

CITY OF LOUISBURG, KANSAS

Financial Statements

For the Year Ended December 31, 2013

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CITY OF LOUISBURG, KANSAS
 Financial Statements
 For the Year Ended December 31, 2013

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MIZE & HOUSER
COMPANY P.A.

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Louisburg, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Louisburg, Kansas (the City), as of and for the year ended December 31, 2013, and the related notes to the financial statement. The prior year partial comparative information has been derived from the City's financial statements for the year ended December 31, 2012. In our report dated March 11, 2013, on these financial statements we expressed an adverse opinion as to presentation on the basis of generally accepted accounting principles and an unqualified opinion as to presentation on the Kansas regulatory basis of accounting.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is 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 City as of December 31, 2013, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2013, 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.

The financial statements include partial prior-year comparative information. Such information does not include all of the information required for a presentation in conformity with the Kansas prescribed basis of accounting. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2012, from which such partial information was derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Mike Houser: Company PA

Certified Public Accountants
Lawrence, Kansas

May 19, 2014

CITY OF LOUISBURG, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2013

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:						
General	\$ 2,645,849	\$ 1,963,362	\$ 2,479,264	\$ 2,129,947	\$ 39,659	\$ 2,169,606
Special Purpose Funds:						
Special Street Fund	1,380,266	877,808	289,935	1,968,139	-	1,968,139
Excise Tax Fund	204,479	28,324	-	232,803	-	232,803
Cops for Kids Fund	5,351	2,202	953	6,600	-	6,600
Aquatic Center Operations Fund	332,880	488,801	321,766	499,915	2,361	502,276
Lewis Young Park Donations Fund	68,221	14,762	-	82,983	-	82,983
Lewis Young Park Lighting Fund	47,134	7,048	-	54,182	-	54,182
Infrastructure Improvement Fund	379,160	200,482	-	579,642	-	579,642
Stormwater Fund	456,724	86,820	-	543,544	-	543,544
Cemetery Commission Fund	59,411	17,667	23,178	53,900	-	53,900
Fox Hall Commission Fund	32,016	10,480	5,638	36,858	-	36,858
Bond and Interest Funds:						
Bond and Interest Fund	1,140,020	6,573,589	6,564,800	1,148,809	-	1,148,809
Business Funds:						
Natural Gas Fund	1,975,875	1,159,892	1,351,326	1,784,441	172,628	1,957,069
Natural Gas Capital Improvement Fund	13,250	250,171	-	263,421	-	263,421
Water Fund	-	1,352,236	1,352,236	-	23,045	23,045
Water Capital Improvement Fund	466,047	410,109	78,844	797,312	-	797,312
Water Utility Surplus Fund	951,091	280,171	79,575	1,151,687	-	1,151,687
Wastewater Fund	1,089,693	452,043	530,562	1,011,174	8,444	1,019,618
Wastewater Capital Improvement Fund	60,087	50,322	-	110,409	-	110,409
State Revolving Loan Fund	-	-	-	-	-	-
Water/Sewer Bond Reserve Fund	280,000	-	-	280,000	-	280,000
Water/Sewer Depreciation Reserve Fund	304,636	21,164	150,000	175,800	-	175,800
Total	\$ 11,892,190	\$ 14,247,453	\$ 13,228,077	\$ 12,911,566	\$ 246,137	\$13,157,703

COMPOSITION OF CASH:

Peoples Bank	
Checking	\$ 141,971
Fox Hall	11,424
Petty Cash	935
Municipal Court	3,525
Freedom Fund	4,106
First National Bank	
Checking	1,881
Savings	18,598
Certificates of Deposit	40,060
Landmark	
Fox Hall Checking	6,835
First Option Bank	
Checking	12,935,364
Petty cash on hand	635
Total Cash	13,165,334
Agency Funds per Schedule 3	[7,631]
Total Reporting Entity (Excluding Agency Funds)	\$13,157,703

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

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

NOTE 1 – Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Louisburg (the City) is a municipal corporation governed by an elected council. These financial statements present the City (the primary government) and any related municipal entities of which the City is considered to be financially accountable. Blended municipal entities, although legally separate entities, are, in substance, part of the government's operations. Therefore, data from these entities are combined with data of the primary government.

The Fox Hall Commission is charged with the operation and management of the Fox Hall Community Building. It is comprised of five members appointed by the City Council. The Commission has a December 31 year end, and is reported as a special purpose fund.

In prior years, the Cemetery Commission Fund was presented as a blended municipal entity. During the year ended December 31, 2013, the City began showing the Cemetery Commission as a special purpose fund in its financial statements.

Basis of Accounting

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

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

Regulatory Basis Fund Types

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

The following types of funds comprise the financial activities of the City for the year ended December 31, 2013:

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.

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

NOTE 1 – Summary of Significant Accounting Policies (Continued)

Regulatory Basis Fund Types (Continued)

Business Fund – funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

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

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The budget was not amended for the year ended December 31, 2013.

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 City 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 certain special purpose, capital project, business, and trust 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.

Ad Valorem Tax Revenues

The determination of assessed valuations and collection of property taxes for all political subdivisions in the State of Kansas are the responsibility of the various counties. The County Appraiser annually determines assessed valuations on January 1 and the County Clerk spreads the annual assessment on the tax rolls. Property taxes are levied as of November 1 and become a lien on the property as of that date. Payments are due November 1, becoming delinquent, with penalty, December 21. Payments of 50% are accepted through December 20, with the second 50% then being due on or before May 10 of the following year.

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

NOTE 1 – Summary of Significant Accounting Policies (Continued)

Ad Valorem Tax Revenues (Continued)

The County Treasurer is the tax collection agent for all taxing entities within the County. The initial distribution to the subdivisions, including the City, is on or before January 20 of the ensuing year. Additional amounts are distributed on four (4) subsequent dates throughout the calendar year.

NOTE 2 - Deposits and Investments

Deposits. K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

Investments. K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices. As of December 31, 2013, the City held no such investments.

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has no designated "peak periods." All deposits were legally secured at December 31, 2013.

At December 31, 2013, the City's carrying amount of deposits was \$13,165,334 and the bank balance was \$13,249,456. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$486,203 was covered by federal depository insurance, and the balance of \$12,763,253 was collateralized with securities held by the pledging financial institutions' agents in the City'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 City 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.

NOTE 3 – Retirement Plan

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERs). KPERs is a part of 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. Those reports may be obtained by writing to KPERs (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

NOTE 3 – Retirement Plan (Continued)

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 employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The City employer contributions to KPERS for the years ending December 31, 2013, 2012, and 2011 were \$78,341, \$77,070, and \$69,013, respectively, equal to the required contributions for each year.

NOTE 4 – Long-Term Debt

Following is a detailed listing of the City's outstanding general obligation debt:

<u>Description</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Amount Outstanding at December 31, 2013</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Paid by taxes					
G.O. Bonds issued:					
Series 2006A	4.00 - 5.00%	\$ 3,590,000	\$ 335,000	1/15/2006	9/1/2026
Series 2006B	3.70 - 4.50%	2,990,000	470,000	11/1/2006	9/1/2022
Series 2008A	3.80 - 4.30%	1,600,000	870,000	11/4/2008	9/1/2018
Series 2013A	2.00 - 2.25%	5,560,000	<u>5,385,000</u>	1/10/2013	9/1/2026
			<u>\$ 7,060,000</u>		

Annual debt service requirements to maturity for the general obligation bonds are as follows:

<u>Year Ending December 31,</u>	
2014	\$ 1,207,540
2015	1,174,360
2016	1,013,355
2017	936,780
2018	831,020
2019-2023	2,206,650
2024-2027	<u>788,450</u>
Total Principal and Interest	8,158,155
Less: Interest	<u>1,098,155</u>
Total Principal	<u>\$ 7,060,000</u>

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

NOTE 4 – Long-Term Debt (Continued)

Following is a summary of changes in long-term debt for the year ended December 31, 2013:

	Balance January 1, 2013	Additions to Principal	Balance December 31, 2013	Ending Principal Outstanding	Interest Paid
Paid by taxes					
General Obligation Bonds	\$ 7,800,000	\$ 5,560,000	\$ 6,300,000	\$ 7,060,000	\$ 381,672
Totals	<u>\$ 7,800,000</u>	<u>\$ 5,560,000</u>	<u>\$ 6,300,000</u>	<u>\$ 7,060,000</u>	<u>\$ 381,672</u>

The City issued Series 2013A General Obligation Refunding Bonds with an interest rate of 2.00% to 2.25% and a final maturity of September 1, 2026, in the amount of \$5,560,000 on January 1, 2013 to refund or partially refund Series 2011A, Series 2003A, Series 2003B, Series 2006A and Series 2008A general obligation bonds. The net proceeds were used to establish an escrow account invested in U.S. Government Securities to pay the outstanding principal of the Series 2006A and Series 2006B and the interest due on the refunding general obligation bonds. As a result, this portion of the Series 2006A and Series 2006B bonds were considered defeased and the liability of the defeased bonds has been removed from the City's financial statements. The transaction resulted in an economic gain of \$351,125 and a reduction of \$324,473 in future debt payments.

NOTE 5 – Customer Deposits

Customer deposits payable, in the amount of \$27,550 and \$17,320, are reported as outstanding encumbrances in the Natural Gas and Water Funds, respectively.

NOTE 6 – Interfund Transfers

A reconciliation of transfers by fund type for 2013 follows:

From	To	Amount	Regulatory Authority
General	Special Street	\$ 750,000	K.S.A. 12-1,119
Aquatic Center Operations	Bond and Interest	106,647	K.S.A. 12-825d
Water	Water/Sewer Depreciation Reserve	20,000	K.S.A. 12-825d
Natural Gas	Bond and Interest	77,364	K.S.A. 12-825d
Wastewater	Bond and Interest	151,750	K.S.A. 12-825d
Natural Gas	Natural Gas Capital Improvement	250,000	K.S.A. 12-825d
Water/Sewer Depreciation Reserve	Water Utility Surplus	150,000	K.S.A. 12-825d
Water	Water Utility Surplus	124,802	K.S.A. 12-825d
Water Utility Surplus	Water	79,575	K.S.A. 12-825d
Wastewater	Wastewater Capital Improvement	50,000	K.S.A. 12-825d
	Total	<u>\$ 1,760,138</u>	

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

NOTE 7 – Compensated Absences

Full-time employees earn one working day of sick leave each full month of service. Upon termination, an employee in good standing shall be compensated for sick leave as follows:

- 5 years of service - 15% of accumulated leave
- 10 years of service - 25% of accumulated leave
- 15 years of service - 50% of accumulated leave
- 20 years of service - 75% of accumulated leave
- 25 years of service - 100% of accumulated leave

Accumulated sick leave benefits are to be paid at a rate equal to the pay rate at the time of termination. Total accrued sick leave was \$80,689 at December 31, 2013.

Full-time employees accrue vacation at the rate of four hours per each full calendar month of employment, provided that the total accrued days shall not exceed twenty hours each six months. The employee shall not accumulate more than one hundred sixty hours of vacation beyond the last day of the calendar year. Upon termination, an employee shall be compensated for all earned but unused vacation leave at their final rate of pay. Total accrued vacation leave was \$44,056 at December 31, 2013.

NOTE 8 – Commitments

In June 2005, the Marais Des Cygnes Public Utility Authority (the Authority) was created by an interlocal agreement between the Cities of Louisburg and Paola, Kansas. The Authority was established to construct and operate a public water supply utility to serve each of the cities. In November 2007, the Authority issued \$33,000,000 of water facilities revenue bonds to provide funds to acquire, construct, and equip a water supply system. The Authority's estimated debt service requirements with respect to the Series 2007 Bonds are as follows:

Year Ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 270,000	\$ 1,465,613	\$ 1,735,613
2015	345,000	1,454,813	1,799,813
2016	430,000	1,441,013	1,871,013
2017	520,000	1,423,813	1,943,813
2018	570,000	1,403,013	1,973,013
2019-2023	3,710,000	6,625,415	10,335,415
2024-2028	5,490,000	5,670,165	11,160,165
2029-2033	7,805,000	4,235,283	12,040,283
2034-2038	<u>13,470,000</u>	<u>2,176,284</u>	<u>15,646,284</u>
 Total	 <u>\$ 32,610,000</u>	 <u>\$ 25,895,412</u>	 <u>\$ 58,505,412</u>

CITY OF LOUISBURG, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

NOTE 8 – Commitments (Continued)

On September 1, 2007, the City of Louisburg (the City) entered into a water supply service agreement with the Authority. The payments required under the agreement are payable solely from the revenues of the City's water utility system, which are pledged to pay the obligations under the agreement. The City's obligations under the agreement are payable whether or not water service is actually received from the Authority. Under the agreement, the City has covenanted to charge rates sufficient to allow revenues of its water utility system, net of operating and maintenance expenses of such water utility system, to cover its respective share of debt service due on the Series 2007 Bonds (the "Water Base Charge" specified in the agreement) by 125%.

The agreement will remain in force until the last day of the year in which all bonds and the interest have been paid in full.

NOTE 9 – Commitments and Contingencies

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statements of the City as of December 31, 2013.

NOTE 10 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters and other events for which the City carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 11 – Other Post Employment Benefits

As provided by K.S.A. 12-5040, the local government 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 this financial statement.

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 government under this program.

NOTE 12 – Related Party Transactions

The City paid \$630 during the year ended December 31, 2013 for plumbing services to a company owned by a City Councilmember's spouse.

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CITY OF LOUISBURG, KANSAS
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013

	<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>
Governmental Type Funds:					
General Funds:					
General	\$ 3,155,000	\$ -	\$ 3,155,000	\$ 2,479,264	\$ 675,736
Special Purpose Funds:					
Special Street Fund	2,000,000	-	2,000,000	289,935	1,710,065
Cops for Kids Fund	4,000	-	4,000	953	3,047
Aquatic Center Operations Fund	456,647	-	456,647	321,766	134,881
Lewis Young Park Donations Fund	30,000	-	30,000	-	30,000
Lewis Young Park Lighting Fund	25,000	-	25,000	-	25,000
Cemetery Commission Fund	50,000	-	50,000	23,178	26,822
Fox Hall Commission Fund	20,000	-	20,000	5,638	14,362
Bond and Interest Funds:					
Bond and Interest Fund	6,751,307	-	6,751,307	6,564,800	186,507
Business Funds:					
Natural Gas Fund	1,937,365	-	1,937,365	1,351,326	586,039
Water Fund	1,363,000	-	1,363,000	1,352,236	10,764
Wastewater Fund	703,750	-	703,750	530,562	173,188

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 General Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013
 (With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 736,124	\$ 790,807	\$ 812,045	\$ [21,238]
Intergovernmental	841,896	871,888	713,000	158,888
Licenses and permits	90,375	93,945	83,000	10,945
Fines and fees	86,692	78,465	90,000	[11,535]
Use of money and property	109,183	60,410	87,000	[26,590]
Miscellaneous	64,049	67,847	12,030	55,817
Transfer in	-	-	20,000	[20,000]
Total Receipts	<u>1,928,319</u>	<u>1,963,362</u>	<u>\$ 1,817,075</u>	<u>\$ 146,287</u>
Expenditures				
General government	139,490	392,104	\$ 400,000	\$ 7,896
Public safety	760,786	812,832	800,000	[12,832]
Building and zoning	67,522	49,216	75,000	25,784
Parks and recreation	164,158	143,447	185,000	41,553
Public works	191,147	245,170	400,000	154,830
Municipal court	46,141	45,320	60,000	14,680
Building inspection	58,212	41,175	65,000	23,825
Civic center	-	-	400,000	400,000
Miscellaneous	-	-	20,000	20,000
Transfer out	-	750,000	750,000	-
Total Expenditures	<u>1,427,456</u>	<u>2,479,264</u>	<u>\$ 3,155,000</u>	<u>\$ 675,736</u>
Receipts Over [Under] Expenditures	500,863	[515,902]		
Unencumbered Cash, Beginning	<u>2,144,986</u>	<u>2,645,849</u>		
Unencumbered Cash, Ending	<u>\$ 2,645,849</u>	<u>\$ 2,129,947</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
Special Street Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2013
(With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Intergovernmental	\$ 427,193	\$ 108,176	\$ -	\$ 108,176
Use of money and property	7,462	7,332	5,000	2,332
Miscellaneous	-	12,300	-	12,300
Transfer in	-	750,000	750,000	-
Total Receipts	<u>434,655</u>	<u>877,808</u>	<u>\$ 755,000</u>	<u>\$ 122,808</u>
Expenditures				
Highways and streets	<u>419,466</u>	<u>289,935</u>	<u>\$ 2,000,000</u>	<u>\$ 1,710,065</u>
Total Expenditures	<u>419,466</u>	<u>289,935</u>	<u>\$ 2,000,000</u>	<u>\$ 1,710,065</u>
Receipts Over [Under] Expenditures	15,189	587,873		
Unencumbered Cash, Beginning	<u>1,365,077</u>	<u>1,380,266</u>		
Unencumbered Cash, Ending	<u>\$ 1,380,266</u>	<u>\$ 1,968,139</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Excise Tax Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2013 and 2012

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ 1,019	\$ 1,032
Taxes	<u>-</u>	<u>27,292</u>
Total Receipts	<u>1,019</u>	<u>28,324</u>
 Expenditures		
Capital outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
 Receipts Over [Under] Expenditures	1,019	28,324
 Unencumbered Cash, Beginning	<u>203,460</u>	<u>204,479</u>
 Unencumbered Cash, Ending	<u>\$ 204,479</u>	<u>\$ 232,803</u>

* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS
 Cops for Kids Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013
 (With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Donations	\$ 1,864	\$ 2,171	\$ 1,000	\$ 1,171
Intergovernmental	1,009	-	-	-
Use of money and property	26	31	20	11
Total Receipts	<u>2,899</u>	<u>2,202</u>	<u>\$ 1,020</u>	<u>\$ 1,182</u>
Expenditures				
Public safety	<u>2,324</u>	<u>953</u>	<u>\$ 4,000</u>	<u>\$ 3,047</u>
Total Expenditures	<u>2,324</u>	<u>953</u>	<u>\$ 4,000</u>	<u>\$ 3,047</u>
Receipts Over [Under] Expenditures	575	1,249		
Unencumbered Cash, Beginning	<u>4,776</u>	<u>5,351</u>		
Unencumbered Cash, Ending	<u>\$ 5,351</u>	<u>\$ 6,600</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Aquatic Center Operations Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013
 (With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services	\$ 108,788	\$ 90,402	\$ 113,100	\$ [22,698]
Intergovernmental	384,668	396,318	360,000	36,318
Miscellaneous	-	240	-	240
Use of money and property	<u>1,215</u>	<u>1,841</u>	<u>1,000</u>	<u>841</u>
Total Receipts	<u>494,671</u>	<u>488,801</u>	<u>\$ 474,100</u>	<u>\$ 14,701</u>
Expenditures				
Culture and recreation	155,546	215,119	\$ 350,000	\$ 134,881
Transfer out	<u>158,835</u>	<u>106,647</u>	<u>106,647</u>	<u>-</u>
Total Expenditures	<u>314,381</u>	<u>321,766</u>	<u>\$ 456,647</u>	<u>\$ 134,881</u>
Receipts Over [Under] Expenditures	180,290	167,035		
Unencumbered Cash, Beginning	<u>152,590</u>	<u>332,880</u>		
Unencumbered Cash, Ending	<u>\$ 332,880</u>	<u>\$ 499,915</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Lewis Young Park Donations Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013
 (With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Donations	\$ 1,010	\$ 1,000	\$ 500	\$ 500
Intergovernmental	13,049	13,396	-	13,396
Use of money and property	295	366	200	166
Miscellaneous	-	-	12,000	[12,000]
Total Receipts	<u>14,354</u>	<u>14,762</u>	<u>\$ 12,700</u>	<u>\$ 2,062</u>
Expenditures				
Culture and recreation	-	-	\$ 30,000	\$ 30,000
Total Expenditures	-	-	<u>\$ 30,000</u>	<u>\$ 30,000</u>
Receipts Over [Under] Expenditures	14,354	14,762		
Unencumbered Cash, Beginning	<u>53,867</u>	<u>68,221</u>		
Unencumbered Cash, Ending	<u>\$ 68,221</u>	<u>\$ 82,983</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Lewis Young Park Lighting Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013
 (With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Donations	\$ 2,810	\$ 6,485	\$ 1,000	\$ 5,485
Fines and fees	2,985	310	10,000	[9,690]
Use of money and property	<u>222</u>	<u>253</u>	<u>200</u>	<u>53</u>
Total Receipts	<u>6,017</u>	<u>7,048</u>	<u>\$ 11,200</u>	<u>\$ [4,152]</u>
Expenditures				
Culture and recreation	<u>-</u>	<u>-</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>
Receipts Over [Under] Expenditures	6,017	7,048		
Unencumbered Cash, Beginning	<u>41,117</u>	<u>47,134</u>		
Unencumbered Cash, Ending	<u>\$ 47,134</u>	<u>\$ 54,182</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Infrastructure Improvement Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2013 and 2012

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Intergovernmental	\$ 192,334	\$ 198,157
Use of money and property	<u>1,355</u>	<u>2,325</u>
Total Receipts	<u>193,689</u>	<u>200,482</u>
 Expenditures		
Capital outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
 Receipts Over [Under] Expenditures	193,689	200,482
 Unencumbered Cash, Beginning	<u>185,471</u>	<u>379,160</u>
 Unencumbered Cash, Ending	<u>\$ 379,160</u>	<u>\$ 579,642</u>

* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS
 Stormwater Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2013 and 2012

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Charges for services	\$ 83,418	\$ 84,343
Use of money and property	<u>2,049</u>	<u>2,477</u>
Total Receipts	<u>85,467</u>	<u>86,820</u>
Expenditures		
Operations	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	85,467	86,820
Unencumbered Cash, Beginning	<u>371,257</u>	<u>456,724</u>
Unencumbered Cash, Ending	<u>\$ 456,724</u>	<u>\$ 543,544</u>

* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS
 Cemetery Commission Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013
 (With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services	\$ 11,325	\$ 17,250	\$ 25,000	\$ [7,750]
Donations	1,200	285	5,000	[4,715]
Use of money and property	106	132	1,000	[868]
Total Receipts	<u>12,631</u>	<u>17,667</u>	<u>\$ 31,000</u>	<u>\$ [13,333]</u>
Expenditures				
General government	<u>26,024</u>	<u>23,178</u>	<u>\$ 50,000</u>	<u>\$ 26,822</u>
Total Expenditures	<u>26,024</u>	<u>23,178</u>	<u>\$ 50,000</u>	<u>\$ 26,822</u>
Receipts Over [Under] Expenditures	[13,393]	[5,511]		
Unencumbered Cash, Beginning	<u>72,804</u>	<u>59,411</u>		
Unencumbered Cash, Ending	<u>\$ 59,411</u>	<u>\$ 53,900</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Fox Hall Commission Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013
 (With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Rents	\$ 8,739	\$ 8,755	\$ 9,000	\$ [245]
Use of money and property	108	140	200	[60]
Donations	<u>400</u>	<u>1,585</u>	<u>2,000</u>	<u>[415]</u>
Total Receipts	<u>9,247</u>	<u>10,480</u>	<u>\$ 11,200</u>	<u>\$ [720]</u>
Expenditures				
Culture and recreation	<u>7,494</u>	<u>5,638</u>	<u>\$ 20,000</u>	<u>\$ 14,362</u>
Total Expenditures	<u>7,494</u>	<u>5,638</u>	<u>\$ 20,000</u>	<u>\$ 14,362</u>
Receipts Over [Under] Expenditures	1,753	4,842		
Unencumbered Cash, Beginning	<u>30,263</u>	<u>32,016</u>		
Unencumbered Cash, Ending	<u>\$ 32,016</u>	<u>\$ 36,858</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Bond and Interest Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013
 (With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 1,106,661	\$ 962,628	\$ 613,245	\$ 349,383
Bond proceeds	-	5,234,478	-	5,234,478
Use of money and property	6,282	7,912	5,000	2,912
Miscellaneous	437,500	32,809	-	32,809
Transfer in	391,811	335,762	335,762	-
Total Receipts	<u>1,942,254</u>	<u>6,573,589</u>	<u>\$ 954,007</u>	<u>\$ 5,619,582</u>
Expenditures				
Principal	1,257,480	6,341,633	\$ 1,050,000	\$ [5,291,633]
Interest	315,235	140,245	316,829	176,584
Bond issue costs	-	82,922	-	[82,922]
Cash basis reserve	-	-	150,000	150,000
Adjustment for qualifying budget credits	-	-	5,234,478	5,234,478
Total Expenditures	<u>1,572,715</u>	<u>6,564,800</u>	<u>\$ 6,751,307</u>	<u>\$ 186,507</u>
Receipts Over [Under] Expenditures	369,539	8,789		
Unencumbered Cash, Beginning	<u>770,481</u>	<u>1,140,020</u>		
Unencumbered Cash, Ending	<u>\$ 1,140,020</u>	<u>\$ 1,148,809</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Natural Gas Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013
 (With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 1,031,321	\$ 1,148,951	\$ 1,502,500	\$ [353,549]
Use of money and property	<u>9,655</u>	<u>10,941</u>	<u>9,000</u>	<u>1,941</u>
Total Receipts	<u>1,040,976</u>	<u>1,159,892</u>	<u>\$ 1,511,500</u>	<u>\$ [351,608]</u>
Expenditures				
Operations	595,409	1,023,962	\$ 1,600,000	\$ 576,038
Transfer out	<u>80,330</u>	<u>327,364</u>	<u>337,365</u>	<u>10,001</u>
Total Expenditures	<u>675,739</u>	<u>1,351,326</u>	<u>\$ 1,937,365</u>	<u>\$ 586,039</u>
Receipts Over [Under] Expenditures	365,237	[191,434]		
Unencumbered Cash, Beginning	<u>1,610,638</u>	<u>1,975,875</u>		
Unencumbered Cash, Ending	<u>\$ 1,975,875</u>	<u>\$ 1,784,441</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Natural Gas Capital Improvement Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2013 and 2012

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfers In	\$ -	\$ 250,000
Use of money and property	<u>66</u>	<u>171</u>
Total Receipts	<u>66</u>	<u>250,171</u>
Expenditures		
Capital outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	66	250,171
Unencumbered Cash, Beginning	<u>13,184</u>	<u>13,250</u>
Unencumbered Cash, Ending	<u>\$ 13,250</u>	<u>\$ 263,421</u>

* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS
 Water Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013
 (With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over Under <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 1,343,777	\$ 1,272,310	\$ 1,360,000	\$ [87,690]
Transfer in	150,614	79,575	-	79,575
Miscellaneous	-	-	3,000	[3,000]
Use of money and property	19	351	-	351
Total Receipts	<u>1,494,410</u>	<u>1,352,236</u>	<u>\$ 1,363,000</u>	<u>\$ [10,764]</u>
Expenditures				
Administration	149,843	147,802	\$ 200,000	\$ 52,198
Operations	1,219,670	1,039,823	950,000	[89,823]
Production	33,666	6,318	50,000	43,682
Rebate	750	12,000	5,000	[7,000]
Capital outlay	4,264	1,491	5,000	3,509
Transfer out	86,217	144,802	153,000	8,198
Total Expenditures	<u>1,494,410</u>	<u>1,352,236</u>	<u>\$ 1,363,000</u>	<u>\$ 10,764</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	-	-		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Water Capital Improvement Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2013 and 2012

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ 2,324	\$ 2,609
Lake proceeds	<u>-</u>	<u>407,500</u>
Total Receipts	<u>2,324</u>	<u>410,109</u>
Expenditures		
Capital outlay	<u>-</u>	<u>78,844</u>
Total Expenditures	<u>-</u>	<u>78,844</u>
Receipts Over [Under] Expenditures	2,324	331,265
Unencumbered Cash, Beginning	<u>463,723</u>	<u>466,047</u>
Unencumbered Cash, Ending	<u>\$ 466,047</u>	<u>\$ 797,312</u>

* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS
 Water Utility Surplus Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2013 and 2012

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ 5,011	\$ 5,369
Transfer in	<u>26,217</u>	<u>274,802</u>
Total Receipts	<u>31,228</u>	<u>280,171</u>
 Expenditures		
Transfers out	<u>150,614</u>	<u>79,575</u>
Total Expenditures	<u>150,614</u>	<u>79,575</u>
 Receipts Over [Under] Expenditures	 [119,386]	 200,596
 Unencumbered Cash, Beginning	 <u>1,070,477</u>	 <u>951,091</u>
 Unencumbered Cash, Ending	 <u>\$ 951,091</u>	 <u>\$ 1,151,687</u>

* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS
Wastewater Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2013
(With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges to customers	\$ 418,084	\$ 446,827	\$ 410,000	\$ 36,827
Use of money and property	-	-	5,000	[5,000]
Miscellaneous	5,390	5,216	-	5,216
Total Receipts	<u>423,474</u>	<u>452,043</u>	<u>\$ 415,000</u>	<u>\$ 37,043</u>
Expenditures				
Operations	304,507	312,100	\$ 450,000	\$ 137,900
Capital outlay	4,209	16,712	52,000	35,288
Transfer out	153,546	201,750	201,750	-
Total Expenditures	<u>462,262</u>	<u>530,562</u>	<u>\$ 703,750</u>	<u>\$ 173,188</u>
Receipts Over [Under] Expenditures	[38,788]	[78,519]		
Unencumbered Cash, Beginning	<u>1,128,481</u>	<u>1,089,693</u>		
Unencumbered Cash, Ending	<u>\$ 1,089,693</u>	<u>\$ 1,011,174</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
Wastewater Capital Improvement Fund
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2013 and 2012

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Miscellaneous	\$ 300	\$ 322
Transfers In	<u>-</u>	<u>50,000</u>
Total Receipts	<u>300</u>	<u>50,322</u>
 Expenditures		
Capital outlay	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
 Receipts Over [Under] Expenditures	 300	 50,322
 Unencumbered Cash, Beginning	 <u>59,787</u>	 <u>60,087</u>
 Unencumbered Cash, Ending	 <u>\$ 60,087</u>	 <u>\$ 110,409</u>

* - This fund is not required to be budgeted.

CITY OF LOUISBURG, KANSAS
 State Revolving Loan Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013
 (With Comparative Actual Amounts For the Year Ended December 31, 2012)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Use of money and property	\$ 109	\$ -	\$ -	\$ -
Transfer in	900	-	-	-
Total Receipts	<u>1,009</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures				
Principal	57,798	-	\$ -	\$ -
Interest	1,221	-	-	-
Total Expenditures	<u>59,019</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[58,010]	-		
Unencumbered Cash, Beginning	<u>58,010</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

CITY OF LOUISBURG, KANSAS
 Water/Sewer Bond Reserve Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2013 and 2012

	<u>Prior Year Actual</u>	<u>Current Year Actual</u>
Receipts		
Miscellaneous	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Miscellaneous	-	-
Total Expenditures	-	-
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	280,000	280,000
Unencumbered Cash, Ending	\$ 280,000	\$ 280,000

* This fund is not required to be budgeted

CITY OF LOUISBURG, KANSAS
 Water/Sewer Depreciation Reserve Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2013 and 2012

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ 1,355	\$ 1,164
Transfer in	<u>60,000</u>	<u>20,000</u>
Total Receipts	<u>61,355</u>	<u>21,164</u>
Expenditures		
Transfers out	<u>-</u>	<u>150,000</u>
Total Expenditures	<u>-</u>	<u>150,000</u>
Receipts Over [Under] Expenditures	61,355	[128,836]
Unencumbered Cash, Beginning	<u>243,281</u>	<u>304,636</u>
Unencumbered Cash, Ending	<u>\$ 304,636</u>	<u>\$ 175,800</u>

* This fund is not required to be budgeted

CITY OF LOUISBURG, KANSAS
 Agency Funds
 Summary of Receipts and Disbursements
 Regulatory Basis
 For the Year Ended December 31, 2013

<u>FUNDS</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Municipal Court	\$ 3,675	\$ 9,750	\$ 9,900	\$ 3,525
Freedom Fund	<u>5,268</u>	<u>5,747</u>	<u>6,909</u>	<u>4,106</u>
Total Agency Funds	<u>\$ 8,943</u>	<u>\$ 15,497</u>	<u>\$ 16,809</u>	<u>\$ 7,631</u>