

CITY OF WHITEWATER, KANSAS

FINANCIAL STATEMENT

WITH

INDEPENDENT AUDITOR'S REPORT

YEAR ENDED DECEMBER 31, 2012

George, Bowerman & Noel, P.A.
Certified Public Accountants

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
 FINANCIAL STATEMENT	
<u>Statement 1</u>	
Summary Statement of Receipts, Expenditures and Unencumbered Cash – Regulatory Basis	4
Notes to Financial Statement	7
 SUPPLEMENTARY INFORMATION	
<u>Schedule 1</u>	
Summary of Expenditures – Actual and Budget – Regulatory Basis	17
 Schedule 2	
Schedule of Receipts and Expenditures – Actual and Budget – Regulatory Basis for:	
General	18
Special Purpose Funds:	
Library	20
Special Highway	21
 Schedule of Receipts and Expenditures – Regulatory Basis for Special Purpose Funds:	
Centennial Program	22
Special Projects	23
Jail Donations	24
 Schedule of Receipts and Expenditures – Actual and Budget – Regulatory Basis for Debt Service Funds:	
Debt Service	25
 Schedule of Receipts and Expenditures – Regulatory Basis for Capital Project Funds:	
Capital Equipment Reserve	26
Capital Improvement Reserve	27
Whitewater Lakes Debt Service Fund	28
Whitewater Lakes Improvement Fund	29
 Schedule of Receipts and Expenditures – Actual and Budget – Regulatory Basis for Business Funds:	
Waterworks System	30
Sewage Treatment	31
Refuse	32

TABLE OF CONTENTS
(continued)

	<u>Page</u>
Schedule of Receipts and Expenditures – Regulatory Basis for Business Funds:	
Water Improvement Reserve	33
Sewer Improvement Reserve	34
Schedule of Receipts and Disbursements – Regulatory Basis – All Agency Funds:	
Payroll Withholding	35

George, Bowerman, & Noel, P.A.

Certified Public Accountants
Management Consultants
Tax Advisors

Paul R. Bowerman
Gary L. George

Epic Center 301 N. Main, Suite 1350 Wichita, Kansas 67202 Telephone (316) 262-6277 Fax (316) 265-6150

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
City Council
City of Whitewater
Whitewater, Kansas

Report on the Financial Statements

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Whitewater, Kansas, a Municipal Financial Reporting Entity, 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 opinions 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 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 the 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 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 Whitewater, 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 as 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 Whitewater, 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 balances of the City of Whitewater, 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 expenditures – actual and budget – regulatory basis, individual fund schedules of receipts and expenditures – actual and budget – regulatory basis, and the summary of receipts and disbursements – regulatory basis (Schedules 1, 2 and 3) as listed in the table of contents) are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting*

Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2011 actual columns presented in the individual fund schedules of receipts and expenditures – actual and budget, (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2011 financial statements upon which we rendered an unqualified opinion dated May 2, 2012. The 2011 financial statements and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, <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 financial statements. The 2011 comparative information was subjected to the auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2011 financial statements or to the 2011 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2011 comparative information is fairly stated in all material respects in relation to the 2011 financial statements as a whole.

George, Bowerman & Noel, P.A.

Wichita, Kansas
September 6, 2013

CITY OF WHITEWATER, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH –
REGULATORY BASISFor the year ended December 31, 2012
(continued on next page)

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encum- brances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	\$ 3,000	\$ -	\$ 253,243	\$ 256,243	\$ -	\$ 1,584	\$ 1,584
Special Revenue Funds:							
Library	1,605	-	11,345	11,755	1,195	-	1,195
Special Highway	2,172	-	22,186	20,620	2,116	-	2,116
Centennial Program	2,128	-	38	-	2,210	-	2,210
Special Projects	8,502	-	11,023	2,436	17,089	-	17,089
Jail Donations	44	-	510	491	63	-	63
Debt Service Funds:							
Bond and Interest	34,867	-	18,894	19,233	34,531	-	34,531
Capital Project Funds:							
Capital Equipment Reserve	1,794	-	-	-	1,794	-	1,794
Capital Improvement Reserve	12,585	-	11,500	7,104	16,981	-	16,981
Whitewater Lakes Debt Service	433	-	-	433	-	-	-
Whitewater Lakes Improvement	867	-	-	867	-	-	-
Enterprise Funds:							
Waterworks System	5,195	-	151,332	150,910	5,615	7,100	12,715
Sewage Treatment	12,724	-	126,237	126,511	12,449	688	13,138
Refuse	330	-	34,289	34,093	527	2,869	3,396
Water Improvement Reserve	39,390	-	5,000	-	44,390	-	44,390
Sewer Improvement Reserve	13,913	-	16,700	14,700	15,913	-	15,913
Total Primary Government (excluding agency funds)	<u>137,971</u>	<u>-</u>	<u>662,297</u>	<u>645,396</u>	<u>154,872</u>	<u>12,241</u>	<u>167,113</u>
Related Municipal Entities:							
Whitewater Public Library	14,609	-	47,856	55,777	6,688	-	6,688
Whitewater Park Board	9,967	-	19,010	17,969	11,008	2,793	13,801
Whitewater Cemetery Board	<u>40,108</u>	<u>-</u>	<u>8,876</u>	<u>3,321</u>	<u>45,663</u>	<u>-</u>	<u>45,663</u>

STATEMENT 1

CITY OF WHITEWATER, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH –
REGULATORY BASISFor the year ended December 31, 2012
(continued on next page)

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encum- brances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Total related municipal entities	\$ 64,684	\$ --	\$ 75,742	\$ 77,067	\$ 63,359	\$ 2,793	\$ 66,152
Total Reporting Entity (excluding agency funds)	\$ 202,655	\$ --	\$ 738,039	\$ 722,463	\$ 218,231	\$ 15,034	\$ 233,265

Composition of cash:

Bank of Whitewater, Whitewater, Kansas:	
General checking now account	\$ 125,741
Certificate of deposit	42,000
Checking account – Centennial Program	163
Certificate of deposit – Centennial Program	454
Certificate of deposit – Centennial Program	936
Certificate of deposit – Centennial Program	657
Total Bank of Whitewater – Total primary government	169,951
Less Agency Funds	2,838
Total Primary Government (excluding agency funds)	167,113

Component Units:

Whitewater Public Library:	
Bank of Whitewater, Whitewater, Kansas:	
Checking account – General Fund	1,030
Checking account – Special Fund	442
Savings account	3,364
Certificate of deposit	1,852
Total Whitewater Public Library	6,688

CITY OF WHITEWATER, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH –
REGULATORY BASISFor the year ended December 31, 2012
(continued from previous page)

Whitewater Park Board:	
Bank of Whitewater, Whitewater, Kansas:	
Checking account	<u>\$ 13,801</u>
Whitewater Cemetery Board:	
Bank of Whitewater, Whitewater, Kansas:	
Checking account	633
Savings account	14,477
Certificate of deposit	5,151
Certificate of deposit	16,887
Certificate of deposit	<u>8,515</u>
Total Whitewater Cemetery Board	<u>45,663</u>
Total Reporting Entity (excluding agency funds)	<u>\$ 233,265</u>

The accompanying notes are an integral
part of the financial statement.

CITY OF WHITEWATER, KANSAS
NOTES TO FINANCIAL STATEMENTS

December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

The City operates under a Mayor-Council form of government consisting of a Mayor and five council persons and provides services to its citizens in the areas of highways and streets, water, sewer and refuse utilities, public improvement, public safety, planning and zoning, recreation and general administrative services.

The financial statement presents the City of Whitewater, Kansas, (a municipal reporting entity) and its related municipal entities. The related municipal entities are included in the City's reporting entity because it was established to benefit the City and/or its constituents.

Whitewater Park Board

A five-member board appointed by the Mayor with approval by the City Council governs the Whitewater Park Board. The Whitewater Park Board is reported as if it were part of the primary government because its sole purpose is to administer recreation programs for the City. The primary funding for the Whitewater Park Board is provided through appropriations from the City's General Fund and from user fees.

Whitewater Cemetery Board

A seven-member board appointed by the Mayor with approval by the City Council governs the Whitewater Cemetery Board. The Whitewater Cemetery Board is reported as if it were part of the primary government because its sole purpose is to maintain the Whitewater Cemetery. The primary funding for the Whitewater Cemetery Board is provided through appropriations from the City's General Fund and from the sale of lots.

Whitewater Public Library

A seven-member board appointed by the Mayor with approval by the City Council governs the Whitewater Public Library Board. The Whitewater Public Library Board operates the public library in the City. The Library Board may not purchase or lease a site or erect a building for use of the library without the approval of the City Council. The Library Board taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. These taxes are accounted for in the Library special revenue fund of the City. The Library Board also receives funding through state assistance programs and donations.

The City's related municipal entities do not issue separate financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Description of funds

The accounts of the City are organized and operated on the basis of funds, each of which is defined as an accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

In accordance with state statutes, several different types of funds and account groups are used to record the City's financial transactions. For financial reporting, they have been grouped and are presented in this report as follows:

General fund – The general fund is the chief operating fund of the City and is used to account for and report all financial resources not accounted for in another fund.

Special purpose funds – Special purpose funds are used to account for and report 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.

Debt service fund – The debt service fund is used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital project funds – The capital project funds are used to account for the debt proceeds and other financial resources to be used for the construction or acquisition of major capital facilities and equipment.

Business funds – Business funds are financed in whole or in part by fees charged to users of the goods or services (i.e., enterprise funds).

Agency funds – Agency funds are used to report assets held by the municipal reporting entity in purely custodial capacity.

Kansas Municipal Audit and Accounting Guide (KMAAG) basis of accounting

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Budgetary principles

The City is required by state statute to legally adopt annual operating budgets for the general fund, special purpose funds (unless exempted by specific statute), debt service fund and business funds (unless exempted by specific statute). A legal operating budget is not required for the Capital Equipment Reserve, Capital Improvement Reserve, Centennial Program, Special Projects, Jail Donations, Whitewater Lakes Improvement Project, Whitewater Lakes Debt Service, Water Improvement Reserve, Sewer Improvement Reserve, Whitewater Public Library, Whitewater Park Board and Whitewater Cemetery funds. 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. This process requires a notice of public hearing to amend the budget to 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 budgeted amounts in the budgetary basis financial statements represent the original amounts as adopted by the governing body.

Kansas 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.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. For budgetary purposes, encumbrances of the budgeted governmental fund types, representing purchase orders, contracts and other commitments, are reported as a charge to the current year budget. All unencumbered appropriations lapse at the end of the year, except for capital project fund appropriations, which are carried forward until such time as the project is completed or terminated.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Controls over spending in funds which are not subject to legal budgets are maintained by other statutes or by the use of internal spending limits established by management.

Deposits and investments

Deposits and investments include amounts in money market accounts and certificates of deposit. Cash deposits are reported at a carrying amount that approximates fair value. Interest income is credited to the Whitewater Lakes Improvement Fund and Waterworks Utility Fund based on their average monthly balances and the Centennial Program fund based on specific investments of that fund. All other interest earnings are credited to the General fund.

Compensated absences

The City's policies regarding vacation permits one week vacation, forty hours pay at the employee's regular base pay rate, after completing one year of continuous service and two weeks vacation after completing two years of continuous service. There is no policy as to the maximum accumulation of such amounts. Full-time employees earn one working day of sick leave for each full month of service up to ten days per year. Sick leave is allowed to accumulate up to a maximum of ninety days. Policies require the cancellation of accumulated sick pay on date of employment termination.

Pension plan

All full-time employees are members of the State of Kansas Public Employees' Retirement System (KPERs), which is a cost sharing multi-employer statewide pension plan. The City's policy is to fund all pension costs as accrued; such costs to be funded are determined annually by the system's actuary.

Concentration of credit risk

The City routinely grants credit to utility customers, in accordance with applicable utility rate ordinances, all of which are located within the environs of the City. This credit is collateralized with security deposits from slow paying customers.

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 carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

2. DEPOSITS AND INVESTMENTS

Deposits and investments

K.S.A. 9-1401 establishes the depositories that may be used by the City. The statute requires banks eligible to hold City 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 Federal Depository Insurance Corporation (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. All of the City's deposits are with the Bank of Whitewater.

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, Kansas.

At December 31, 2012, the City's carrying amount of deposits was \$169,951 and the bank balances were \$169,251. The bank balances were held by one bank resulting in a concentration of credit risk. The bank balances were entirely covered by FDIC insurance at December 31, 2012. In addition, the City had collateral securities held by the pledging financial institution's agents in the City's name for which the fair value of the pledged securities held by the custodial bank was \$100,656 at December 31, 2012.

The City's component units' cash and investments at December 31, 2012 consisted of checking, savings and certificate of deposit accounts. At year-end, the carrying amount of the City's component units' deposits were \$66,152 and the bank balances were \$69,245, which were entirely covered by federal depository insurance.

3. LONG-TERM DEBT

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

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
General Obligation Bonds, Series A 2004	4.50-4.50	9-22-04	\$857,200	9-22-44	\$ 793,781	\$ -	\$ 10,703	\$ 783,078	\$ 35,720
General Obligation Bonds, Series B 2004	4.75-4.75	9-22-04	77,800	9-22-44	72,343	-	929	71,414	3,436
General Obligation Bonds, Series 2010	3.25-5.00	8-15-10	230,000	9-1-26	230,000	-	-	230,000	19,233
Pickup truck Lease-Purchase	5.64	8-20-08	15,303	9-20-11	4,150	-	4,150	-	211
Total contractual indebtedness					<u>\$1,100,274</u>	<u>\$ -</u>	<u>\$ 15,782</u>	<u>\$1,084,492</u>	<u>\$ 58,600</u>

General obligation bonds

The Series A 2004 bonds and Series B 2004 bonds were purchased by the United States Department of Agriculture – Rural Development pursuant to a loan agreement with the City to provide financing for the City’s wastewater lagoon improvement project. The Series A 2004 bonds and Series B 2004 bonds may be called for redemption at any time at their par value plus accrued interest thereon to the redemption date.

The debt service payments for the Series A 2004 bonds and the Series B 2004 bonds will be financed through the Sewage Treatment Fund through user charges.

The Series 2010 bonds in the principal amount of \$230,000 dated August 15, 2010, bearing interest from 3.25 % to 5.00%, were issued for permanent financing related to improvements in the Whitewater Lakes residential housing addition.

Remaining debt service requirements for general obligation bonds will be paid from the debt service fund with future property tax revenues and special assessment taxes. The annual debt service requirements for the outstanding general obligation bonds at December 31, 2012 is as follows:

<u>Year</u>	<u>Series A 2004</u>			<u>Series B 2004</u>			<u>Series 2010</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 11,290	\$ 35,239	\$ 46,529	\$ 983	\$ 3,392	\$ 4,375	\$ 5,000	\$ 9,408	\$ 14,408
2014	11,805	34,730	46,535	1,030	3,345	4,375	15,000	9,157	24,157
2015	12,344	34,199	46,543	1,080	3,297	4,377	15,000	8,408	23,408
2016	12,814	33,644	46,458	1,123	3,245	4,368	15,000	7,732	22,732
2017	13,492	33,067	46,559	1,186	3,192	4,378	15,000	7,095	22,095
2018	14,107	32,460	46,567	1,243	3,136	4,379	15,000	6,495	21,495
2019	14,751	31,825	46,576	1,303	3,077	4,380	15,000	6,008	21,008
2020	15,337	31,161	46,498	1,357	3,015	4,372	15,000	5,482	20,482

3. LONG-TERM DEBT (continued)

Year	Series A 2004			Series B 2004			Series 2010		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 16,124	\$ 30,471	\$ 46,595	\$ 1,431	\$ 2,950	\$ 4,381	\$ 20,000	\$ 4,920	\$ 24,920
2022	16,859	29,746	46,605	1,500	2,882	4,382	20,000	4,120	24,120
2023	17,628	28,987	46,615	1,572	2,811	4,383	20,000	3,320	23,320
2024	18,354	28,194	46,548	1,640	2,736	4,376	20,000	2,520	22,520
2025	19,270	27,368	46,638	1,727	2,658	4,385	20,000	1,680	21,680
2026	20,149	26,501	46,650	1,810	2,576	4,386	20,000	840	20,840
2027	21,069	25,594	46,663	1,897	2,490	4,387	-	-	-
2028	21,961	24,646	46,607	1,982	2,400	4,382	-	-	-
2029	23,032	23,658	46,690	2,084	2,306	4,390	-	-	-
2030	24,083	22,621	46,704	2,184	2,207	4,391	-	-	-
2031	25,182	21,537	46,719	2,289	2,103	4,392	-	-	-
2032	26,274	20,404	46,678	2,394	1,995	4,389	-	-	-
2033	27,529	19,222	46,751	2,515	1,881	4,396	-	-	-
2034	28,785	17,983	46,768	2,636	1,762	4,398	-	-	-
2035	30,099	16,688	46,787	2,763	1,636	4,399	-	-	-
2036	31,429	15,333	46,762	2,892	1,505	4,397	-	-	-
2037	32,906	13,919	46,825	3,036	1,368	4,404	-	-	-
2038	34,407	12,438	46,845	3,182	1,224	4,406	-	-	-
2039	35,977	10,890	46,867	3,335	1,072	4,407	-	-	-
2040	37,593	9,271	46,864	3,493	914	4,407	-	-	-
2041	39,334	7,579	46,913	3,664	748	4,412	-	-	-
2042	41,128	5,809	46,937	3,840	574	4,414	-	-	-
2043	43,005	3,958	46,963	4,025	392	4,417	-	-	-
2044	44,961	2,023	46,984	4,218	200	4,418	-	-	-
	<u>\$ 783,078</u>	<u>\$ 711,165</u>	<u>\$ 1,494,243</u>	<u>\$ 71,414</u>	<u>\$ 69,089</u>	<u>\$ 140,503</u>	<u>\$ 230,000</u>	<u>\$ 77,185</u>	<u>\$ 307,185</u>

Total – All General Obligation Bonds			
Year	Principal	Interest	Total
2013	\$ 17,273	\$ 48,039	\$ 65,312
2014	27,835	47,232	75,067
2015	28,424	45,904	74,328
2016	28,937	44,621	73,558
2017	29,678	43,354	73,032
2018	30,350	42,091	72,441
2019	31,054	40,910	71,964
2020	31,694	39,658	71,352
2021	37,555	38,341	75,896
2022	38,359	36,748	75,107
2023	39,200	35,118	74,318
2024	39,994	33,450	73,444
2025	40,997	31,706	72,703
2026	41,959	29,917	71,876
2027	22,966	28,084	51,050
2028	23,943	27,046	50,989
2029	25,116	25,964	51,080
2030	26,267	24,828	51,095
2031	27,471	23,641	51,112
2032	28,668	22,399	51,067
2033	30,044	21,103	51,147
2034	31,421	19,745	51,166
2035	32,862	18,324	51,186
2036	34,321	16,838	51,159
2037	35,942	15,287	51,229
2038	37,589	13,662	51,251
2039	39,312	11,962	51,274
2040	41,086	10,185	51,271
2041	42,998	8,327	51,325
2042	44,968	6,383	51,351
2043	47,030	4,350	51,380
2044	49,179	2,223	51,402
	<u>\$ 1,084,492</u>	<u>\$ 809,401</u>	<u>\$ 1,941,932</u>

3. LONG-TERM DEBT (continued)

Capital lease obligations

During 2008, the City entered into a lease agreement for the purchase of a pickup truck with its financial institution in the amount of \$15,303. The agreement provides for semiannual payments in the amount of \$2,164, including principal and interest, through August 2012. The lease was fully retired during 2012.

The lease payments are allocated among the General, Special Highway, Waterworks Utility and Sewer Utility funds.

Compensated absences

The compensated absence activity for 2012 was as follows:

<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
\$ 3,499	\$ 4,238	\$ 3,910	\$ 3,827

The outstanding compensated absence liabilities are liquidated from resources from the individual funds in which payroll costs are charged and principally include the General, Waterworks System and Sewage Treatment funds.

4. WATER AND SEWER REPLACEMENT RESERVES

Applicable state statutes permit the governing body to legally restrict a portion of operating revenue to be used for future replacement of the water and sewer systems. The Water Improvement Reserve Fund and Sewer Improvement Reserve Fund represent assets legally restricted for future water and sewer system replacements.

5. PENSION PLAN

Plan description

The City participates in the Kansas Public Employees Retirement System (KPERS), a cost sharing multiple employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS, 611 S. Kansas Avenue, Suite 100, Topeka, Kansas 66603.

5. PENSION PLAN (continued)

Funding policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary for participants employer prior to July 1, 2009 and at 6% for new participants employed July 1, 2009 and thereafter. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established by statute for the period from January 1, 2012 to December 31, 2012 was 8.34%. Included in this rate is the contribution for the Group Death and Disability Insurance of 1.0%, which from April 1, 2012 through June 30, 2012 there was a moratorium on the collection thereof. The City's contributions to KPERS for the years ending December 31, 2012, 2011 and 2010 were \$11,042, \$9,987, and \$9,277, respectively, equal to the statutory required contributions for each year.

6. CAPITAL PROJECT AUTHORIZATIONS

At December 31, 2012 capital project authorizations compared with project expenditures from inception are as follows:

	<u>Project Authorizations</u>	<u>Expenditures Project Inception to December 31, 2012</u>
Whitewater Lakes Addition Project (includes the Debt Service Fund)	\$ 421,166	\$ 259,267

7. INTERFUND TRANSFERS

Interfund transfers during 2012 were as follows:

<u>Transfer From</u>	<u>Regulatory Transfer To</u>	<u>Transfer Authority</u>	<u>Amount</u>
Whitewater Lakes Debt Service	Debt Service	K.S.A 12-630a	\$ 433
Whitewater Lakes Improvement Project	Debt Service	K.S.A. 12-630a	867
Waterworks System	Water Improvement Reserve	K.S.A. 12-825d	5,000

7. INTERFUND TRANSFERS (continued)

<u>Transfer From</u>	<u>Regulatory Transfer To</u>	<u>Transfer Authority</u>	<u>Amount</u>
Waterworks System	Capital Improvement Reserve	K.S.A. 12-1,118	\$ 5,000
Sewage Treatment	Sewer Improvement Reserve	K.S.A. 12-631o	8,000
Sewage Treatment	Capital Improvement Reserve	K.S.A. 12-1,118	5,000
Refuse	Capital Improvement Reserve	K.S.A. 12-1,118	<u>1,500</u>
Total transfers			<u>\$ 25,800</u>

8. OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, the City is required to allow retirees to participate in its group health insurance plan. While each retiree is required to pay the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy, if any, has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and their eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid entirely by the insured and there is no cost to the City under this program.

9. CONTINGENCIES

The City is the defendant in a suit regarding claim for injuries sustained regarding a fall on a City sidewalk. Management represents that the City will vigorously defend this action and is represented by legal counsel provided by the City's insurance carrier. Management represents that any potential liability incurred by the City will not be significant to the City's financial statements.

10. SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 6, 2013, the date on which the financial statements were available to be issued.

(This page left blank intentionally.)

REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION

CITY OF WHITEWATER, KANSAS

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET –REGULATORY BASIS
(BUDGETED FUNDS ONLY)

For the year ended December 31, 2012

	<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 Fund	\$ 279,515	\$ -	\$ 279,515	\$ 256,243	\$ 23,272
Special Revenue Funds:					
Library	11,755	-	11,755	11,755	-
Special Highway	20,620	-	20,620	20,620	-
Debt Service Fund:					
Bond and Interest	50,688	-	50,680	19,233	31,447
Enterprise Funds:					
Waterworks System	176,585	-	176,585	150,911	25,674
Sewage Treatment	144,564	-	144,564	126,511	18,053
Refuse	37,915	-	37,915	34,092	3,823

CITY OF WHITEWATER, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			Variance favorable (unfavorable)
	2011 <u>Actual</u>	2012 <u>Actual</u> <u>Budget</u>		
Cash receipts:				
Taxes	\$ 185,485	\$184,680	\$ 190,405	\$ (5,725)
Licenses and permits	30,327	29,277	46,475	(17,198)
Charges for services	5,260	3,555	5,500	(1,945)
Fines and forfeitures	778	845	400	445
Interest	270	116	1,200	(1,084)
Rentals	7,237	7,302	7,700	(398)
Miscellaneous	6,890	7,949	–	7,949
Car Wash Receipts	7,337	7,588	9,000	(1,412)
Reimbursed expenditures	<u>13,117</u>	<u>11,931</u>	<u>15,800</u>	<u>(3,869)</u>
Total cash receipts	<u>256,701</u>	<u>253,243</u>	<u>\$ 276,480</u>	<u>\$(23,237)</u>
Expenditures:				
General department:				
Personal services	54,475	55,891	\$ 27,500	\$(28,391)
Contractual services	27,462	37,312	53,147	15,835
Commodities	22,812	25,902	18,000	(7,902)
Capital outlay	–	–	2,000	2,000
Debt service	<u>2,885</u>	<u>2,896</u>	<u>–</u>	<u>(2,896)</u>
Total general department	107,634	122,001	100,647	(21,354)
Employee benefits	21,942	23,423	23,950	527
Appropriation to Cemetery Board	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>–</u>
Total general government	<u>135,576</u>	<u>151,424</u>	<u>130,597</u>	<u>(20,827)</u>
Law enforcement and emergency medical service department:				
Contractual services	<u>31,785</u>	<u>33,559</u>	<u>33,542</u>	<u>(17)</u>
Highways and streets:				
Street department:				
Personal services	–	–	10,000	10,000
Contractual services	39,937	19,097	8,541	(10,556)
Commodities	1,424	784	3,000	2,216
Capital outlay	–	–	–	–
Debt service	<u>–</u>	<u>–</u>	<u>1,442</u>	<u>1,442</u>

CITY OF WHITEWATER, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			
	2011	2012		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(unfavorable)</u>
Total street department	\$ 41,361	\$ 19,881	\$ 22,983	\$ 3,102
Street lighting department:				
Contractual services	7,316	7,683	7,500	(183)
Car wash department:				
Personal services	2,369	2,692	3,500	808
Contractual services	3,351	3,750	3,500	(250)
Commodities	2,765	2,517	3,000	483
Capital outlay	–	–	500	500
Total car wash department	8,485	8,959	10,500	1,541
Total highways and streets	57,162	36,523	40,983	4,460
Culture and recreation:				
Library Board expenditures	1,952	4,829	2,100	(2,729)
Library Board appropriations	24,608	22,264	24,993	2,729
Park Board expenditures	6,015	6,144	10,000	3,856
Park Board appropriations	1,500	1,500	1,500	–
Total culture and recreation	34,075	34,737	38,593	3,856
Nondepartmental:				
Transfers to other funds	–	–	35,800	35,800
Total expenditures	258,598	256,243	\$ 279,515	\$ 23,272
Expenditures over cash receipts	(1,897)	(3,000)		
Unencumbered cash balance, beginning of year	4,897	3,000	\$ 3,035	\$ (35)
Unencumbered cash balance, end of year	\$ 3,000	\$ –		

CITY OF WHITEWATER, KANSAS
LIBRARY FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET –
REGULATORY BASIS**

	Year ended December 31,			Variance favorable (unfavorable)
	2011 <u>Actual</u>	2012		
		<u>Actual</u>	<u>Budget</u>	
Cash receipts:				
Taxes	\$11,425	\$ 11,345	<u>\$11,755</u>	<u>\$ (410)</u>
Expenditures:				
Contractual Services	<u>12,288</u>	<u>11,755</u>	<u>\$11,755</u>	<u>\$ —</u>
Expenditures over cash receipts	(863)	(410)		
Unencumbered cash balance, beginning of year	<u>2,468</u>	<u>1,605</u>	<u>\$ —</u>	<u>\$ 1,605</u>
Unencumbered cash balance, end of year	<u>\$ 1,605</u>	<u>\$ 1,195</u>		

CITY OF WHITEWATER, KANSAS

SPECIAL HIGHWAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET –
REGULATORY BASIS

	Year ended December 31,			Variance favorable (unfavorable)
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash receipts:				
Motor fuels tax	\$ 20,665	\$ 22,186	\$ 20,620	\$ 1,566
Expenditures:				
Personal services	–	–	\$ 13,750	\$ 13,750
Contractual services	9,820	19,888	–	(19,888)
Commodities	–	–	1,620	1,620
Debt service	10,608	732	–	(732)
Transfers out	<u>132</u>	<u>–</u>	<u>5,250</u>	<u>5,250</u>
Total expenditures	<u>20,560</u>	<u>20,620</u>	<u>\$ 20,620</u>	<u>\$ –</u>
Cash receipts over expenditures	105	1,566		
Unencumbered cash balance, beginning of year	<u>445</u>	<u>550</u>	<u>\$ –</u>	<u>\$ 550</u>
Unencumbered cash balance, end of year	<u>\$ 550</u>	<u>\$ 2,116</u>		

CITY OF WHITEWATER, KANSAS
CENTENNIAL PROGRAM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Interest	\$ 38	\$ 44
Expenditures:		
Capital outlays	<u>—</u>	<u>—</u>
Cash receipts over expenditures	38	44
Unencumbered cash balance, beginning of year	<u>2,172</u>	<u>2,128</u>
Unencumbered cash balance, end of year	<u>\$ 2,210</u>	<u>\$ 2,172</u>

CITY OF WHITEWATER, KANSAS

SPECIAL PROJECTS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES --
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Franchise fees	\$ 11,023	\$ 9,502
Expenditures:		
Contractual services	<u>2,436</u>	<u>1,000</u>
Cash receipts over expenditures	8,587	8,502
Unencumbered cash balance, beginning of year	<u>8,502</u>	<u>—</u>
Unencumbered cash balance, end of year	<u>\$17,089</u>	<u>\$ 8,502</u>

CITY OF WHITEWATER, KANSAS

JAIL DONATIONS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Donations	\$ 510	\$ 129
Expenditures:		
Contractual services	<u>491</u>	<u>85</u>
Cash receipts over expenditures	19	44
Unencumbered cash balance, beginning of year	<u>44</u>	<u>—</u>
Unencumbered cash balance, end of year	<u>\$ 63</u>	<u>\$ 44</u>

CITY OF WHITEWATER, KANSAS

DEBT SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			Variance favorable (unfavorable)
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash receipts:				
Taxes	\$ 3	\$17,597	\$15,816	\$ 1,781
Transfers in	<u>–</u>	<u>1,300</u>	<u>–</u>	<u>1,300</u>
Total cash receipts	<u>3</u>	<u>18,897</u>	<u>\$15,816</u>	<u>\$ 3,081</u>
Expenditures:				
Bond principal	–	19,233	\$19,500	\$ 267
Cash basis reserve	<u>–</u>	<u>–</u>	<u>31,180</u>	<u>31,180</u>
Total expenditures	<u>–</u>	<u>19,233</u>	<u>\$50,680</u>	<u>\$31,447</u>
Cash receipts over (under) expenditures	3	(336)		
Unencumbered cash balance, beginning of year	<u>34,864</u>	<u>34,867</u>	<u>\$34,864</u>	<u>\$ 3</u>
Unencumbered cash balance, end of year	<u>\$34,867</u>	<u>\$34,531</u>		

CITY OF WHITEWATER, KANSAS
CAPITAL EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Transfers in	\$ –	\$ –
Expenditures:		
Capital outlay	<u> –</u>	<u> –</u>
Cash receipts over expenditures	–	–
Unencumbered cash balance, beginning of year	<u> 1,794</u>	<u> 1,794</u>
Unencumbered cash balance, end of year	<u>\$ 1,794</u>	<u>\$ 1,794</u>

CITY OF WHITEWATER, KANSAS
CAPITAL IMPROVEMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Transfers in	\$ 11,500	\$ 8,132
Expenditures:		
Capital outlays	<u>7,104</u>	<u>10,752</u>
Cash receipts over (under) expenditures	4,396	(2,620)
Unencumbered cash balance, beginning of year	<u>12,585</u>	<u>15,205</u>
Unencumbered cash balance, end of year	<u>\$16,981</u>	<u>\$12,585</u>

CITY OF WHITEWATER, KANSAS
WHITEWATER LAKES DEBT SERVICE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Use of money & property	\$ –	\$ –
Expenditures:		
Transfer to Debt Service Fund	<u> 433</u>	<u> –</u>
Expenditures over cash receipts	(433)	–
Unencumbered cash balance, beginning of year	<u> 433</u>	<u> 433</u>
Unencumbered cash balance, end of year	<u>\$ –</u>	<u>\$ 433</u>

CITY OF WHITEWATER, KANSAS
WHITEWATER LAKES IMPROVEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Proceeds from sale of general obligation bonds	\$ –	\$ –
Expenditures:		
Transfer to Debt Service Fund	<u> 867</u>	<u> 270</u>
Expenditures over cash receipts	(867)	(270)
Unencumbered cash balance, beginning of year	<u> 867</u>	<u> 1,137</u>
Unencumbered cash balance, end of year	<u>\$ –</u>	<u>\$ 867</u>

CITY OF WHITEWATER, KANSAS

WATERWORKS SYSTEM FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			Variance favorable (unfavor- able)
	2011 Actual	Actual	Budget	
Cash receipts:				
Charges for services	\$ 145,079	\$146,260	\$162,000	\$(15,740)
Use of money and property	294	2,110	500	1,610
Sales tax	1,100	1,133	1,450	(317)
Miscellaneous	<u>1,936</u>	<u>1,828</u>	<u>300</u>	<u>1,528</u>
Total cash receipts	<u>148,409</u>	<u>151,331</u>	<u>\$164,250</u>	<u>\$(12,919)</u>
Expenditures:				
Personal services	43,569	43,924	\$ 60,000	\$ 16,076
Contractual services	14,488	17,432	19,193	1,761
Commodities	89,319	77,193	80,000	2,807
Sales tax remittances	1,499	1,629	1,450	(179)
Debt service	721	733	1,442	709
Transfers to reserve funds	<u>1,371</u>	<u>10,000</u>	<u>14,500</u>	<u>4,500</u>
Total expenditures	<u>150,967</u>	<u>150,911</u>	<u>\$176,585</u>	<u>\$ 25,674</u>
Cash receipts over (under) expenditures	(2,558)	420		
Unencumbered cash balance, beginning of year	<u>7,753</u>	<u>5,195</u>	<u>\$ 12,335</u>	<u>\$ (7,140)</u>
Unencumbered cash balance, end of year	<u>\$ 5,195</u>	<u>\$ 5,615</u>		

CITY OF WHITEWATER, KANSAS

SEWAGE TREATMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			Variance favorable (unfavor- able)
	2011 Actual	Actual	Budget	
Cash receipts:				
Charges for services	\$114,860	\$117,293	\$ 130,500	\$ (13,207)
Miscellaneous	<u>57</u>	<u>8,943</u>	<u>2,000</u>	<u>6,943</u>
Total cash receipts	<u>114,917</u>	<u>126,236</u>	<u>\$ 132,500</u>	<u>\$ (6,264)</u>
Expenditures:				
Personal services	42,179	43,710	\$ 53,000	\$ 9,290
Contractual services	15,222	17,976	21,879	3,903
Commodities	1,412	6,304	2,300	(4,004)
Capital Outlay	–	–	7,154	7,154
Debt service	20,721	45,521	52,231	6,710
Transfers to reserve funds	<u>27,889</u>	<u>13,000</u>	<u>8,000</u>	<u>(5,000)</u>
Total expenditures	<u>107,423</u>	<u>126,511</u>	<u>\$ 144,564</u>	<u>\$ 18,053</u>
Cash receipts over (under) expenditures	7,494	(275)		
Unencumbered cash balance, beginning of year	<u>5,230</u>	<u>12,724</u>	<u>\$ 12,064</u>	<u>\$ 660</u>
Unencumbered cash balance, end of year	<u>\$ 12,724</u>	<u>\$ 12,449</u>		

CITY OF WHITEWATER, KANSAS

REFUSE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			Variance favorable (unfavor- able)
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash receipts:				
Charges for services	<u>\$34,236</u>	<u>\$34,289</u>	<u>\$37,000</u>	<u>\$ (2,711)</u>
Expenditures:				
Contractual services	34,593	31,788	\$33,000	\$ 1,212
Commodities	319	804	600	(204)
Transfers out	<u>1,000</u>	<u>1,500</u>	<u>4,315</u>	<u>2,815</u>
Total expenditures	<u>35,912</u>	<u>34,092</u>	<u>\$37,915</u>	<u>\$ 3,823</u>
Cash receipts over (under) expenditures	(1,676)	197		
Unencumbered cash balance, beginning of year	<u>2,006</u>	<u>330</u>	<u>\$ 915</u>	<u>\$ (585)</u>
Unencumbered cash balance, end of year	<u>\$ 330</u>	<u>\$ 527</u>		

CITY OF WHITEWATER, KANSAS
WATER IMPROVEMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Transfers in	\$ 5,000	\$ 1,371
Expenditures:		
Contractual services	<u> —</u>	<u> —</u>
Cash receipts over expenditures	5,000	1,371
Unencumbered cash balance, beginning of year	<u>39,390</u>	<u>38,019</u>
Unencumbered cash balance, end of year	<u>\$ 44,390</u>	<u>\$ 39,390</u>

CITY OF WHITEWATER, KANSAS

SEWER IMPROVEMENT RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES --
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Insurance proceeds	\$ 8,700	\$ -
Transfers in	<u>8,000</u>	<u>20,889</u>
Total cash receipts	<u>16,700</u>	<u>20,889</u>
Expenditures:		
Contractual services	8,700	-
Debt service	<u>6,000</u>	<u>30,889</u>
Total expenditures	<u>14,700</u>	<u>30,889</u>
Cash receipts over (under) expenditures	2,000	(10,000)
Unencumbered cash balance, beginning of year	<u>13,913</u>	<u>23,913</u>
Unencumbered cash balance, end of year	<u>\$ 15,913</u>	<u>\$13,913</u>

CITY OF WHITEWATER, KANSAS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS –
REGULATORY BASIS – ALL AGENCY FUNDS

Year ended December 31, 2012

	Beginning Cash Balance January 1, <u>2012</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Ending Cash Balance December 31, <u>2012</u>
Payroll Withholding Fund	<u>\$ 6,016</u>	<u>\$ 42,413</u>	<u>\$ 45,591</u>	<u>\$ 2,838</u>