

MCPHERSON RECREATION COMMISSION
FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2012

MCPHERSON RECREATION COMMISSION

For the Year Ended December 31, 2012

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
McPherson Recreation Commission
McPherson, Kansas 67460

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the McPherson Recreation Commission, 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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the McPherson Recreation Commission to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the McPherson Recreation Commission 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 McPherson Recreation Commission 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 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 and individual fund schedule of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of 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 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 1.

The 2011 Actual column presented in the individual fund schedule of regulatory basis receipts and expenditures-actual and budget (Schedules 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2011 basic financial statement upon which we rendered an unqualified opinion dated March 9, 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 1.

Swindoll, Janzen, Hawk & Loyd, LLC

Certified Public Accountants

February 6, 2013

MCPHERSON RECREATION COMMISSION

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASHRegulatory Basis

For the Year Ended December 31, 2012

	<u>Beginning Unencumbered Cash Balance</u>	<u>Receipts</u>	<u>Expend- itures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
GENERAL FUND	\$ 202,815	\$1,311,880	\$1,217,614	\$ 297,081	\$ -	\$ 297,081
Total Financial Reporting Entity	<u>\$ 202,815</u>	<u>\$1,311,880</u>	<u>\$1,217,614</u>	<u>\$ 297,081</u>	<u>\$ -</u>	<u>\$ 297,081</u>
COMPOSITION OF CASH:						
Cash on Hand						\$ 200
Checking Account - Home State Bank & Trust						21,698
Money Market Account - Home State Bank & Trust						<u>275,183</u>
Total Financial Reporting Entity						<u>\$ 297,081</u>

MCPHERSON RECREATION COMMISSION
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Municipal Financial Reporting Entity*

The McPherson Recreation Commission (the "Commission") is a municipality governed by an appointed five-member board. The regulatory basis financial statement presents the Commission (the municipality) with no related municipal entities.

(b) *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.

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

Business Fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. water fund, electric fund, etc.).

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 (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.)

(c) *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 Commission 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 Commission to use the regulatory basis of accounting.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Revenue Funds (unless specifically exempted by statute), Bond and Interest Funds and Business 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 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 the year 2012.

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 statements 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 Projects Funds and Agency 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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

No statutory violations noted in 2012.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the Commission. The statute requires banks eligible to hold the Commission's funds have a main or branch bank in the county in which the Commission 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 Commission has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Commission'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 Commission has no investment policy that would further limit its investment choices.

3. DEPOSITS AND INVESTMENTS (CONT.)

Concentration of credit risk. State statutes place no limit on the amount the Commission may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. State statutes require the Commission'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. All deposits were legally secured at December 31, 2012.

At December 31, 2012, the Commission's carrying amount of deposits was \$296,881 and the bank balance was \$303,075. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining \$53,075 was collateralized with securities held by pledging financial institutions' agents in the Commission's name.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

4. LONG-TERM DEBT

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

<u>Issue</u>	<u>Interest Rate</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 of Principal</u>	<u>Balance end of Year</u>	<u>Interest Paid</u>
Capital Leases:									
Capital Projects	3.50% to 4.80%	9/15/2001	\$ 1,065,000	12/1/2013	\$ 160,000	\$ -	\$ 90,000	\$ 70,000	\$ 7,680
Lighting System	5.85%	10/1/2007	144,500	2/28/2012	31,263	-	31,263	-	1,852
Total Capital Leases					191,263	-	121,263	70,000	9,532
Total Contractual Indebtedness					\$ 191,263	\$ -	\$ 121,263	\$ 70,000	\$ 9,532

Current maturities of long-term debt and interest for the next year is as follows:

	<u>2013</u>
Principal:	
Capital Lease:	
Capital Projects	<u>\$ 70,000</u>
TOTAL PRINCIPAL	<u>\$ 70,000</u>
Interest:	
Capital Lease:	
Capital Projects	<u>\$ 3,360</u>
TOTAL INTEREST	<u>\$ 3,360</u>
Total Principal and Interest	<u>\$ 73,360</u>

5. DEFINED BENEFIT PENSION PLAN

Plan Description. The Commission participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing multiple-employer defined benefit pension plan as provided by Kansas law. KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends 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, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-419 and K.S.A. 74-49,210 establish the KPERs member-employee contribution rates. Effective July 1, 2009 KPERs has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERs member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. Kansas law provides that the 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 State of Kansas is required to contribute the statutory required employers share.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the Commission 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.

(b) Other Employee Benefits

Vacation - Vacation leave shall be accrued from the employee's date of employment as stipulated hereinafter. If not taken, vacation leave shall accrue from year to year up to the maximum provided based upon the employee's years of service. No vacation leave shall be taken until a new employee has completed the probationary period.

Each full-time employee will accumulate vacation leave as follows:

<u>Years of Service</u>	<u>Per Year</u>	<u>Accumulation</u>
0 to 5 years	80 working hours	120 working hours
5 to 15 years	120 working hours	180 working hours
15 to 25 years	160 working hours	240 working hours
After 25 years	200 working hours	300 working hours

An employee shall be paid for all accumulated unused vacation leave upon termination.

Sick leave - All employees who work not less than one-half time shall be entitled to sick leave with pay for absences resulting from personal illness, injuries, accidents or other physical incapacities, occurring either on or off the job.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONT.)

Amount of sick leave - Full-time employees shall earn one working day of sick leave for each full month of service. Part-time employees who work not less than 20 hours per week shall receive one-half working day of sick leave per month. Other employees shall not have paid sick leave.

Accumulation of sick leave - Sick leave is cumulative without limit. On termination of employment an employee shall not be paid for accumulated sick leave.

7. CAPITAL LEASES

Recreation Complex

During the year ended December 31, 1996, the McPherson Recreation Commission entered into a long-term lease for the acquisition of an outdoor recreational complex (the "Project"). The Project was financed by the City of McPherson (the "City"), which entered into a Lease Purchase Agreement with Central Bank and Trust Co., Hutchinson, Kansas, as lessor, providing for acquisition and construction of the Project at an estimated cost of \$1,000,000. Funds for acquisition and construction were raised by the lessor by the issuance of Certificates of Participation Series 1996 in the amount of \$1,000,000. As part of this financing structure, the bank, acting as lessor and trustee for the owners of the Certificates of Participation, paid the purchase price for the site for the Project, which was deeded to the City. The City then leased the site to the bank under a Site Lease, and leased it and the improvements to be constructed back from the bank under the Lease Purchase Agreement. The terms of the Site Lease and the Lease Purchase Agreement run simultaneously. Rentals payable under the Lease Purchase Agreement will be adequate to pay the owners of the Certificates of Participation their original investment plus interest. Upon payment of all rental payments under the Lease Purchase Agreement, the City has the right to own the Project free of any claims of the bank.

The City has subleased the Project (which includes the site and the recreation complex improvements) to the Commission under a sublease, which has an initial term of 10 years and an initial renewal term of 5 years. Rentals payable by the Commission under the sublease equal the "basic rental payments" and the "additional rental payments" payable by the City under the Lease Purchase Agreement. When the Certificates of Participation have all been retired, and the Site Lease and Lease Purchase Agreement have terminated, the Commission has the option to extend the term of its sublease from the City for successive extended renewal terms of not to exceed 10 years each until December 18, 2096. The Commission's rentals during the extended terms of its sublease are limited to the payments the City makes as "additional rental payments" during the term of the Lease Purchase Agreement.

On September 15, 2001, Certificates of Participation Series 1996 were refunded. These certificates and the lease-purchase agreement between CitiCapital Commercial Corporation and the Commission for lighting improvements to Wall Park Athletic Fields were refinanced with Certificates of Participation Series 2001, in the amount of \$1,065,000. Also, on September 15, 2001, the City and the Commission entered into Supplemental Sublease No. 1, which amended the basic rental payments to the new maturity amounts.

The City's payments under the Lease Purchase Agreement, which will be paid solely from payments made by the Commission under its sublease, will be an amount equal to the sum of the scheduled "amended basic rental payments" and the unscheduled "additional rental payments." The amended basic rental payments are payable semi-annually on June 1 and December 1 of each year with the initial rental payment due June 1, 2002. The "additional rental payments" are payable within thirty (30) days after notice from the lessor. The "additional rental payments" are all taxes and assessments of any nature levied upon the Site or Facility, all reasonable and necessary fees and expenses incurred by the bank as lessor and trustee, and all costs and expenses which the trustee may incur in consequence of or because of any default by the City on the terms of the lease.

7. CAPITAL LEASES (CONT.)

Light Capital Baseball Diamond Lighting System

On October 1, 2007, the McPherson Recreation Commission entered into a long-term lease for the purpose of obtaining an aerial lighting system for Light Capital Baseball Diamond (the "System"). The McPherson Recreation Commission entered into a Municipal Lease and Option Agreement with Musco Finance, LLC, as lessor, providing that MRC leases the equipment from the lessor, subject to the terms and conditions of the agreement in the amount of \$144,500.

The McPherson Recreation Commission's payments under the Municipal Lease and Option Agreement will be an amount equal to the sum of the principal and interest portion of the "Payment Schedule" provided in the lease agreement. These payments are payable annually on February 28 of each year with the initial payment due February 28, 2008. Payments are to be payable without notice or demand from the lessor. If the scheduled payment is not made when due, the lessee shall pay accrued interest on the delinquent amount. This lease was paid in full in 2012.

8. CLAIMS AND JUDGMENTS

The Commission participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Commission may be required to reimburse the grantor government. As of February 6, 2013, grant expenditures have not been audited, but the Commission believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the Commission.

The Commission 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 Commission 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 Commission is exposed to various claims, legal action and complaints. It is of the opinion of the Commission's management that any current matters are not anticipated to have a material impact on the Commission.

9. RELATED PARTY

The McPherson Recreation Commission purchases fertilizing, weed and pest control services from Turfwood, a business owned by a McPherson Recreation Commission maintenance employee. Total payments to this vendor during the year ended December 31, 2012 was \$35,760. Over-seeding and aerating services were also purchased from a self-employed McPherson Recreation Commission maintenance employee. Total payments to this vendor during the year ended December 31, 2012 was \$2,000.

10. SUBSEQUENT EVENTS

Management has evaluated the effects of the financial statement of subsequent events occurring through February 6, 2013 which is the date at which the financial statements were available to be issued.

MCPHERSON RECREATION COMMISSION
REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2012

MCPHERSON RECREATION COMMISSION

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 - Over (Under)</u>
GENERAL FUND	\$ 1,470,000	\$ -	\$ 1,470,000	\$ 1,217,614	\$ (252,386)

MCPHERSON RECREATION COMMISSION

GENERAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2012

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

	2011 Actual	2012		Variance - Over (Under)
		Actual	Budget	
Receipts:				
Ad valorem property tax	\$ 963,848	\$ 979,256	\$ 1,002,938	\$ (23,682)
Back tax collections	8,064	20,583	6,500	14,083
Motor vehicle tax	94,168	92,596	72,000	20,596
Recreational vehicle tax	1,718	1,526	1,400	126
Activity and facility receipts	63,780	77,550	54,950	22,600
Interest	4,990	4,140	7,000	(2,860)
Reimbursements from City of McPherson	134,424	130,808	147,000	(16,192)
Water park receipts	3,000	3,000	3,000	-
Miscellaneous	568	2,421	212	2,209
Total Receipts	<u>1,274,560</u>	<u>1,311,880</u>	<u>\$ 1,295,000</u>	<u>\$ 16,880</u>
Expenditures:				
Personal services	456,765	446,608	\$ 467,069	\$ (20,461)
Contractual services	203,874	222,176	186,536	35,640
Commodities	37,986	39,317	46,800	(7,483)
Capital outlay	385,584	357,794	599,995	(242,201)
Miscellaneous	6,110	6,861	7,000	(139)
Water park	134,424	130,808	147,000	(16,192)
Other insurance	12,772	14,050	15,600	(1,550)
Total Expenditures	<u>1,237,515</u>	<u>1,217,614</u>	<u>\$ 1,470,000</u>	<u>\$ (252,386)</u>
Receipts Over (Under) Expenditures	37,045	94,266		
Unencumbered Cash, Beginning	<u>165,770</u>	<u>202,815</u>		
Unencumbered Cash, Ending	<u>\$ 202,815</u>	<u>\$ 297,081</u>		

MCPHERSON RECREATION COMMISSION
ADDITIONAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2012

MCPHERSON RECREATION COMMISSION

SCHEDULE OF EMPLOYEE INSURANCE (UNAUDITED)

December 31, 2012

<u>Officer or Employee</u>	<u>Surety</u>	<u>Expiration Date</u>	<u>Amount</u>
Employee Dishonesty Bond	Farmers Alliance Mutual Insurance Company	1/23/2013	\$10,000