	1,331	2,170	1,500	(670)
Police-personal services	-	5,674	-	(5,674)
Trash contract/operations	21,425	23,320	22,000	(1,320)
NRP property tax rebate	3,185	1,879	200	(1,679)
Capital outlay	-	-	10,105	10,105
Transfer to Firefighter Donation	2,338	-	-	-
Audit expense	-	6,000	6,000	-
Transfer to Sewer	-	1,000	-	(1,000)
Total Expenditures	<u>\$ 100,958</u>	<u>\$ 123,395</u>	<u>\$ 130,805</u>	<u>\$ 7,410</u>
Cash receipts over (under) expenditures	\$ 6,235	\$ (14,231)		
Unencumbered cash, beginning	<u>12,736</u>	<u>18,971</u>		
Unencumbered cash, ending	<u>\$ 18,971</u>	<u>\$ 4,740</u>		

**City of South Haven, Kansas****Special Purpose Fund****Special Highway****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		Variance-
	2011	Actual	Budget	Favorable/ Unfavorable
	Actual	Actual	Budget	Unfavorable
<u>Cash Receipts</u>				
Intergovernmental:				
State of Kansas Gas Tax	\$ 9,278	\$ 9,325	\$ 9,540	\$ (215)
Other:				
Sale of equipment	-	2,500	-	2,500
Material reimbursement	-	1,054	-	1,054
Miscellaneous	-	-	-	-
Total cash receipts	\$ 9,278	\$ 12,879	\$ 9,540	\$ 3,339
<u>Expenditures</u>				
Personal services	\$ 1,435	\$ 3,385	\$ -	\$ (3,385)
Street repair and maintenance	4,506	12,524	12,824	300
Total expenditures	\$ 5,941	\$ 15,909	\$ 12,824	\$ (3,085)
Cash receipts over (under) expenditures	\$ 3,337	\$ (3,030)		
Unencumbered cash, beginning	3,548	6,885		
Unencumbered cash, ending	\$ 6,885	\$ 3,855		

***City of South Haven, Kansas***  
**Special Purpose Fund**  
**Firefighter's Donation**  
**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)

	2011 <u>Actual</u>	2012		Variance- Favorable/ Unfavorable
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Donations	\$ 11,139	\$ 14,532	\$ -	\$ 14,532
Transfer from General Fund	<u>2,338</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total cash receipts	<u>\$ 13,477</u>	<u>\$ 14,532</u>	<u>\$ -</u>	<u>\$ 14,532</u>
<u>Expenditures</u>				
Purchases	\$ 7,493	\$ 14,856	\$ -	\$ (14,856)
Adjustment for Qualifying Budget Credit	<u>-</u>	<u>-</u>	<u>14,856</u>	<u>14,856</u>
Total expenditures	<u>\$ 7,493</u>	<u>\$ 14,856</u>	<u>\$ 14,856</u>	<u>\$ -</u>
Cash receipts over (under) expenditures	\$ 5,984	\$ (324)		
Unencumbered cash, beginning	<u>-</u>	<u>5,984</u>		
Unencumbered cash, ending	<u>\$ 5,984</u>	<u>\$ 5,660</u>		

**City of South Haven, Kansas****Bond and Interest Fund****Bond & Interest****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)

	2011 <u>Actual</u>	2012		Variance- Favorable/ Unfavorable
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Taxes and Intergovernmental:				
Ad valorem tax	\$ 3,326	\$ 3,561	\$ 3,910	\$ (349)
Motor vehicle taxes	1,063	710	936	(226)
Rec vehicle tax	21	15	14	1
16/20M tax	55	54	44	10
Delinquent tax	117	210	-	210
Miscellaneous	148	-	-	-
Total Cash Receipts	<u>\$ 4,730</u>	<u>\$ 4,550</u>	<u>\$ 4,904</u>	<u>\$ (354)</u>
<u>Expenditures</u>				
Principal	\$ 3,000	\$ 3,000	\$ 3,000	\$ -
Interest	1,713	1,553	1,552	(1)
Neighborhood Revitalization Rebate	223	132	10	
Other	-	-	-	-
Cash Basis Reserve	-	-	2,000	2,000
Total Expenditures	<u>\$ 4,936</u>	<u>\$ 4,685</u>	<u>\$ 6,562</u>	<u>\$ 1,999</u>
Cash receipts over (under) expenditures	\$ (206)	\$ (135)		
Unencumbered cash, beginning	<u>1,409</u>	<u>1,203</u>		
Unencumbered cash, ending	<u>\$ 1,203</u>	<u>\$ 1,068</u>		

***City of South Haven, Kansas***  
**Business Fund**  
**Sewer Utility**  
**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)

	2011 <u>Actual</u>	2012		Variance- Favorable/ Unfavorable
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Sales of service	\$ 14,395	\$ 14,488	\$ 15,500	\$ (1,012)
Transfer from General Fund	-	1,000	-	1,000
Total cash receipts	<u>\$ 14,395</u>	<u>\$ 15,488</u>	<u>\$ 15,500</u>	<u>\$ (12)</u>
<u>Expenditures</u>				
Personal services	\$ 8,152	\$ 8,394	\$ 5,000	\$ (3,394)
Operations	9,081	7,765	14,617	6,852
Transfer to General	-	-	-	-
Total expenditures	<u>\$ 17,233</u>	<u>\$ 16,159</u>	<u>\$ 19,617</u>	<u>\$ 3,458</u>
Cash receipts over (under) expenditures	\$ (2,838)	\$ (671)		
Unencumbered cash, beginning	<u>3,883</u>	<u>1,045</u>		
Unencumbered cash, ending	<u>\$ 1,045</u>	<u>\$ 374</u>		

**City of South Haven, Kansas****Business Fund****Water Utility****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)

	2011 <u>Actual</u>	2012		Variance- Favorable/ <u>Unfavorable</u>
		<u>Actual</u>	<u>Budget</u>	
<u>Cash Receipts</u>				
Sales of service	\$ 97,992	\$ 85,034	\$ 97,000	\$ (11,966)
Transfer from General Fund	-	-	-	-
Total cash receipts	<u>\$ 97,992</u>	<u>\$ 85,034</u>	<u>\$ 97,000</u>	<u>\$ (11,966)</u>
<u>Expenditures</u>				
Personal services	\$ 31,128	\$ 30,368	\$ 23,000	\$ (7,368)
Operations	28,344	26,998	44,693	17,695
Bond interest	31,260	30,991	30,992	1
Bond principle	<u>8,590</u>	<u>8,860</u>	<u>8,860</u>	<u>-</u>
Total expenditures	<u>\$ 99,322</u>	<u>\$ 97,217</u>	<u>\$ 107,545</u>	<u>\$ 10,328</u>
Cash receipts over (under) expenditures	\$ (1,330)	\$ (12,183)		
Unencumbered cash, beginning	<u>23,989</u>	<u>22,659</u>		
Unencumbered cash, ending	<u>\$ 22,659</u>	<u>\$ 10,476</u>		