

CITY OF Cunningham
Financial Statement

For the Year Ended December 31, 2013

ATC Accounting

City of Cunningham, Kansas
 Financial Statement
 For the Year Ended December 31, 2013

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INDEPENDENT AUDITOR'S REPORT

Component Units Are Omitted-Separate Entity Financial Statements Have Been Issued

Honorable Mayor and City Council
City of Cunningham
Cunningham, Kansas 67035

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Cunningham, Kansas, as of and for the year ended December 31, 2013 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditors' Responsibility

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Cunningham, Kansas 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 of Cunningham, Kansas 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2013 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, individual fund schedules of regulatory basis receipts and expenditures-actual (Schedules 1 and 2 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2013 basic financial statement, however are required to be presented under the provision 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 2013 basic financial statement. The 2013 information has been subjected to the auditing procedures applied in the audit of the 2013 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 2013 basic financial statement or to the 2013 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 2013 basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2012 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2012 basic financial statement upon which we rendered as unqualified opinion dated August 8, 2013. The 2012 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2012 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2012 basic financial statement. The 2012 comparative information was subjected to the auditing procedures applied in the audit of the 2012 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2012 basic financial statement or to the 2012 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2012 comparative information is fairly stated in all material respects in relation to the 2012 basic financial statement as a whole, on the basis of accounting described in Note 1.

ATC Accounting

ATC Accounting

July 7, 2014

City of Cunningham, Kansas
 Summary Statement of Receipts, Expenditures, and Encumbered Cash
 Regulatory Basis
 For the Year Ended December 31, 2013

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances And Accounts Payable	Ending Cash Balance
GENERAL	\$ 57,804	\$ 227,609	\$ 225,701	\$ 59,712	\$ 4,214	\$ 63,926
SPECIAL PURPOSE FUNDS:						
Library	-	9,403	9,403	-	-	-
Employee Benefits	6,385	42,491	33,812	15,064	-	15,064
Special Highway	13,204	11,728	8,788	16,144	-	16,144
BOND AND INTEREST FUND:						
Bond and Interest	5,536	9,350	-	14,886	-	14,886
CAPITAL PROJECT FUNDS:						
Capital Improvement	437	30,369	-	30,806	-	30,806
Equipment Reserve	-	-	-	-	-	-
BUSINESS FUNDS:						
Water Utility	299	102,625	100,753	2,171	1,009	3,180
Sewer Utility	24,060	59,785	61,240	22,605	66	22,671
Total Reporting Entity	\$ 107,725	\$ 493,360	\$ 439,697	\$ 161,388	\$ 5,289	\$ 166,677
				Cash on Hand	\$	200
				Checking Accounts	\$	166,477
				Total Reporting Entity	\$	166,677

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

City of Cunningham, Kansas
Notes to Financial Statement
December 31, 2013

1. SUMMARY OF SIGNIFICAN ACCOUNTING POLICIES

(a) Financial Reporting Entity

The City of Cunningham is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of Cunningham (the municipality).

The related municipal entity is not included in the City's reporting entity even though it was established to benefit the City and/or its constituents.

Library Board - The Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City. Complete financial records for the Library Board may be reviewed at their administrative offices.

(b) Regulatory Basis Fund Types

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

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

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

Trust fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

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

(c) Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments 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.

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted from 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 amended for the year 2013 primarily to increase expenses in the Water Utility Fund to accommodate the water project expenses.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project Funds and Agency Funds.

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.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

The City is not aware of any non-compliance with Kansas Statutes.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located or in an adjoining county if such an 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.

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

Concentration of credit risk. State statutes place no limit on the amount the District 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 institutes to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2013.

At December 31, 2013, the City's carrying amount of deposits was \$166,477 and the bank balance was \$174,853. The bank balance was held by 2 banks resulting in no concentration of credit risk. Of the bank balance \$174,853 was covered by federal depository insurance.

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.

4. LONG-TERM DEBT

Changes in long-term liabilities for the year ended December 31, 2013, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/Payments	Balance End of Year	Interest/Service Fees Paid
General Obligation Bond:									
Series 1997	5.6-5.65%	01/27/1997	\$ 374,000	08/01/2012	\$ -	\$ -	\$ -	\$ -	\$ -
Series 2012	.50-2.20%	11/15/2012	550,000	12/01/2027	550,000	-	35,000	515,000	8,253
Capital Lease:									
Equipment Lease	4.105%	12/18/2011	42,825	12/18/2016	28,409	-	6,709	21,700	1,006
Total Contractual Indebtedness					\$ 578,409	\$ -	\$ 41,709	\$ 536,700	\$ 9,259

Year	General Obligation Bond		Equipment Lease		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	
2014	\$ 35,000	\$ 8,253	\$ 6,953	\$ 763	\$ 41,953	\$ 9,016	
2015	35,000	8,078	7,244	472	42,244	8,550	
2016	35,000	7,745	7,503	171	42,503	7,916	
2017	35,000	7,412	-	-	35,000	7,412	
2018	35,000	7,080	-	-	35,000	7,080	
2019-2023	180,000	27,525	-	-	180,000	27,525	
2024-2027	160,000	8,800	-	-	160,000	8,800	
\$ 515,000					\$ 21,700	\$ 536,700	\$ 76,299

5. DEFINED BENEFIT PENSION PLAN

Plan Description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by 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 (only one is issued) that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Funding Policy. K.S.A. 74-419 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 4% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. Kansas law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates.

The State of Kansas is required to contribute the statutory required employers share.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City 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 City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

(b) Compensated Absences

An employee is given one day sick leave for each month of employment. A total of thirty-six days sick leave can be accumulated. Part-time employees and temporary employees are not entitled to sick leave unless agreed to by the City Council. No sick leave exceeding two consecutive days will be allowed unless a statement from a doctor certifies that the sickness prevented the employee from working. Any unused accumulated sick leave may be used by an employee during their employment with the City and if employment is served, the unused accumulated amount is not paid to the employee. Therefore, accumulated sick leave has not been accrued.

(c) Other Employee Benefits

Vacation – All full-time employees of the City are entitled to paid vacation. After one full year of employment, employees are entitled to ten working days of paid vacation. At the end of fifteen years employment, employees are entitled to fifteen working days of paid vacation. After twenty years employment, employees are entitled to twenty days of paid vacation. Employees are not allowed to accumulate vacation from year to year. The vacation

time is paid at the employee's regular rate. Unused vacation pay will be paid to employees upon termination, if proper notice of resignation is given.

The cost of accumulated vacation leave is \$2,158 and will be recorded as expenditures at the time the vacation leave is utilized, as normal personal service expenditures.

Sick Leave - After a 90 day training period, an employee is given ten days sick leave plus 2 personal days each year of employment. A total of sixty days sick leave can be accumulated. Any unused accumulated sick leave may be used by an employee during their employment with the City and if employment is served. Upon termination or resignation, the unused accumulated amount is not paid to the employee. Therefore, accumulated sick leave has not been accrued.

7. CLAIMS AND JUDGMENTS

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

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2012 to 2013 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

8. INTERFUND TRANSFERS

Operating transfers were as follows:

From:	To:	Statutory Authority	Amount
General	Capital Improvements	K.S.A. 12-1,118	19,000
Water	Capital Improvements	K.S.A. 12-1,118	7,500
Sewer	Capital Improvements	K.S.A. 12-1,118	3,500

9. RELATED PARTY TRANSACTIONS

David Steffen, City Clerk, is an owner of the Cunningham Courier, a newspaper in the city. Chris Schaller, City Council, is a partner in Flatworks Specialist, a concrete company. Aaron Murphy, City Council, is the assistant manager at Cairo Co-op. The City conducted business with all three businesses and paid them \$1,575, \$11,024, and \$1,540, respectively for services or products. The City Council also paid Aaron Murphy \$3,631 for damage from sewer backup. This was the only home damaged and the insurance claim was denied by the City's insurance carrier noting the city did everything to prevent a backup from happening.

10. SUBSEQUENT EVENTS

Management has evaluated the effects of the financial statement of subsequent events occurring through the date of the report which is the date at which the financial statement was available to be issued. The City has been awarded \$425,000 from the Kansas Department of Transportation Economic Development Program for roadway improvements. The scope of the improvement project is still being finalized.

CITY OF CUNNINGHAM, KANSAS
REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2013

City of Cunningham, Kansas
 Summary of Expenditures – Actual and Budget
 Regulatory Basis
 (Budgeted Funds Only)
 For the Year Ended December 31, 2013

Description	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable To Current Year Budget	Variance Over (Under)
GENERAL	\$ 233,125	\$ -	\$ 233,125	\$ 225,701	\$ (7,424)
SPECIAL PURPOSE FUNDS:					
Library	9,450	-	9,450	9,403	(47)
Employee Benefits	42,550	-	42,550	33,812	(8,738)
Special Highway	20,000	-	20,000	8,788	(11,212)
BOND AND INTEREST FUND:					
Bond and Interest	-	-	-	-	-
CAPITAL PROJECT FUNDS:					
Capital Improvements **	25,000	-	25,000	-	(25,000)
Equipment Reserve **	10,000	-	10,000	-	(10,000)
BUSINESS FUNDS:					
Water Utility	104,750	-	104,750	100,753	(3,997)
Sewer Utility	67,950	-	67,950	61,240	(6,710)

** Capital Funds are not required to be a budgeted fund.

City of Cunningham, Kansas
 General Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For The Year End December 31, 2013

	2012	2013		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	\$ 76,297	90,430	\$ 99,138	\$ (8,708)
Delinquent Tax	4,353	1,977	-	1,977
Motor Vehicle Tax	17,962	20,322	14,916	5,406
Recreational Vehicle Tax	383	280	333	(53)
16/20M Vehicle Tax	151	681	23	658
Franchise Fees	18,902	21,260	18,500	2,760
Local Sales Tax	47,582	47,802	25,000	22,802
Licenses, Permits, Rent	489	333	1,750	(1,417)
Charges for Services – Swimming Pool	6,350	4,704	6,000	(1,296)
Grants and Donations	8,743	1,863	5,000	(3,137)
Interest on Idle Funds	32	40	-	40
Reimbursements	3,456	466	-	466
Miscellaneous Receipts	1,337	1,801	3,000	(1,199)
Fire Protection	21,665	33,000	30,000	3,000
Fire Department Grants and Donations	6,887	1,500	-	1,500
Sale of Assets	-	1,150	-	1,150
Total Receipts	214,589	227,609	\$ 203,660	\$ 23,949
Expenditures				
Salaries and Wages	44,995	26,410	\$ 38,500	\$ (12,090)
Administrative	14,075	12,840	14,500	(1,660)
Utilities	13,030	15,118	20,000	(4,882)
Insurance	8,378	14,321	4,500	9,821
Planning and Zoning	237	360	3,000	(2,640)
Animal Control	2,925	1,374	3,000	(1,626)
Trees, Parks, Recreation	5,879	22,018	6,500	15,518
Swimming Pool	23,565	27,796	25,000	2,796
Dues and Donations	6,305	3,511	3,500	11
Fuel	4,423	4,634	7,375	(2,741)
Demolition and Solid Waste	8,382	-	-	-
Streets and Sidewalks	1,283	2,044	14,500	(12,456)
Maintenance and Repairs	4,182	12,204	8,500	3,704
Fire Department Expenses	41,392	20,843	32,500	(11,657)
Bond Principle	-	22,500	-	22,500
Neighborhood Revitalization Rebate	-	8,802	-	8,802
Miscellaneous	2,711	5,532	1,750	3,782

City of Cunningham, Kansas
 General Fund (Cont)
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For The Year End December 31, 2013

	2012	2013		
	Actual	Actual	Budget	Variance Over (Under)
Capital Outlay	3,116	6,394	20,000	(13,606)
Transfer to Capital Improvements	-	19,000	20,000	(1,000)
Transfer to Equipment Reserve	-	-	10,000	(10,000)
Total Expenditures	<u>184,878</u>	<u>225,701</u>	<u>\$ 233,125</u>	<u>\$ (7,424)</u>
Receipts Over (Under) Expenditures	29,711	1,908		
Unencumbered Cash , January 1	<u>28,093</u>	<u>57,804</u>		
Unencumbered Cash, December 31	<u>\$ 57,804</u>	<u>\$ 59,712</u>		

City of Cunningham, Kansas
 Library Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For The Year End December 31, 2013

	2012	2013		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	\$ 6,781	7,200	\$ 7,911	\$ (711)
Delinquent Tax	420	177	-	177
Motor Vehicle Tax	1,820	1,928	1,369	559
Recreational Vehicle Tax	39	26	30	(4)
16/20M Vehicle Tax	13	72	2	70
Total Receipts	9,073	9,403	\$ 9,312	\$ 91
Expenditures				
Contractual Services	9,073	9,403	\$ 9,450	\$ (47)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, January 1	-	-		
Unencumbered Cash, December 31	\$ -	\$ -		

City of Cunningham, Kansas
Employee Benefit Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For The Year End December 31, 2013

	2012		2013		Variance Over (Under)
	Actual	Actual	Budget		
Receipts					
Ad Valorem Tax	\$ 25,461	\$ 34,289	\$ 37,658	\$	(3,369)
Delinquent Tax	1,481	720	-		720
Motor Vehicle Tax	6,690	7,131	5,142		1,989
Recreational Vehicle Tax	143	98	114		(16)
16/20M Vehicle Tax	56	253	8		245
Total Receipts	33,831	42,491	\$ 42,922	\$	(431)
Expenditures					
Social Security and Medicare	7,735	7,231	\$ 9,500	\$	(2,269)
Insurance	14,443	19,515	26,000		(6,485)
KPERS	8,063	6,985	6,000		985
Unemployment	250	81	1,050		(969)
Total Expenditures	30,491	33,812	\$ 42,550	\$	(8,738)
Receipts Over (Under) Expenditures	3,340	8,679			
Unencumbered Cash, January 1	3,045	6,385			
Unencumbered Cash, December 31	\$ 6,385	\$ 15,064			

City of Cunningham, Kansas
Special Highway Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For The Year End December 31, 2013

	2012		2013		Variance Over (Under)
	Actual	Actual	Budget		
Receipts					
Special Highway Tax	\$ 11,761	\$ 11,728	\$ 11,820	\$	(92)
Expenditures					
Street Repair	1,586	8,788	\$ 20,000	\$	(11,212)
Receipts Over (Under) Expenditures	10,175	2,940			
Unencumbered Cash, January 1	3,029	13,204			
Unencumbered Cash, December 31	\$ 13,204	\$ 16,144			

City of Cunningham, Kansas
 Bond and Interest Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For The Year End December 31, 2013

	2012	2013		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Ad Valorem Tax	\$ 26,439	\$ 850	\$ -	\$ 850
Delinquent Tax	1,776	476	-	476
Motor Vehicle Tax	7,752	7,587	5,138	2,449
Recreational Vehicle Tax	165	100	114	(14)
16/20M Vehicle Tax	45	322	8	314
Interest on Idle Funds	41	15	-	15
Total Receipts	36,218	9,350	\$ 5,260	\$ 4,090
Expenditures				
Bond Principal Payments	35,000	-	\$ -	\$ -
Bond Interest Payments	1,979	-	-	-
Total Expenditures	36,979	-	\$ -	\$ -
Receipts Over (Under) Expenditures	(761)	9,350		
Unencumbered Cash, January 1	6,297	5,536		
Unencumbered Cash, December 31	\$ 5,536	\$ 14,886		

City of Cunningham, Kansas
 Capital Improvement Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For The Year End December 31, 2013

	2012	2013		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Interest on Idle Funds	\$ 88	\$ 369	\$ -	\$ 369
Transfer - General	-	19,000	20,000	(1,000)
Transfer – Water	-	7,500	-	7,500
Transfer - Sewer	-	3,500	-	3,500
Total Receipts	88	30,369	\$ 20,000	\$ 10,369
Expenditures				
Equipment	-	-	\$ -	\$ -
Water Improvements – Lease Payments	-	-	25,000	(25,000)
Total Expenditures	-	-	\$ 25,000	\$ (25,000)
Receipts Over (Under) Expenditures	88	30,369		
Unencumbered Cash, January 1	349	437		
Unencumbered Cash, December 31	\$ 437	\$ 30,806		

City of Cunningham, Kansas
 Equipment Reserve Fund
 Schedule of Receipts and Expenditures – Actual and Budget
 Regulatory Basis
 For The Year End December 31, 2013

	2012		2013		Variance Over (Under)
	Actual	Actual	Budget		
Receipts					
Transfer - General	\$ -	\$ -	\$ 10,000	\$ (10,000)	
Expenditures					
Construction	-	-	\$ 10,000	\$ (10,000)	
Receipts Over (Under) Expenditures	-	-			
Unencumbered Cash, January 1	-	-			
Unencumbered Cash, December 31	\$ -	\$ -			

City of Cunningham, Kansas
Water Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For The Year End December 31, 2013

	2012	2013		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Charges for Services	\$ 96,798	\$ 97,554	\$ 92,500	\$ 5,054
Bond Receipts	543,813	-	-	-
Miscellaneous Receipts	-	5,071	-	5,071
Total Receipts	640,611	102,625	\$ 92,500	\$ 10,125
Expenditures				
Salaries and Wages	27,879	26,309	\$ 35,000	\$ (8,691)
Employee Benefits	1,387	2,126	8,000	(5,874)
Administration	24,623	5,479	7,000	(1,521)
Analytical Fees	3,303	789	1,250	(461)
Utilities	4,752	4,608	6,500	(1,892)
Insurance	-	-	2,000	(2,000)
Contracted Services	22,391	9,265	-	9,265
Maintenance	86,442	8,794	30,000	(21,206)
Sales Tax	1,413	2,759	2,500	259
Water Production	3,060	-	-	-
Chemicals	1,644	1,707	1,500	207
Miscellaneous	623	134	2,500	(2,366)
Capital Outlay	482,782	18,783	-	18,783
Bond Principle	-	12,500	-	12,500
Transfer – Capital Improvements	-	7,500	8,500	(1,000)
Total Expenditures	660,299	100,753	\$ 104,750	\$ (3,997)
Receipts Over (Under) Expenditures	(19,688)	1,872		
Unencumbered Cash, January 1	19,987	299		
Unencumbered Cash, December 31	\$ 299	\$ 2,171		

City of Cunningham, Kansas
Sewer Utility Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For The Year End December 31, 2013

	2012	2013		
	Actual	Actual	Budget	Variance Over (Under)
Receipts				
Charges for Services	\$ 60,815	\$ 59,785	\$ 63,500	\$ (3,715)
Expenditures				
Salaries and Wages	27,940	26,309	\$ 32,000	\$ (5,691)
Employee Benefits	5,510	3,500	8,500	(5,000)
Administration	4,793	4,086	3,000	1,086
Utilities	625	1,922	1,200	722
Analytical Fees	157	549	750	(201)
Insurance	-	-	2,000	(2,000)
Contracted Services	445	11,287	8,500	2,787
Maintenance	11,520	7,533	7,500	33
Miscellaneous	1,129	40	500	(460)
Capital Outlay	2,599	2,514	-	2,514
Transfer – Capital Improvements	-	3,500	4,000	(500)
Total Expenditures	54,718	61,240	\$ 67,950	\$ (6,710)
Receipts Over (Under) Expenditures	6,097	(1,455)		
Unencumbered Cash, January 1	17,963	24,060		
Unencumbered Cash, December 31	\$ 24,060	\$ 22,605		

