

**CITY OF LA CYGNE,
KANSAS**

For the Year Ended December 31, 2011
Statutory Basis Financial Statements and
Independent Auditors' Report with
Supplemental Information

CITY OF LA CYGNE, KANSAS

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*Diehl
Banwart
Bolton*

Certified Public Accountants PA

INDEPENDENT AUDITORS' REPORT

To the Mayor and the City Council
City of La Cygne, Kansas

We have audited the Summary of Cash Receipts, Expenditures, and Unencumbered Cash of the City of La Cygne, Kansas, as of and for the year ended December 31, 2011. This financial statement is the responsibility of the City of La Cygne, Kansas' management. Our responsibility is to express an opinion on this financial statement based on our audit. The prior year comparative information has been derived from the City's 2010 financial statements and, in our report dated April 22, 2011 we expressed unqualified opinion on the primary government financial statements prepared in accordance with the statutory basis of accounting.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the **Kansas Municipal Audit Guide**. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statement does not include financial data for the City's legally separate component unit. Accounting principles generally accepted in the United States of America require the financial data for this component unit be reported with the financial data of the City's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for component units. The City has not issued such reporting entity financial statements. The effects of the departure from accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

As described in Note 1, the City's policy is to prepare its financial statement on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the omission of the discretely presented component unit, as discussed above, and because of the City's policy to prepare its financial statement on the basis of accounting discussed in the preceding paragraph, the financial statement referred to in the first paragraph does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of La Cygne, Kansas, as of December 31, 2011, or the changes in financial position, or, where applicable, its cash flows for the year then ended. Further, the City of La Cygne, Kansas has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In our opinion, the statutory basis financial statement referred to in the first paragraph presents fairly, in all material respects, the cash and unencumbered cash balance of the City of La Cygne, Kansas, as of December 31, 2011, and its aggregate cash receipts and expenditures, on the basis of accounting described in Note 1.

Our audit was conducted for the purpose of forming an opinion on the financial statement of the City taken as a whole. The accompanying supplemental schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statement. The supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statement. This information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the 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 financial statement taken as a whole.



DIEHL, BANWART, BOLTON, CPAs PA

May 1, 2012
Fort Scott, Kansas

CITY OF LA CYGNE, KANSAS
 Summary of Cash Receipts, Expenditures, and Unencumbered Cash
 For the Year Ended December 31, 2011

Funds	Beginning Unencumbered Cash Balances		Cash Receipts	Expenditures	Ending Unencumbered Cash Balances		Plus Encumbrances and Accounts Payable	Cash Balances December 31,	
	2011	2010			2011	2010		2011	2010
GOVERNMENTAL TYPE FUNDS									
General Fund	\$158,830.86		\$541,616.49	\$469,317.92	\$231,129.43	\$7,676.61	\$238,806.04	\$176,789.29	
Special Revenue Funds									
Special Highway	3,875.38		29,030.11	28,948.46	3,957.03	402.83	4,359.86	5,156.57	
Special Park and Pool	51,129.18		68,879.04	95,412.77	24,595.45	268.41	24,863.86	51,346.77	
Special Park and Recreation	10,797.92		4,381.07	274.38	14,904.61	11.42	14,916.03	10,797.92	
Oak Lawn Cemetery	3,544.69		21,368.17	18,432.99	6,479.87	53.14	6,533.01	3,544.69	
Employee Benefit	20,519.07		147,296.60	136,969.13	30,846.54	210.79	31,057.33	23,075.54	
Pool Fund Raiser	5,102.35		-	343.00	4,759.35	-	4,759.35	5,102.35	
Special Pool Project	32,821.92		189.34	-	33,011.26	-	33,011.26	32,821.92	
Equipment Reserve	1,043.10		6,356.00	-	7,399.10	-	7,399.10	1,043.10	
Capital Improvement	13,774.74		6,356.00	(325.00)	20,455.74	-	20,455.74	14,099.74	
Pool Project	138,264.41		168,281.83	113,934.96	192,611.28	-	192,611.28	138,264.41	
Capital Project Funds									
Street Resurfacing Project	65,272.01		990.55	66,262.56	-	-	-	255,272.01	
Debt Service Fund									
General Bond and Interest	20,025.47		41,558.58	41,501.50	20,082.55	-	20,082.55	20,025.47	
PROPRIETARY TYPE FUNDS									
Enterprise Funds									
Gas Utility	176,679.92		551,979.33	499,779.78	228,879.47	23,447.26	252,326.73	205,562.76	
Water Utility	422,824.23		245,708.19	452,336.98	216,195.44	22,167.57	238,363.01	440,646.68	
Sewer Utility	33,228.30		113,238.63	105,467.22	40,999.71	875.97	41,875.68	34,876.55	
Solid Waste Utility	7,630.56		9,086.06	8,686.87	8,029.75	710.24	8,739.99	9,157.69	
2009 Gas Refunding Bonds	-		-	-	-	-	-	-	
FIDUCIARY TYPE FUNDS									
Trust Funds									
Pollman Cemetery	45,204.33		2,656.07	1,156.07	46,704.33	-	46,704.33	45,204.33	
Clearing	-		500.00	92,933.20	(92,433.20)	94,828.61	2,395.41	2,395.41	
Energy Assistance	-		7,477.12	7,477.12	-	1,460.25	1,460.25	3,197.72	
Insurance Proceeds	-		-	-	-	-	-	-	
Total Reporting Entity	\$1,210,568.44		\$1,966,949.18	\$2,138,909.91	\$1,038,607.71	\$152,113.10	\$1,190,720.81	\$1,478,380.92	

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

CITY OF LA CYGNE, KANSAS

Summary of Cash Receipts, Expenditures, and Unencumbered Cash
For the Year Ended December 31, 2011

Funds	Beginning	Cash Receipts	Expenditures	Ending		Cash Balances December 31, 2010
	Unencumbered Cash Balances			Unencumbered Cash Balances	Plus Encumbrances and Accounts Payable	
Total Reporting Entity	\$1,210,568.44	\$1,966,949.18	\$2,138,909.91	\$1,038,607.71	\$152,113.10	\$1,190,720.81
Composition of Cash						
						\$262,840.19
						1,156,500.00
						125.00
						55,915.73
						3,000.00
						\$1,190,720.81
						\$231,150.92
						901,529.16
						125.00
						55,915.73
						2,000.00
						\$1,190,720.81

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

CITY OF LA CYGNE, KANSAS

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of La Cygne, Kansas, have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow. Note 1 describes how the City's accounting policies differ from generally accepted accounting principles.

Reporting Entity

The City of La Cygne, Kansas, is a municipal corporation governed by an elected seven-member council. These financial statements present the City of La Cygne, Kansas, the primary government. Component units should be included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

The following is a brief review of potential component units:

The La Cygne Housing Authority operates the City's housing projects. The Housing Authority can sue and be sued, and can buy, sell or lease real property. The City must approve Bond ordinances. The Housing Authority's financial statements should be included with the City's financial statements. However, the statements are omitted in an apparent departure from generally accepted accounting principles.

There are no other separate entities related to the City which should be accounted for in the City's financial statements.

The City has elected to exclude component units from the basic financial statements.

Basis of Presentation - Fund Accounting

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restriction, or limitations.

The following types of funds comprise the financial activities of the City of La Cygne, Kansas:

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Basis of Presentation - Fund Accounting (Continued)

GOVERNMENTAL FUNDS

General Fund -- to account for all unrestricted resources except those required to be accounted for in another fund.

Special Revenue Funds -- to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expenditure for specified purposes.

Capital Project Funds -- the Capital Project Funds account for capital improvements (except for those financed by proprietary funds) which are financed from the city's general obligation bond issues, special assessments, certain federal grants and other specific receipts.

Debt Service Fund -- to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt, and the financing of special assessments which are general obligations of the City of La Cygne, Kansas.

PROPRIETARY FUNDS

Enterprise Funds -- to account for operations that are financed and operated in a manner similar to private business enterprises -- where the stated intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges -- or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

FIDUCIARY FUNDS

Trust and Agency Funds -- to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. These include Expendable Trust Funds and Agency Funds.

Statutory Basis of Accounting

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Statutory Basis of Accounting (continued)

would be charged in the fund from which the transfer is made. 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 municipality to use the statutory basis of accounting.

Departures from Generally Accepted Accounting Principles

The basis of presentation described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown non-cash assets such as receivables, inventories and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under generally accepted accounting principles, encumbrances are only recognized as a reservation of fund balance, encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

As discussed previously, component units are not included in these financial statements.

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

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. As shown in Note 13, the Special Park and Pool Fund was amended in 2011.

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.

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)
Budgetary Information (continued)

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, fiduciary funds, reserve accounts established by bond ordinances, and the following special revenue funds:

- Capital Improvement Fund (K.S.A. 12-1,118)
- Equipment Reserve Fund (K.S.A. 12-1,117)
- Special Pool Project Fund (K.S.A. 12-1,118)

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

Cash and Investments

Cash includes amounts in demand and time deposit checking accounts. The Statutes of the State of Kansas allow Kansas municipalities to invest in savings accounts, certificates of deposit and United States Treasury Obligations. As of and during the year ended December 31, 2011, the City's funds were invested in an interest bearing money market checking account, certificates of deposit, and U.S. Treasury bills or HH bonds, which are acceptable investments in accordance with Kansas statutes.

Compensated Absences

Full-time employees earn and accumulate vacation leave from 10 to 21 days a year after one to eight years of employment. Vacation is not earned for partial years worked. Vacation leave may accumulate from 18 to 30 days based on the number of years of employment with the City.

Full-time employees earn and accumulate sick leave after six months of employment at the rate of one day per month worked. Sick leave may be accumulated up to 180 days. Accumulated sick leave is lost upon termination of employment with the City.

The City records a liability for compensated absences which meet the following criteria:

1. The City's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated and is material.

In accordance with the above criteria, the City has accrued a liability for vacation pay which has been earned but not taken by City employees. The liability is shown as a long-term obligation of the City, inasmuch as the liability is not expected to be paid with current resources.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Pension Plan

Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System, which is a multi-employer statewide pension plan. The City's policy is to fund all pension costs accrued. Such costs to be funded are actuarially determined annually by the State.

Termination and Post Employment Benefits

No termination benefits are provided to City employees when employment with the City ends except for the accrued compensated absences as discussed in Note 1.

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government 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 these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government 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. There is no cost to the City under this program.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis 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 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. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. At December 31, such taxes are a lien on the property.

Memorandum Only Totals

Totals are marked Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operations, or cash flows in conformity with accounting principles generally accepted in the United States of America.

Comparative Data

Comparative Data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, complete comparative data in each of the statements have not been presented since their inclusion would make the statements unduly complex and difficult to read.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance With Kansas Statutes

These financial statements are designed to show compliance with the cash-basis and budget laws of Kansas. As shown in Statements 1 and 2, the City was in apparent compliance with the cash-basis and budget laws of Kansas.

3. CASH INVESTMENTS AND DEPOSITS WITH FINANCIAL INSTITUTIONS

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 Government is located 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 Government has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Government'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 Government has no investment policy that would further limit its investment choices, but has limited the investments to time deposits at the local bank.

Concentration of credit risk. State statutes place no limit on the amount the Government 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 Government's deposits may not be returned to it. State statutes require the Government'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 does not have any "peak periods" designated.

At December 31, 2011 the City's carrying amount of deposits was \$1,132,680.08 and the bank balance was \$1,195,230.08. The bank balance was primarily held by one bank resulting in a concentration of credit risk. Of the bank balance, \$254,837.10 was covered by federal depository insurance, and the remaining \$940,392.98 was collateralized with securities totaling \$1,403,350.90 held by the pledging financial institutions' agents in the City's name.

The City's investments consist of U.S. Treasury HH bonds recorded at cost of \$2,000 and a U.S. Treasury Bond totaling \$55,915.73, scheduled to mature in 2031. Market value is approximately the same as cost for the investments. The HH bonds are in the City's name and held in the City's safe deposit box at a local bank. The Treasury Bond is held by an agent in the City's safekeeping account.

4. INDUSTRIAL REVENUE BONDS

The City has entered into an agreement with a local business to locate or expand operations in and around LaCygne. In connection therewith, the City has issued industrial revenue bonds (IRB's) on September 1, 2005 totaling \$35,922,500, which require the business to make lease payments to a trust account sufficient to pay debt service on the IRB's. The City is under no obligation to pay the IRB debt, which is to be paid from the lease payments made by the related business.

5. DEFINED BENEFIT PENSION PLAN

Plan Description

The City participates in the Kansas Public Employees Retirement System ("KPERS"), a cost-sharing multiple-employer defined 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 supplementary information. That report may be obtained by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603), or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary for all employees except that the rate was raised to 6% for employees hired after July 1, 2009. Member – employee's contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. 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, 2011 to December 31, 2011, was 7.74%. The City employer contributions to KPERS, for the years ending December 31, 2011, 2010, and 2009, were \$25,298.17, \$24,607.33, and \$20,834.24, equal to the statutory required contributions for the respective years.

6. CUSTOMER DEPOSITS

Water and Gas customers are required to make cash deposits to the City when starting new water service. The deposits are refunded to the customers when service is terminated. At December 31, the City has \$33,600.00 of customer deposits, of which \$10,650.00 is included with Water Utility Fund cash and \$22,950.00 is included in Gas Utility Fund cash in these financial statements.

7. MAJOR CUSTOMERS AND SUPPLIERS

During 2011, the City purchased, from one vendor, gas totaling \$262,246.99 for resale to City customers of the Gas Utility Fund.

8. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees health and life; and natural disasters. The City manages these risks of loss through various insurance policies.

9. INTERFUND TRANSFERS

Operating transfers during the year and the related statutory authority were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
Water Utility	Bond & Interest	12-825d	\$41,498.00
General	Equipment Reserve	12-1, 117	6,356.00
General	Capital Improvement	12-1, 118	6,356.00

10. CAPITAL PROJECTS

At year-end, capital project authorizations with approved change orders compared with expenditures from inception are as follows:

<u>Project Authorization</u>	<u>Street Resurfacing Project</u>	<u>Pool Project</u>
Proceeds from Debt	\$ 250,000	\$ 1,620,000
Interest Income	7,709	-
Total Authorization	<u>\$ 257,709</u>	<u>\$ 1,620,000</u>
Expenditures		
Capital Outlays	\$ 257,709	\$ 1,533,240
Debt Service	-	-
Totals	<u>\$ 257,709</u>	<u>\$ 1,533,240</u>

11. CONTINGENCIES

Grants are subject to additional audits by regulatory agents, the purpose of which is to ensure compliance with the specific conditions of the grants. Any liability for reimbursement which may arise as a result of the audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material and would not be payable by the City.

12. LITIGATION WITH RURAL WATER DISTRICTS

The City has signed contracts with two rural water districts (RWD’s) to sell water to the districts at wholesale for resale to the patrons of the districts through the year May 2029. Starting in July 2007, the districts started to purchase water from another supplier and no longer buy significant amounts from the City. The City has filed suit claiming a breach of contract with damages to include lost sales to the districts.

In April 2012, the City and the RWD’s met with a mediator in connection with the litigation. A mediated agreement is expected to be approved which includes the following significant terms:

- The RWD’s will pay \$45,000 within 10 days of execution of the final agreement.
- The RWD’s will make periodic payments of amounts yet to be determined to assist the City in meeting the debt service requirements of the 2002 Water System Bonds discussed in Note 15.
- The RWD’s will purchase wholesale water from the City after meeting their required minimum annual purchases from Public Wholesale Water Supply District #13.
- The wholesale price of the water shall be \$3.00 per thousand gallons for the first 6 years; \$3.60 per thousand gallons for the next 6 years; and \$4.20 per thousand through May, 2029, at which time the agreement between the City and RWD’s will end.

13. AMENDED BUDGETS

The Special Park and Pool budget was amended to allow for capital improvements totaling \$27,226 as follows:

<u>Special Park and Pool Fund</u>	<u>Original Budget</u>	<u>Amended Budget</u>
Receipts		
Intergovernmental	\$ 50,000	\$ 50,000
Pool	8,000	12,627
Other Receipts	<u>950</u>	<u>833</u>
Total Receipts	58,950	63,460
Beginning Unencumbered Cash	<u>44,943</u>	<u>51,129</u>
Resources Available	<u>\$ 103,893</u>	<u>\$ 114,589</u>
Expenditures		
Park Operating	\$ 23,185	\$ 23,185
Park Capital Outlay	16,346	43,572
Pool Operating	35,136	35,136
Pool Capital Outlay	<u>2,000</u>	<u>2,000</u>
Total Expenditures	<u>\$ 76,667</u>	<u>\$ 103,893</u>

14. SUBSEQUENT EVENTS

Management has evaluated events and transactions occurring subsequent to December 31, 2011 through the date of the issuance of the financial statements as shown in the Independent Auditors' Report on page two of these financial statements. During this period, there were no subsequent events requiring recognition in the financial statements or disclosure in the notes to the financial statements, except as discussed in Note 12.

15. LONG-TERM DEBT OBLIGATIONS

Details about the City's long-term obligations, changes in long term debt, and current maturities for the next five years and thereafter are recorded on the following two pages:

15. LONG TERM OBLIGATIONS (Continued)

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balances Beginning of Year	Additions/ New Debt	Reductions/ Principal Paid	Balances End of Year	Interest Paid
<u>General Obligation Bonds</u>									
Water System Series 2002	3.85% - 5%	08-30-2002	500,000	10-01-2022	\$ 365,000.00	\$ -	\$ 25,000.00	\$ 340,000.00	\$ 16,497.50
Gas Refunding 2009	2% to 4.25%	11-01-2009	1,305,000	11-01-2021	1,205,000.00	-	100,000.00	1,105,000.00	39,555.00
Total General Obligation Bonds					1,570,000.00	-	125,000.00	1,445,000.00	56,052.50
<u>Revenue Bonds</u>									
Pool Revenue Series 2009	2% to 5%	11-01-2009	1,620,000	11-01-1934	1,605,000.00	-	40,000.00	1,565,000.00	73,775.00
Total Temporary Notes					1,605,000.00	-	40,000.00	1,565,000.00	73,775.00
<u>Loan Agreements</u>									
Kansas Water Pollution Control Revolving Loan (See Note A below)									
Wastewater Treatment	3.58%	02-22-2000	463,898	03-01-2021	258,684.81	-	31,207.05	227,477.76	8,984.09
Total Loan Agreements					258,684.81	-	31,207.05	227,477.76	8,984.09
<u>Capital Leases</u>									
2008 Chevrolet 1500	4.50%	01-23-2008	35,126	01-23-2012	18,343.68	-	8,981.17	9,362.51	825.47
2008 Case 580 M Loader	5.384%	08-28-2008	49,950	08-28-2015	37,501.26	-	6,759.41	30,741.85	2,019.07
1990 Ford F-800 S&S	4.95%	06-20-2006	47,512	05-17-2013	22,362.58	-	22,362.58	-	1,530.62
GMC Tanker Truck	4.45%	12-17-2009	40,264	12-17-2015	34,270.76	-	6,284.83	27,985.93	1,525.05
Total Capital Leases					112,478.28	-	44,387.99	68,090.29	5,900.21
<u>Compensated Absences</u>									
Vacation Pay	N/A	N/A	N/A	N/A	18,740.09	(2,815.91)	-	15,924.18	N/A
Total Long Term Debt					\$ 3,564,903.18	\$ (2,815.91)	\$ 240,595.04	\$ 3,321,492.23	\$ 144,711.80

Note A: The City received the final advance on this loan in January 2012 totalling \$95,273. The debt service requirements for this loan include the January 2012 advance.

15. LONG TERM OBLIGATIONS (Continued)

PRINCIPAL	2012	2013	2014	2015	2016	2017 to 2021	2022 to 2026	2027 to 2031	2032 to 2036	Totals
<u>General Obligation Bonds</u>										
Water System Series 2002	\$ 25,000	\$ 25,000	\$ 25,000	\$ 30,000	\$ 30,000	\$ 165,000	\$ 40,000	\$ -	\$ -	\$ 340,000
Gas Refunding 2009	105,000	105,000	110,000	115,000	120,000	550,000	-	-	-	1,105,000
Total General Obligation Bonds	130,000	130,000	135,000	145,000	150,000	715,000	40,000	-	-	1,445,000
<u>Revenue Bonds</u>										
Pool Revenue Series 2009	40,000	40,000	40,000	45,000	45,000	260,000	330,000	410,000	355,000	1,565,000
Total Revenue Bonds	40,000	40,000	40,000	45,000	45,000	260,000	330,000	410,000	355,000	1,565,000
<u>Loan Agreements</u>										
Kansas Water Pollution Control (See Note A on page 15.)										
Revolving Loan	28,554	28,214	29,265	30,322	31,417	174,949	-	-	-	322,721
Total Loan Agreements	28,554	28,214	29,265	30,322	31,417	174,949	-	-	-	322,721
<u>Capital Leases</u>										
2008 Chevrolet 1500	9,363	-	-	-	-	-	-	-	-	9,363
2008 Case 580 M Loader	7,123	7,507	7,911	8,201	-	-	-	-	-	30,742
GMC Tanker Truck	6,565	6,857	7,162	7,403	-	-	-	-	-	27,986
Total Capital Leases	23,050	14,363	15,073	15,604	-	-	-	-	-	68,090
TOTAL PRINCIPAL	\$ 221,604	\$ 212,578	\$ 219,337	\$ 235,925	\$ 226,417	\$ 1,149,949	\$ 370,000	\$ 410,000	\$ 355,000	\$ 3,400,811
<u>INTEREST</u>										
<u>General Obligation Bonds</u>										
Water System Series 2002	\$ 15,498	\$ 14,473	\$ 13,423	\$ 12,348	\$ 11,028	\$ 33,650	\$ 1,900	\$ -	\$ -	\$ 102,318
Gas Refunding 2009	37,040	34,205	31,085	27,595	23,715	49,149	-	-	-	202,789
Total General Obligation Bonds	\$ 52,538	\$ 48,678	\$ 44,508	\$ 39,943	\$ 34,743	\$ 82,799	\$ 1,900	\$ -	\$ -	\$ 305,107
<u>Revenue Bonds</u>										
Pool Revenue Series 2009	72,975	71,975	70,875	68,675	66,200	303,150	240,075	152,000	38,750	1,084,675
Total Revenue Bonds	72,975	71,975	70,875	68,675	66,200	303,150	240,075	152,000	38,750	1,084,675
<u>Loan Agreements</u>										
Kansas Water Pollution Control										
Revolving Loan	9,973	10,282	9,262	8,204	7,109	17,682	-	-	-	62,511
Total Loan Agreements	9,973	10,282	9,262	8,204	7,109	17,682	-	-	-	62,511
<u>Capital Leases</u>										
2008 Chevrolet 1500	421	-	-	-	-	-	-	-	-	421
2008 Case 580 M Loader	1,655	1,272	867	442	-	-	-	-	-	4,236
GMC Tanker Truck	1,245	953	648	329	-	-	-	-	-	3,176
Total Capital Leases	3,322	2,225	1,516	771	-	-	-	-	-	7,833
TOTAL INTEREST	\$ 138,807	\$ 133,159	\$ 126,160	\$ 117,593	\$ 108,052	\$ 403,631	\$ 241,975	\$ 152,000	\$ 38,750	\$ 1,460,126

CITY OF LA CYGNE, KANSAS
For the Year Ended December 31, 2011

SUPPLEMENTAL INFORMATION

CITY OF LA CYGNE, KANSAS
 Summary of Expenditures - Actual and Budget
 For the Year Ended December 31, 2011

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures		Variance - Favorable (Unfavorable)
				Charged to Current Year Budget	Current Year Budget	
GOVERNMENTAL TYPE FUNDS						
General Fund	\$546,027.00	-	\$546,027.00	\$469,317.92	\$469,317.92	\$76,709.08
Special Revenue Funds						
Oak Lawn Cemetery	21,723.00	-	21,723.00	18,432.99	18,432.99	3,290.01
Employee Benefit	211,801.00	-	211,801.00	136,969.13	136,969.13	74,831.87
Special Park and Recreation	13,855.00	-	13,855.00	274.38	274.38	13,580.62
Special Highway	30,794.00	-	30,794.00	28,948.46	28,948.46	1,845.54
Special Park and Pool	103,893.00	-	103,893.00	95,412.77	95,412.77	8,480.23
Pool Project	126,279.00	-	126,279.00	113,934.96	113,934.96	12,344.04
Debt Service Fund						
General Bond and Interest	41,502.00	-	41,502.00	41,501.50	41,501.50	0.50
PROPRIETARY TYPE FUNDS						
Enterprise Funds						
Water Utility	608,235.00	-	608,235.00	452,336.98	452,336.98	155,898.02
Gas Utility	879,208.00	-	879,208.00	499,779.78	499,779.78	379,428.22
Sewer Utility	141,096.00	-	141,096.00	105,467.22	105,467.22	35,628.78
Solid Waste Utility	14,000.00	-	14,000.00	8,686.87	8,686.87	5,313.13
FIDUCIARY TYPE FUNDS						
Trust Funds						
Pollman Cemetery	3,800.00	-	3,800.00	1,156.07	1,156.07	2,643.93
	<u>\$2,742,213.00</u>					

CITY OF LA CYGNE, KANSAS
GENERAL FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011

(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Taxes				
Ad Valorem property tax	\$247,814.77	\$262,700.56	\$266,966.00	(\$4,265.44)
Delinquent tax	10,528.26	12,846.96	-	12,846.96
Motor vehicle tax	28,952.92	28,114.11	35,071.00	(6,956.89)
Franchise taxes	24,476.52	25,130.33	19,000.00	6,130.33
Sales tax	121,385.74	164,645.00	115,000.00	49,645.00
Local alcohol tax	3,941.94	3,160.40	3,969.00	(808.60)
Intergovernmental				
Kansas Department of Transportation	252.00	-	-	-
County park appropriation	-	-	1,200.00	(1,200.00)
Compactor appropriation	3,900.00	3,900.00	3,900.00	-
Fines, Forfeitures and Penalties	20,385.89	25,531.68	8,200.00	17,331.68
Licenses and Permits				
Dog licenses	285.00	530.00	200.00	330.00
Other	1,209.00	1,947.00	1,000.00	947.00
Use of Money and Property				
Interest	1,263.22	1,796.23	3,500.00	(1,703.77)
Other				
Community building	2,100.00	2,105.00	1,000.00	1,105.00
Fiesta receipts	2,940.00	3,252.35	3,000.00	252.35
Miscellaneous	6,137.48	5,956.87	500.00	5,456.87
Operating Transfers from Other Funds				
Equipment Reserve	22,800.00	-	-	-
Capital Improvement	17,200.00	-	-	-
	<u>515,572.74</u>	<u>541,616.49</u>	<u>\$462,506.00</u>	<u>\$79,110.49</u>

**CITY OF LA CYGNE, KANSAS
GENERAL FUND**

Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance - Favorable (Unfavorable)
		Actual	Budget	
Expenditures				
General				
Personal services	\$18,066.87	\$17,274.15	\$22,872.00	\$5,597.85
Contractual services	29,695.08	37,674.05	43,700.00	6,025.95
Commodities	8,508.10	9,024.42	13,300.00	4,275.58
Capital Outlay	6,927.70	364.00	31,545.00	31,181.00
Neighborhood revitalization	-	-	-	-
General - Fiesta				
Contractual services	2,387.00	1,962.40	4,250.00	2,287.60
Commodities	2,574.42	1,727.25	4,000.00	2,272.75
Public Safety - Police				
Personal services	100,019.80	113,332.47	110,000.00	(3,332.47)
Contractual services	28,540.04	36,453.51	20,900.00	(15,553.51)
Commodities	21,482.80	23,072.71	18,500.00	(4,572.71)
Capital Outlay	6,829.25	8,652.70	16,075.00	7,422.30
Public Safety - Fire				
Personal services	9,335.00	9,280.00	11,000.00	1,720.00
Contractual services	14,431.55	16,867.93	25,450.00	8,582.07
Commodities	17,282.42	8,758.68	15,600.00	6,841.32
Capital Outlay	4,443.99	3,668.87	13,415.00	9,746.13
Highways and Streets				
Personal services	25,258.81	21,686.62	20,092.00	(1,594.62)
Contractual services	7,168.90	6,344.70	12,225.00	5,880.30
Commodities	15,647.06	12,474.22	34,300.00	21,825.78
Capital Outlay	4,900.00	16,609.19	46,188.00	29,578.81
Cultural and Recreation - Park and Recreation				
Personal services	140.00	-	-	-
Contractual services	-	1,200.00	-	(1,200.00)
Cultural and Recreation - Community Building				
Personal services	153.35	44.50	150.00	105.50
Contractual services	11,179.09	8,410.54	13,250.00	4,839.46
Commodities	427.63	476.40	1,000.00	523.60
Capital Outlay	-	-	-	-
Public Cemetery				
Contractual services	20,000.00	20,000.00	20,000.00	-
Public Health				
Personal services	15,866.86	14,638.08	17,035.00	2,396.92
Contractual services	-	-	-	-
Commodities	143.72	-	500.00	-

**CITY OF LA CYGNE, KANSAS
GENERAL FUND**

Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance - Favorable (Unfavorable)
		Actual	Budget	
Expenditures (Continued)				
Emergency Preparedness				
Personal services	-	-	-	-
Contractual services	476.22	-	1,250.00	1,250.00
Commodities	1,882.53	307.18	1,250.00	942.82
Employee Benefits				
Contractual services	-	22,597.00	-	(22,597.00)
Debt Service on Temporary Notes				
Principal	64,000.00	-	-	-
Interest	1,280.00	-	-	-
Debt Service on Capital Lease				
Principal	22,953.07	39,352.08	28,180.00	(11,172.08)
Interest	5,075.84	4,352.27	-	(4,352.27)
Debt Service on Bonds				
Principal	-	-	-	-
Interest	-	-	-	-
Fees	-	-	-	-
Operating Transfers to Other Funds				
Capital Improvement	-	6,356.00	-	(6,356.00)
Equipment Reserve	-	6,356.00	-	(6,356.00)
Oak Lawn Cemetery	-	-	-	-
Total Expenditures	467,077.10	469,317.92	546,027.00	76,709.08
Qualifying Budget Credits				
Reimbursed Expenses	-	-	-	-
Total Expenditures	467,077.10	469,317.92	\$546,027.00	\$76,709.08
Receipts Over (Under) Expenditures	48,495.64	72,298.57		
Unencumbered Cash, Beginning	110,335.22	158,830.86		
Unencumbered Cash, Ending	<u>\$158,830.86</u>	<u>\$231,129.43</u>		

CITY OF LA CYGNE, KANSAS
SPECIAL HIGHWAY FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Intergovernmental				
State gasoline tax	\$29,307.33	\$29,020.71	\$30,760.00	(\$1,739.29)
Use of Money and Property				
Interest	36.02	9.40	-	9.40
Other				
Miscellaneous	-	-	-	-
Total Cash Receipts	<u>29,343.35</u>	<u>29,030.11</u>	<u>\$30,760.00</u>	<u>(\$1,729.89)</u>
Expenditures				
Streets and Highways				
Personal services	13,061.61	12,686.06	\$30,794.00	\$18,107.94
Contractual services	2,823.03	4,890.58	-	(4,890.58)
Commodities	9,617.36	11,371.82	-	(11,371.82)
Total Expenditures	<u>25,502.00</u>	<u>28,948.46</u>	<u>\$30,794.00</u>	<u>\$1,845.54</u>
Receipts Over (Under) Expenditures	3,841.35	81.65		
Unencumbered Cash, Beginning	<u>34.03</u>	<u>3,875.38</u>		
Unencumbered Cash, Ending	<u>\$3,875.38</u>	<u>\$3,957.03</u>		

CITY OF LA CYGNE, KANSAS
SPECIAL PARK AND POOL FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2011

(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Intergovernmental				
Lincoln Township appropriation	\$50,000.00	\$50,000.00	\$50,000.00	-
Kansas Department of Transportation	494.81	-	-	-
Use of Money and Property				
Interest	383.08	317.74	325.00	(7.26)
Other				
Pool receipts	10,511.02	18,039.68	12,627.00	5,412.68
Miscellaneous	-	521.62	508.00	13.62
Total Cash Receipts	61,388.91	68,879.04	\$63,460.00	\$5,419.04
Expenditures				
Cultural and Recreation - Park				
Personal services	8,622.74	6,788.68	\$11,385.00	\$4,596.32
Contractual services	4,525.27	4,864.44	4,300.00	(564.44)
Commodities	4,447.13	2,904.59	7,500.00	4,595.41
Capital Outlay	10,231.63	40,047.98	43,572.00	3,524.02
Cultural and Recreation - Pool				
Personal services	18,599.74	23,488.27	24,386.00	897.73
Contractual services	3,490.27	6,185.73	6,750.00	564.27
Commodities	5,725.16	9,731.25	4,000.00	(5,731.25)
Capital Outlay	-	1,401.83	2,000.00	598.17
Total Expenditures	55,641.94	95,412.77	\$103,893.00	\$8,480.23
Receipts Over (Under) Expenditures	5,746.97	(26,533.73)		
Unencumbered Cash, Beginning	45,382.21	51,129.18		
Unencumbered Cash, Ending	<u>\$51,129.18</u>	<u>\$24,595.45</u>		

CITY OF LA CYGNE, KANSAS
SPECIAL PARK AND RECREATION FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2011

(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Use of Money and Property				
Interest	\$24.67	\$20.67	\$25.00	(\$4.33)
Taxes				
Local alcohol tax	3,941.92	3,160.40	3,969.00	(808.60)
Intergovernmental				
County park appropriation	1,200.00	1,200.00	-	1,200.00
Total Cash Receipts	5,166.59	4,381.07	\$3,994.00	\$387.07
Expenditures				
Recreation				
Contractual services	954.66	274.38	\$13,855.00	\$13,580.62
Total Expenditures	954.66	274.38	\$13,855.00	\$13,580.62
Receipts Over (Under) Expenditures	4,211.93	4,106.69		
Unencumbered Cash, Beginning	6,585.99	10,797.92		
Unencumbered Cash, Ending	\$10,797.92	\$14,904.61		

CITY OF LA CYGNE, KANSAS
OAK LAWN CEMETERY FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2011

(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Use of Money and Property				
Interest	\$12.16	\$7.74	\$20.00	(\$12.26)
Other				
Reimbursed expenses - General	20,000.00	20,000.00	20,000.00	-
Reimbursed expenses - Pollman	1,359.58	1,156.07	1,300.00	(143.93)
Miscellaneous	20.00	204.36	-	204.36
Total Cash Receipts	21,391.74	21,368.17	\$21,320.00	\$48.17
Expenditures				
General				
Personal services	10,243.46	12,114.32	\$9,686.00	(\$2,428.32)
Contractual services	1,113.48	722.97	3,050.00	2,327.03
Commodities	2,238.72	2,795.70	4,500.00	1,704.30
Capital Outlay	4,654.19	2,800.00	4,487.00	1,687.00
Total Expenditures	18,249.85	18,432.99	\$21,723.00	\$3,290.01
Receipts Over (Under) Expenditures	3,141.89	2,935.18		
Unencumbered Cash, Beginning	402.80	3,544.69		
Unencumbered Cash, Ending	\$3,544.69	\$6,479.87		

CITY OF LA CYGNE, KANSAS
EMPLOYEE BENEFIT FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011

(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Taxes				
Ad Valorem property tax	\$111,504.17	\$128,128.36	\$130,201.00	(\$2,072.64)
Delinquent tax	5,031.20	6,267.59	4,000.00	2,267.59
Motor vehicle tax	15,001.30	12,653.41	15,163.00	(2,509.59)
Use of Money and Property				
Interest	624.70	247.24	750.00	(502.76)
Other				
Miscellaneous	-	-	9,955.00	(9,955.00)
Total Cash Receipts	<u>132,161.37</u>	<u>147,296.60</u>	<u>\$160,069.00</u>	<u>(\$12,772.40)</u>
Expenditures				
Employee Benefits				
Contractual services				
Retirement	22,312.30	23,395.24	\$28,810.00	\$5,414.76
Social Security	30,280.35	29,752.67	35,545.00	5,792.33
Unemployment	2,586.57	7,177.55	4,446.00	(2,731.55)
Worker's Compensation	24,611.07	2,151.00	18,000.00	15,849.00
Health Insurance	93,821.88	74,042.56	115,000.00	40,957.44
Insurance Reserve	-	-	10,000.00	10,000.00
Neighborhood Revitalization Rebate	-	-	-	-
Miscellaneous	353.78	450.11	-	(450.11)
Total Expenditures	<u>173,965.95</u>	<u>136,969.13</u>	<u>\$211,801.00</u>	<u>\$74,831.87</u>
Receipts Over (Under) Expenditures	(41,804.58)	10,327.47		
Unencumbered Cash, Beginning	<u>62,323.65</u>	<u>20,519.07</u>		
Unencumbered Cash, Ending	<u>\$20,519.07</u>	<u>\$30,846.54</u>		

CITY OF LA CYGNE, KANSAS
POOL FUND RAISER FUND

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Other		
Fundraising	\$1,560.00	-
Miscellaneous	1,793.00	-
Total Cash Receipts	3,353.00	-
Expenditures		
Cultural and Recreation - Pool		
Contractual services	400.00	343.00
Commodities	-	-
Total Expenditures	400.00	343.00
Receipts Over (Under) Expenditures	2,953.00	(343.00)
Unencumbered Cash, Beginning	2,149.35	5,102.35
Unencumbered Cash, Ending	<u>\$5,102.35</u>	<u>\$4,759.35</u>

**CITY OF LA CYGNE, KANSAS
SPECIAL POOL PROJECT FUND**

Schedule of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2011
(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Other		
Miscellaneous	-	-
Use of Money and Property		
Interest	291.90	189.34
Total Cash Receipts	291.90	189.34
Expenditures		
Cultural and Recreation - Pool		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	291.90	189.34
Unencumbered Cash, Beginning	32,530.02	32,821.92
Unencumbered Cash, Ending	<u>\$32,821.92</u>	<u>\$33,011.26</u>

CITY OF LA CYGNE, KANSAS
EQUIPMENT RESERVE FUND
 Schedule of Cash Receipts and Expenditures - Actual
 For the Year Ended December 31, 2011
 (With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Operating Transfers from Other Funds		
General	-	\$6,356.00
Total Cash Receipts	-	6,356.00
Expenditures		
Commodities	2,662.65	-
Capital Outlays	-	-
Operating Transfers to Other Funds		
General	22,800.00	-
Total Expenditures	25,462.65	-
Receipts Over (Under) Expenditures	(25,462.65)	6,356.00
Unencumbered Cash, Beginning	26,505.75	1,043.10
Unencumbered Cash, Ending	<u>\$1,043.10</u>	<u>\$7,399.10</u>

CITY OF LA CYGNE, KANSAS
CAPITAL IMPROVEMENT FUND
 Schedule of Cash Receipts and Expenditures - Actual
 For the Year Ended December 31, 2011
 (With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Operating Transfers from Other Funds		
General	-	\$6,356.00
Total Cash Receipts	-	6,356.00
Expenditures		
Commodities	325.00	(325.00)
Operating Transfers to Other Funds		
General	17,200.00	-
Total Expenditures	17,525.00	(325.00)
Receipts Over (Under) Expenditures	(17,525.00)	6,681.00
Unencumbered Cash, Beginning	31,299.74	13,774.74
Unencumbered Cash, Ending	<u>\$13,774.74</u>	<u>\$20,455.74</u>

CITY OF LA CYGNE, KANSAS
POOL PROJECT FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Taxes				
Sales Tax	\$121,385.69	\$164,644.99	115,000.00	\$49,644.99
Use of Money and Property				
Interest	5,002.98	2,766.84	20.00	2,746.84
Other				
Reimbursed expenses - General	6,537.34	870.00	-	870.00
Proceeds of GO Bonds for Pool Project				
Principal	-	-	-	-
Accrued Interest	3,355.80	-	-	-
Total Cash Receipts	136,281.81	168,281.83	\$115,020.00	\$53,261.83
Expenditures				
Capital Outlays - Pool Project	234,925.23	159.96	\$12,504.00	\$12,344.04
Debt Service on Bond				
Principal	15,000.00	40,000.00	40,000.00	-
Interest	74,075.00	73,775.00	73,775.00	-
Total Expenditures	324,000.23	113,934.96	\$126,279.00	\$12,344.04
Receipts Over (Under) Expenditures	(187,718.42)	54,346.87		
Unencumbered Cash, Beginning	325,982.83	138,264.41		
Unencumbered Cash, Ending	<u>\$138,264.41</u>	<u>\$192,611.28</u>		

CITY OF LA CYGNE, KANSAS
STREET RESURFACING PROJECT FUND
 Schedule of Cash Receipts and Expenditures - Actual
 For the Year Ended December 31, 2011
 (With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Use of Money and Property		
Interest	\$2,229.86	\$990.55
Total Cash Receipts	2,229.86	990.55
Expenditures		
Contractual services	190,552.50	66,262.56
Total Expenditures	190,552.50	66,262.56
Receipts Over (Under) Expenditures	(188,322.64)	(65,272.01)
Unencumbered Cash, Beginning	253,594.65	65,272.01
Unencumbered Cash, Ending	<u>\$65,272.01</u>	<u>-</u>

CITY OF LA CYGNE, KANSAS
GENERAL BOND AND INTEREST FUND
Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Use of Money and Property				
Interest	\$217.07	\$60.58	\$325.00	(\$264.42)
Operating Transfers from Other Funds				
Water Utility	37,268.00	41,498.00	41,498.00	-
Total Cash Receipts	<u>37,485.07</u>	<u>41,558.58</u>	<u>\$41,823.00</u>	<u>(\$264.42)</u>
Expenditures				
Debt Service				
Principal	20,000.00	25,000.00	\$25,000.00	-
Interest	17,267.50	16,497.50	16,498.00	0.50
Other	3.75	4.00	4.00	-
Total Expenditures	<u>37,271.25</u>	<u>41,501.50</u>	<u>\$41,502.00</u>	<u>\$0.50</u>
Receipts Over (Under) Expenditures	213.82	57.08		
Unencumbered Cash, Beginning	<u>19,811.65</u>	<u>20,025.47</u>		
Unencumbered Cash, Ending	<u>\$20,025.47</u>	<u>\$20,082.55</u>		

CITY OF LA CYGNE, KANSAS
GAS UTILITY FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Operating Income				
Gas sales	\$499,071.67	\$513,145.88	\$700,000.00	(\$186,854.12)
Penalties	7,816.69	7,095.26	8,000.00	(904.74)
Miscellaneous	7,415.32	8,582.11	4,000.00	4,582.11
Use of Money and Property				
Interest	5,113.04	4,200.53	4,750.00	(549.47)
Other				
Customer deposits	6,702.50	8,560.00	7,500.00	1,060.00
Sales tax	8,975.18	10,395.55	12,750.00	(2,354.45)
Total Cash Receipts	535,094.40	551,979.33	\$737,000.00	(\$185,020.67)
Expenditures				
Acquisition and Distribution				
Personal services	44,841.69	42,432.81	\$40,991.00	(\$1,441.81)
Contractual services	309,364.06	11,828.54	31,225.00	19,396.46
Commodities	22,262.02	276,655.99	421,700.00	145,044.01
Nonoperating Expenses				
Sales tax	8,657.29	10,639.19	16,500.00	5,860.81
Customer deposits	11,174.72	6,019.97	10,800.00	4,780.03
Capital Outlays	-	10,453.66	216,240.00	205,786.34
Debt Service on Bonds				
Principal	100,000.00	100,000.00	100,000.00	-
Interest	40,400.13	39,555.00	39,555.00	-
Other	-	-	2.00	2.00
Debt Service on Capital Leases				
Principal	1,590.81	1,678.64	1,683.00	4.36
Interest	603.81	515.98	512.00	(3.98)
Total Expenditures	538,894.53	499,779.78	\$879,208.00	\$379,428.22
Receipts Over (Under) Expenditures	(3,800.13)	52,199.55		
Unencumbered Cash, Beginning	180,480.05	176,679.92		
Unencumbered Cash, Ending	\$176,679.92	\$228,879.47		

CITY OF LA CYGNE, KANSAS
WATER UTILITY FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Operating Income				
Water sales	\$217,193.70	\$230,022.98	\$204,000.00	\$26,022.98
Penalties	4,916.36	5,193.64	4,000.00	1,193.64
Miscellaneous	2,015.83	724.67	2,000.00	(1,275.33)
Use of Money and Property				
Interest	4,118.42	2,649.62	5,000.00	(2,350.38)
Other				
Customer deposits	3,450.00	3,825.00	3,500.00	325.00
Sales and protection taxes	3,030.81	3,292.28	2,800.00	492.28
Total Cash Receipts	234,725.12	245,708.19	\$221,300.00	\$24,408.19
Expenditures				
Water Production				
Personal services	60,095.13	61,468.37	\$62,780.00	\$1,311.63
Contractual services	49,369.29	209,421.95	75,850.00	(133,571.95)
Commodities	30,371.41	42,323.09	32,450.00	(9,873.09)
Water Distribution				
Personal services	42,225.74	44,164.22	43,406.00	(758.22)
Contractual services	18,479.28	20,553.79	33,650.00	13,096.21
Commodities	16,768.25	17,166.31	20,000.00	2,833.69
Nonoperating Expenses				
Deposit	4,634.36	3,180.14	6,350.00	3,169.86
Sales and protection taxes	3,792.85	3,607.49	3,300.00	(307.49)
Capital Outlays				
Water Production	-	1,990.00	143,378.00	141,388.00
Water Distribution	-	4,769.00	143,378.00	138,609.00
Debt Service				
Principal	1,590.82	1,678.64	1,683.00	4.36
Interest	603.80	515.98	512.00	(3.98)
Operating Transfers to Other Funds				
General Bond and Interest	37,268.00	41,498.00	41,498.00	-
Total Expenditures	265,198.93	452,336.98	\$608,235.00	\$155,898.02
Receipts Over (Under) Expenditures	(30,473.81)	(206,628.79)		
Unencumbered Cash, Beginning	453,298.04	422,824.23		
Unencumbered Cash, Ending	<u>\$422,824.23</u>	<u>\$216,195.44</u>		

CITY OF LA CYGNE, KANSAS
SEWER UTILITY FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2011
(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Operating Income				
Sewer charges	\$103,139.80	\$106,350.98	\$105,000.00	\$1,350.98
Penalties	3,097.40	3,332.03	2,350.00	982.03
Miscellaneous	810.18	3,194.23	-	3,194.23
Use of Money and Property				
Interest	520.67	361.39	-	361.39
Total Cash Receipts	107,568.05	113,238.63	\$107,350.00	\$5,888.63
Expenditures				
Collection and Disposal				
Personal services	33,552.44	31,939.74	\$36,042.00	\$4,102.26
Contractual services	22,683.68	16,047.96	27,950.00	11,902.04
Commodities	23,262.49	14,443.77	19,850.00	5,406.23
Capital Outlays	11,771.95	650.00	14,869.00	14,219.00
Debt Service on Capital Leases				
Principal	1,609.28	1,678.63	1,682.00	3.37
Interest	585.34	515.98	511.00	(4.98)
Debt Service on Revolving Loan				
Principal	30,119.13	31,207.05	27,447.00	(3,760.05)
Interest	10,072.01	8,984.09	12,745.00	3,760.91
Other	-	-	-	-
Total Expenditures	133,656.32	105,467.22	\$141,096.00	\$35,628.78
Receipts Over (Under) Expenditures	(26,088.27)	7,771.41		
Unencumbered Cash, Beginning	59,316.57	33,228.30		
Unencumbered Cash, Ending	<u>\$33,228.30</u>	<u>\$40,999.71</u>		

CITY OF LA CYGNE, KANSAS
SOLID WASTE UTILITY FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2011

(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Operating Income				
Customer service	\$7,905.48	\$8,397.52	\$8,000.00	\$397.52
Use of Money and Property				
Interest	27.59	14.54	50.00	(35.46)
Other				
Miscellaneous	663.00	674.00	650.00	24.00
Total Cash Receipts	8,596.07	9,086.06	\$8,700.00	\$386.06
Expenditures				
Collection and Disposal				
Contractual services	8,442.40	8,686.87	\$14,000.00	\$5,313.13
Total Expenditures	8,442.40	8,686.87	\$14,000.00	\$5,313.13
Receipts Over (Under) Expenditures	153.67	399.19		
Unencumbered Cash, Beginning	7,476.89	7,630.56		
Unencumbered Cash, Ending	<u>\$7,630.56</u>	<u>\$8,029.75</u>		

CITY OF LA CYGNE, KANSAS
2009 GAS REFUNDING BONDS FUND
 Schedule of Cash Receipts and Expenditures - Actual
 For the Year Ended December 31, 2011
 (With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Other		
Miscellaneous	-	-
Total Cash Receipts	-	-
Expenditures		
Contractual services	1,293.43	-
Debt Service on Refunded Gas Bonds		
Principal	-	-
Interest	-	-
Other Refunding Costs	-	-
Total Expenditures	1,293.43	-
Receipts Over (Under) Expenditures	(1,293.43)	-
Unencumbered Cash, Beginning	1,293.43	-
Unencumbered Cash, Ending	-	-

CITY OF LA CYGNE, KANSAS
POLLMAN CEMETERY FUND

Schedule of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2011

(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year		Variance Favorable (Unfavorable)
		Actual	Budget	
Cash Receipts				
Use of Money and Property				
Lot sales	\$1,500.00	\$1,500.00	\$500.00	\$1,000.00
Interest	1,359.58	1,156.07	1,300.00	(143.93)
Total Cash Receipts	2,859.58	2,656.07	\$1,800.00	\$856.07
Expenditures				
Cemeteries				
Contractual services	1,359.58	1,156.07	\$1,300.00	\$143.93
Capital Outlay	-	-	2,500.00	2,500.00
Total Expenditures	1,359.58	1,156.07	\$3,800.00	\$2,643.93
Receipts Over (Under) Expenditures	1,500.00	1,500.00		
Unencumbered Cash, Beginning	43,704.33	45,204.33		
Unencumbered Cash, Ending	\$45,204.33	\$46,704.33		

CITY OF LA CYGNE, KANSAS
CLEARING FUND

Schedule of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2011
(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Other		
Miscellaneous	4,349.41	500.00
Total Cash Receipts	4,349.41	500.00
Expenditures		
General Government		
Contractual services	3,695.41	92,683.20
Commodities	654.00	250.00
Total Expenditures	4,349.41	92,933.20
Receipts Over (Under) Expenditures	-	(92,433.20)
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	(\$92,433.20)

CITY OF LA CYGNE, KANSAS
ENERGY ASSISTANCE FUND
 Schedule of Cash Receipts and Expenditures - Actual
 For the Year Ended December 31, 2011
 (With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Reimbursements from the State of Kansas	\$9,163.93	\$7,477.12
Total Cash Receipts	9,163.93	7,477.12
Expenditures		
Health and Welfare Contractual services	9,163.93	7,477.12
Total Expenditures	9,163.93	7,477.12
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-

CITY OF LA CYGNE, KANSAS
INSURANCE PROCEEDS FUND

Schedule of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2011

(With Comparative Actual Amounts for the Year Ended December 31, 2010)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Use of Money and Property		
Interest	-	-
Other		
Insurance proceeds	-	-
Total Cash Receipts	-	-
Expenditures		
General Government		
Capital Outlays	-	-
Total Expenditures	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	-	-