

CITY OF BALDWIN CITY, KANSAS
FINANCIAL STATEMENTS
Year Ended December 31, 2013

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CITY OF BALDWIN CITY, KANSAS

FINANCIAL STATEMENTS
Year ending December 31, 2013

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MIZE HOUSER
COMPANY P.A.

INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Baldwin City, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Baldwin City, 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 June 17, 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 prescribed 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 and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 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 28, 2014

CITY OF BALDWIN CITY, KANSAS

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

Funds	Beginning		Receipts	Expenditures	Ending		Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
	Unencumbered Cash Balance	Prior Year Adjustment			Unencumbered Cash Balance	Unencumbered Cash Balance		
General Funds:								
General	\$ 282,149	\$ 11,876	\$ 2,235,484	\$ 2,081,287	\$ 448,222	\$ 41,530	\$ 489,752	
Special Purpose Funds:								
Library Fund	-	-	132,634	132,634	-	-	-	
Special Parks and Recreation Fund	75,395	-	11,343	894	85,844	-	85,844	
Special Highway Fund	295,378	-	127,160	153,024	269,514	-	269,514	
Swimming Pool Sales Tax Revenue Fund	110,627	-	-	15,675	94,952	-	94,952	
General Reserve Fund	225,192	520	25,268	63,667	187,313	-	187,313	
Cemetery Reserve Fund	105,659	-	-	-	105,659	-	105,659	
Cemetery Fund	43,512	-	26,725	28,033	42,204	1,777	43,981	
Debt Service Funds:								
Bond and Interest Fund	15,403	-	3,771,026	3,774,563	11,866	-	11,866	
Capital Project Funds:								
Capital Project Fund	746,473	-	65,000	193,258	618,215	-	618,215	
Quality of Life Sales Tax Fund	193,718	144	93,934	41,469	246,327	-	246,327	
Library Expansion Fund	-	-	628,482	156,739	471,743	55,170	526,913	
Business Funds:								
Electric System Fund	1,569,129	-	4,256,966	4,132,956	1,693,139	6,392	1,699,531	
Electric Project Fund	149,110	-	200,000	265,520	83,590	16,009	99,599	
Water System Fund	1,213,251	3,562	1,688,028	1,575,587	1,329,254	46,076	1,375,330	
Water Project Fund	279,248	-	34,350	13,794	299,804	600	300,404	
Sewer Project Fund	152,712	-	2,200	-	154,912	-	154,912	
Wastewater Utility Fund	253,370	764	4,662,806	4,418,961	497,979	4,870	502,849	
Refuse Utility Fund	8,322	-	198,176	191,953	14,545	-	14,545	
Total Primary Government	<u>5,718,648</u>	<u>16,866</u>	<u>18,159,582</u>	<u>17,240,014</u>	<u>6,655,082</u>	<u>172,424</u>	<u>6,827,506</u>	
Related Municipal Entity:								
Baldwin City Library	<u>561,089</u>	<u>-</u>	<u>93,381</u>	<u>173,390</u>	<u>481,080</u>	<u>-</u>	<u>481,080</u>	
Total Related Municipal Entity	<u>561,089</u>	<u>-</u>	<u>93,381</u>	<u>173,390</u>	<u>481,080</u>	<u>-</u>	<u>481,080</u>	
Total Reporting Entity	<u>\$ 6,279,737</u>	<u>\$ 16,866</u>	<u>\$ 18,252,963</u>	<u>\$ 17,413,404</u>	<u>\$ 7,136,162</u>	<u>\$ 172,424</u>	<u>\$ 7,308,586</u>	

Composition of Cash:

Baldwin State Bank	
Checking	\$ 4,827,506
Checking - Baldwin City Library	224,036
Certificates of Deposit - Baldwin City Library	238,832
Mid America Bank - Certificates of Deposit	2,000,000
Bank of America - Baldwin City Library Shares	<u>18,212</u>
Total	<u>\$ 7,308,586</u>

CITY OF BALDWIN CITY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2013

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Baldwin City, Kansas, (the City) is a municipal corporation governed by a mayor and a five member council. These financial statements present the City and its related municipal entity for which the City is considered to be financially accountable.

Related Municipal Entity. The Baldwin City Public Library (Library) serves the citizens within the City's jurisdiction. The City appoints the entire governing body of the Library. Because the Library is not a separate taxing entity, the City levies taxes for the Library's operations. The Library is presented as a governmental fund type. Complete financial statements are not available for the Library for the year ended December 31, 2013.

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 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, restrictions or limitations.

CITY OF BALDWIN CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2013

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Regulatory Basis Fund Types (Continued)

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

The General Fund – The chief operating fund is used to account for all resources except those required to be accounted for in another fund.

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

The Bond and Interest Fund is used to account for the accumulation of resources, including tax levies, transfers from another funds and payment of general long-term debt.

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

The Business Funds are 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.)

Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of the 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 2013 budget was not amended.

The statutes permit management to transfer 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. In the financial statements, budget comparisons are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures. Actual exceeded budget expenditures in the wastewater utility fund, which is a violation of K.S.A. 79-2935.

All legal annual operating budgets are prepared using the statutory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, 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. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

CITY OF BALDWIN CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2013

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

A legal operating budget is not required for capital project funds and certain special purpose funds including the General Reserve Fund and the Cemetery Reserve Fund. Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

NOTE 2 - Deposits

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.

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."

At December 31, 2013, the City's carrying amount of deposits was \$6,827,506 and the bank balance was \$6,889,203. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$500,000 was covered by federal depository insurance, \$1,755,000 was secured by letters of credit in the City's name, and the balance of \$4,634,203 was collateralized with securities held by the pledging financial institutions' agents in the City's name. Library deposits of \$464,698 were unsecured at December 31, 2013, which is a violation of K.S.A. 9-1042.

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 issue 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 BALDWIN CITY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
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 employer contributions to KPERS for years ending December 31, 2013, 2012 and 2011 were \$113,496, \$103,589, and \$101,117, respectively, equal to the required contributions for each year. Employers participating in KP&F also make contributions to amortize the liability for past service costs, if any, which are determined separately for each participating employer. The City's contributions to KP&F for the year ended December 31, 2013, 2012, and 2011, was \$73,263, \$67,098 and \$57,639, equal to the required contributions for each year.

NOTE 4 - Long-Term Debt

During the year ended December 31, 2013, the following changes occurred in long term liabilities:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Outstanding</u>	<u>Interest Paid</u>
Paid by taxes					
General obligation bonds	\$ 2,995,000	\$ 3,829,692	\$ 1,175,000	\$ 5,649,692	\$ 122,958
Capital Leases	62,472	-	22,858	39,614	2,321
Paid by utility revenues					
General obligation bonds	7,400,000	3,335,308	505,000	10,230,308	279,644
Loans	3,555,517	-	3,465,753	89,763	56,566
Temporary Notes	<u>2,325,000</u>	<u>-</u>	<u>2,325,000</u>	<u>-</u>	<u>43,400</u>
Total	<u>\$ 16,337,988</u>	<u>\$ 7,165,000</u>	<u>\$ 7,493,611</u>	<u>\$ 16,009,377</u>	<u>\$ 504,889</u>

General Obligation Bonds. The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary funds if they are expected to be repaid from proprietary fund revenues. In addition, general obligation bonds have been issued to refund other general obligation bonds.

CITY OF BALDWIN CITY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2013

NOTE 4 - Long-Term Debt (Continued)

General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

	<u>Date of Issuance</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Current Amount</u>
Paid by taxes					
Improvement, Series 2007-A	10/01/07	09/01/27	3.625 - 4.15%	\$ 1,290,000	\$ 120,000
Refunding and Improvement, Series 2007-B	10/01/07	09/01/27	4.125 - 4.375%	2,205,000	1,700,000
Refunding, Series 2013	03/19/13	09/01/33	2.00 - 3.50%	3,829,693	3,829,692
Paid by utility revenues					
Refunding, Series 2005	03/03/05	11/01/26	3.00 - 4.50%	9,100,000	5,855,000
Refunding, Series 2012	06/15/12	08/01/24	0.50 - 2.20%	1,125,000	1,040,000
Refunding, Series 2013	03/19/13	09/01/33	2.00 - 3.50%	3,335,308	<u>3,335,308</u>
Total General Obligation Bonds					<u>\$ 15,880,000</u>

During the year ended December 31, 2013, the City issued Series 2013A general obligation refunding and improvement bonds with an interest rate of 2.00% to 3.50% and a final maturity of September 1, 2033 in the amount of \$7,165,000. The purpose of the bonds is to refund three Kansas Department of Health and Environment (KDHE) loans, to partially refund Series 2007A general obligation bonds, and for street and library improvements. As a result of the refunding, the three KDHE loans and the portion of the Series 2007A bonds were considered to be defeased and the liability was removed from the City's financial statements. The transaction resulted in an economic gain of \$302,676 and a reduction of \$304,632 in future debt payments.

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

<u>Year Ending December 31,</u>	<u>Paid By Taxes</u>	<u>Paid By Utility Revenue</u>	<u>Total</u>
2014	\$ 640,378	\$ 1,082,977	\$ 1,723,355
2015	602,450	1,053,499	1,655,949
2016	544,868	1,083,328	1,628,196
2017	536,343	1,076,392	1,612,735
2018	551,158	1,105,206	1,656,364
2019 - 2023	2,400,327	4,840,769	7,241,096
2024 - 2028	1,335,774	2,091,270	3,427,044
2029 - 2033	<u>487,098</u>	<u>424,217</u>	<u>911,315</u>
Total principal and interest	7,098,396	12,757,658	19,856,054
Less: interest	<u>1,448,704</u>	<u>2,527,350</u>	<u>3,976,054</u>
Total principal	<u>\$ 5,649,692</u>	<u>\$ 10,230,308</u>	<u>\$ 15,880,000</u>

CITY OF BALDWIN CITY, KANSAS
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2013

NOTE 4 - Long-Term Debt (Continued)

The following displays annual debt service requirements to maturity for the loans to be paid from service revenues:

Year Ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 28,854	\$ 2,784
2015	29,908	1,803
2016	<u>31,001</u>	<u>786</u>
Total	<u>\$ 89,763</u>	<u>\$ 5,373</u>

Leases. The City has entered into lease agreements for the acquisition of equipment in the current and prior years. These lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term).

The future minimum lease obligations as of December 31, 2013 are as follows:

Year Ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>
2014	\$ 23,735	\$ 1,420
2015	7,782	644
2016	<u>8,097</u>	<u>329</u>
Total	<u>\$ 39,614</u>	<u>\$ 2,393</u>

Special Assessments. As provided by Kansas Statutes, projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the bond and interest fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the bond and interest fund. The special assessment debt is a contingent liability of the City to the extent of property owner defaults, which have historically been immaterial.

CITY OF BALDWIN CITY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2013

NOTE 5 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for these risks of loss, including related lost revenue. No significant reductions in insurance coverage from that of the prior year have occurred. Settlements have not exceeded insurance coverage for each of the last three years.

NOTE 6 - Interfund Transfers

A reconciliation of transfers by fund type for 2013 follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Statutory Authority</u>
Electric System	General	\$ 335,454	K.S.A. 12-825d
Water System	General	130,438	K.S.A. 12-825d
Refuse Utility	General	8,300	K.S.A. 12-825d
Special Parks and Recreation	General	668	K.S.A. 79-41a04
Wastewater Utility	General	46,391	K.S.A. 12-825d
General	Bond and Interest	46,391	Bond ordinance
General	General Reserve	25,000	K.S.A. 12-1,117
General	Capital Project	65,000	K.S.A. 12-1,118
Quality of Life Sales Tax	Bond and Interest	15,000	Bond ordinance
Special Highway	Bond and Interest	21,398	Bond ordinance
Water System	Water System	137,154	Intrafund transfer
Wastewater Utility	Bond and Interest	98,511	K.S.A. 12-825d
Wastewater Utility	Wastewater Utility	222,196	Intrafund transfer
Electric System	Electric Project	200,000	K.S.A. 12-825d
Water System	Water Project	30,000	K.S.A. 12-825d
		<u>\$ 1,381,901</u>	

NOTE 7 - Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation earned but unused at termination is paid to the employees at their current rate of pay up to a maximum of 30 days. Employees who resign in good standing are entitled to ten percent of their unused sick leave and employees who retire in good standing are entitled to twenty percent of their sick leave. The sick leave is calculated at the maximum entitlement even though not all employees are eligible for retirement in the coming year. The liability for compensated absences at December 31, 2013 is \$133,323.

NOTE 8 – Related Party Transaction

The City paid \$49,188 during the year ended December 31, 2013, for equipment purchases to a company owned by a governing body member.

SCHEDULE 1

CITY OF BALDWIN CITY, KANSAS

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

<u>Funds</u>	<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 Positive [Negative]</u>
General Funds:					
General	\$ 2,399,197	\$ -	\$ 2,399,197	\$ 2,081,287	\$ 317,910
Special Purpose Funds:					
Library Fund	138,708	-	138,708	132,634	6,074
Special Parks and Recreation Fund	99,168	-	99,168	894	98,274
Special Highway Fund	168,390	-	168,390	153,024	15,366
Swimming Pool Sales Tax Revenue Fund	50,000	-	50,000	15,675	34,325
Cemetery Fund	41,235	-	41,235	28,033	13,202
Debt Service Funds:					
Bond and Interest Fund	348,835	3,460,968	3,809,803	3,774,563	35,240
Business Funds:					
Electric System Fund	5,201,329	-	5,201,329	4,132,956	1,068,373
Water System Fund	2,429,926	-	2,429,926	1,575,587	854,339
Wastewater Utility Fund	1,351,112	3,472,229	4,823,341	4,418,961	404,380
Refuse Utility Fund	191,979	-	191,979	191,953	26

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 866,228	\$ 849,261	\$ 887,400	\$ [38,139]
Intergovernmental	651,250	654,992	640,152	14,840
Franchise fees	54,552	68,375	66,500	1,875
Licenses, permits and fees	25,769	30,138	10,900	19,238
Fines, forfeitures and penalties	68,298	102,634	45,000	57,634
Use of money and property	1,912	1,244	1,500	[256]
Reimbursed expenses	755	703	-	703
Transfer in	423,066	521,251	475,919	45,332
Miscellaneous	11,375	6,886	17,547	[10,661]
Total Receipts	<u>2,103,205</u>	<u>2,235,484</u>	<u>\$ 2,144,918</u>	<u>\$ 90,566</u>
Expenditures				
General Administration				
Personal services	302,940	317,099	\$ 158,910	\$ [158,189]
Contractual services	144,368	106,759	192,967	86,208
Commodities	23,351	24,088	4,361	[19,727]
Capital outlay	19,179	29,185	18,560	[10,625]
	<u>489,838</u>	<u>477,131</u>	<u>374,798</u>	<u>[102,333]</u>
Planning				
Personal services	-	-	167,398	167,398
Contractual services	-	28	18,661	18,633
Commodities	-	-	6,356	6,356
	<u>-</u>	<u>28</u>	<u>192,415</u>	<u>192,387</u>
Public works				
Personal services	175,096	197,555	196,562	[993]
Contractual services	42,313	49,098	46,247	[2,851]
Commodities	80,776	84,642	78,598	[6,044]
Capital outlay	5,799	20,286	30,000	9,714
	<u>303,984</u>	<u>351,581</u>	<u>351,407</u>	<u>[174]</u>
Culture and recreation				
Personal services	272	279	52,623	52,344
Contractual services	81,751	70,660	69,947	[713]
Commodities	9,015	10,527	21,255	10,728
Capital outlay	-	-	3,500	3,500
	<u>91,038</u>	<u>81,466</u>	<u>147,325</u>	<u>65,859</u>

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, KANSAS

General Fund, (continued)
 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Expenditures (Continued)				
Public safety				
Fire Department:				
Personal services	\$ 33,414	\$ 28,021	\$ 38,406	\$ 10,385
Contractual services	26,230	30,301	20,267	[10,034]
Commodities	9,602	13,204	10,694	[2,510]
Capital outlay	23,689	17,715	23,689	5,974
	<u>92,935</u>	<u>89,241</u>	<u>93,056</u>	<u>3,815</u>
Police Department:				
Personal services	632,233	682,242	717,639	35,397
Contractual services	71,508	63,636	74,052	10,416
Commodities	48,740	45,911	48,789	2,878
Capital outlay	13,141	36,667	10,000	[26,667]
	<u>765,622</u>	<u>828,456</u>	<u>850,480</u>	<u>22,024</u>
Municipal Court				
Personal services	34,282	34,421	36,928	2,507
Contractual services	33,521	41,745	29,238	[12,507]
Commodities	631	932	550	[382]
Capital outlay	3,200	1,029	-	[1,029]
	<u>71,634</u>	<u>78,127</u>	<u>66,716</u>	<u>[11,411]</u>
Economic Development				
Contractual services	26,480	22,853	33,000	10,147
Capital outlay	30,000	16,013	30,000	13,987
	<u>56,480</u>	<u>38,866</u>	<u>63,000</u>	<u>24,134</u>
Transfer out	<u>18,623</u>	<u>136,391</u>	<u>260,000</u>	<u>123,609</u>
	<u>18,623</u>	<u>136,391</u>	<u>260,000</u>	<u>123,609</u>
Total Expenditures	<u>1,890,154</u>	<u>2,081,287</u>	<u>\$ 2,399,197</u>	<u>\$ 317,910</u>
Receipts Over [Under] Expenditures	<u>213,051</u>	<u>154,197</u>		
Unencumbered Cash, Beginning	69,098	282,149		
Prior Period Adjustment - Prior Year Encumbrances	-	11,876		
Unencumbered Cash, Beginning	<u>69,098</u>	<u>294,025</u>		
Unencumbered Cash, Ending	<u>\$ 282,149</u>	<u>\$ 448,222</u>		

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, KANSAS

Library 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 137,407	\$ 132,634	\$ 137,311	\$ [4,677]
Total Receipts	<u>137,407</u>	<u>132,634</u>	<u>\$ 137,311</u>	<u>\$ [4,677]</u>
Expenditures				
Culture and Recreation:				
Personal services	99,264	87,541	\$ 93,985	\$ 6,444
Contractual services	-	9,483	7,413	[2,070]
Appropriation To Board	<u>38,143</u>	<u>35,610</u>	<u>37,310</u>	<u>1,700</u>
Total Expenditures	<u>137,407</u>	<u>132,634</u>	<u>\$ 138,708</u>	<u>\$ 6,074</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, KANSAS

Special Parks and Recreation 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Intergovernmental	\$ 11,286	\$ 10,468	\$ 12,861	\$ [2,393]
Park fees	-	875	500	375
Total Receipts	<u>11,286</u>	<u>11,343</u>	<u>\$ 13,361</u>	<u>\$ [2,018]</u>
Expenditures				
Culture and Recreation:				
Contractual services	-	226	\$ 35,000	\$ 34,774
Commodities	-	-	10,000	10,000
Capital outlay	9,649	-	53,500	53,500
Transfer out	<u>15,500</u>	<u>668</u>	<u>668</u>	<u>-</u>
Total Expenditures	<u>25,149</u>	<u>894</u>	<u>\$ 99,168</u>	<u>\$ 98,274</u>
Receipts Over [Under] Expenditures	[13,863]	10,449		
Unencumbered Cash, Beginning	<u>89,258</u>	<u>75,395</u>		
Unencumbered Cash, Ending	<u>\$ 75,395</u>	<u>\$ 85,844</u>		

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, KANSAS

Special Highway 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Intergovernmental	\$ 131,938	\$ 127,160	\$ 132,000	\$ [4,840]
Total Receipts	<u>131,938</u>	<u>127,160</u>	<u>\$ 132,000</u>	<u>\$ [4,840]</u>
Expenditures				
Public works				
Contractual services	3,592	131,626	\$ 130,000	\$ [1,626]
Commodities	22,252	-	16,992	16,992
Transfer out	<u>21,398</u>	<u>21,398</u>	<u>21,398</u>	<u>-</u>
Total Expenditures	<u>47,242</u>	<u>153,024</u>	<u>\$ 168,390</u>	<u>\$ 15,366</u>
Receipts Over [Under] Expenditures	84,696	[25,864]		
Unencumbered Cash, Beginning	<u>210,682</u>	<u>295,378</u>		
Unencumbered Cash, Ending	<u>\$ 295,378</u>	<u>\$ 269,514</u>		

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, KANSAS

Swimming Pool Sales Tax Revenue 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales tax revenue	\$ -	\$ -	\$ -	\$ -
Total Receipts	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures				
Culture and Recreation:				
Contractual services	-	403	\$ -	\$ [403]
Capital outlay	<u>740</u>	<u>15,272</u>	<u>50,000</u>	<u>34,728</u>
Total Expenditures	<u>740</u>	<u>15,675</u>	<u>\$ 50,000</u>	<u>\$ 34,325</u>
Receipts Over [Under] Expenditures	[740]	[15,675]		
Unencumbered Cash, Beginning	<u>111,367</u>	<u>110,627</u>		
Unencumbered Cash, Ending	<u>\$ 110,627</u>	<u>\$ 94,952</u>		

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, KANSAS

General 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		
Transfer in	\$ 75,698	\$ 25,000
Licenses, permits, & fees	<u>431</u>	<u>268</u>
Total Receipts	<u>76,129</u>	<u>25,268</u>
Expenditures		
Capital outlay	<u>44,215</u>	<u>63,667</u>
Total Expenditures	<u>44,215</u>	<u>63,667</u>
Receipts Over [Under] Expenditures	<u>31,914</u>	<u>[38,399]</u>
Unencumbered Cash, Beginning	193,278	225,192
Prior Period Adjustment - Prior Year Encumbrances	<u>-</u>	<u>520</u>
Unencumbered Cash, Beginning, Restated	<u>193,278</u>	<u>225,712</u>
Unencumbered Cash, Ending	<u>\$ 225,192</u>	<u>\$ 187,313</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Cemetery Reserve Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 Year Ended December 31, 2013 and 2012

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfer in	\$ 6,000	\$ -
Total Receipts	<u>6,000</u>	<u>-</u>
Expenditures		
Capital outlay	<u>13,110</u>	<u>-</u>
Total Expenditures	<u>13,110</u>	<u>-</u>
Receipts Over [Under] Expenditures	[7,110]	-
Unencumbered Cash, Beginning	<u>112,769</u>	<u>105,659</u>
Unencumbered Cash, Ending	<u>\$ 105,659</u>	<u>\$ 105,659</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Cemetery 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 12,250	\$ 12,551	\$ 7,102	\$ 5,449
Miscellaneous	<u>14,957</u>	<u>14,174</u>	<u>12,500</u>	<u>1,674</u>
Total Receipts	<u>27,207</u>	<u>26,725</u>	<u>\$ 19,602</u>	<u>\$ 7,123</u>
Expenditures				
Personal services	-	-	\$ 21,569	\$ 21,569
Contractual services	4,358	10,533	10,583	50
Commodities	101	277	320	43
Capital outlay	3,285	17,223	8,763	[8,460]
Transfer out	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>13,744</u>	<u>28,033</u>	<u>\$ 41,235</u>	<u>\$ 13,202</u>
Receipts Over [Under] Expenditures	13,463	[1,308]		
Unencumbered Cash, Beginning	<u>30,049</u>	<u>43,512</u>		
Unencumbered Cash, Ending	<u>\$ 43,512</u>	<u>\$ 42,204</u>		

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 129,184	\$ 128,758	\$ 132,041	\$ [3,283]
Bond premium	-	120,968	-	120,968
Bond proceeds	-	3,340,000	-	3,340,000
Transfer in	<u>221,341</u>	<u>181,300</u>	<u>206,398</u>	<u>[25,098]</u>
Total Receipts	<u>350,525</u>	<u>3,771,026</u>	<u>\$ 338,439</u>	<u>\$ 3,432,587</u>
Expenditures				
Debt service:				
Principal	215,000	3,500,000	\$ 215,000	\$ [3,285,000]
Interest	132,683	274,563	133,835	[140,728]
Qualifying budget credits	<u>-</u>	<u>-</u>	<u>3,460,968</u>	<u>3,460,968</u>
Total Expenditures	<u>347,683</u>	<u>3,774,563</u>	<u>\$ 3,809,803</u>	<u>\$ 35,240</u>
Receipts Over [Under] Expenditures	2,842	[3,537]		
Unencumbered Cash, Beginning	<u>12,561</u>	<u>15,403</u>		
Unencumbered Cash, Ending	<u>\$ 15,403</u>	<u>\$ 11,866</u>		

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, KANSAS

Capital Project 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	\$ -	\$ 65,000
Total Receipts	<u>-</u>	<u>65,000</u>
Expenditures		
Public works		
Contractual services	1,622,570	115,401
Intergovernmental	-	6,000
Capital outlay	<u>35,419</u>	<u>71,857</u>
Total Expenditures	<u>1,657,989</u>	<u>193,258</u>
Receipts Over [Under] Expenditures	<u>[1,657,989]</u>	<u>[128,258]</u>
Unencumbered Cash, Beginning	<u>2,404,462</u>	<u>746,473</u>
Unencumbered Cash, Ending	<u>\$ 746,473</u>	<u>\$ 618,215</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Quality of Life Sales 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		
Intergovernmental	\$ 91,690	\$ 93,934
Total Receipts	<u>91,690</u>	<u>93,934</u>
Expenditures		
Public works		
Capital outlay	32,495	26,469
Transfer out	<u>20,000</u>	<u>15,000</u>
Total Expenditures	<u>52,495</u>	<u>41,469</u>
Receipts Over [Under] Expenditures	<u>39,195</u>	<u>52,465</u>
Unencumbered Cash, Beginning	154,523	193,718
Prior Period Adjustment - Prior Year Encumbrances	<u>-</u>	<u>144</u>
Unencumbered Cash, Beginning, Restated	<u>154,523</u>	<u>193,862</u>
Unencumbered Cash, Ending	<u>\$ 193,718</u>	<u>\$ 246,327</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Library Expansion 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		
Bond proceeds	\$ -	\$ 490,000
Bond premium	-	18,482
Miscellaneous	-	120,000
Total Receipts	<u>-</u>	<u>628,482</u>
Expenditures		
Public works		
Contractual services	-	153,995
Interest	-	2,744
Total Expenditures	<u>-</u>	<u>156,739</u>
Receipts Over [Under] Expenditures	-	471,743
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 471,743</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Electric System 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales to consumers	\$ 4,519,181	\$ 4,236,656	\$ 4,467,482	\$ [230,826]
Reimbursed expenses	976	14,228	250	13,978
Rental of Property	-	2,955	2,397	558
Intergovernmental	120,000	-	-	-
Use of money and property	<u>7,184</u>	<u>3,127</u>	<u>2,600</u>	<u>527</u>
Total Receipts	<u>4,647,341</u>	<u>4,256,966</u>	<u>\$ 4,472,729</u>	<u>\$ [215,763]</u>
Expenditures				
Production and treatment	405,823	324,663	\$ 484,608	\$ 159,945
Distribution	474,495	476,099	455,864	[20,235]
Acquisition	1,897,238	1,908,859	2,210,000	301,141
General administration	286,483	205,391	832,913	627,522
Principal	410,000	420,000	420,000	-
Interest	278,890	262,490	262,490	-
Transfers out	<u>650,000</u>	<u>535,454</u>	<u>535,454</u>	<u>-</u>
Total Expenditures	<u>4,402,929</u>	<u>4,132,956</u>	<u>\$ 5,201,329</u>	<u>\$ 1,068,373</u>
Receipts Over [Under] Expenditures	<u>244,412</u>	<u>124,010</u>		
Unencumbered Cash, Beginning	1,297,986	1,542,398		
Prior Period Adjustment - Prior Year Encumbrances	<u>-</u>	<u>26,731</u>		
Unencumbered Cash, Beginning, Restated	<u>1,297,986</u>	<u>1,569,129</u>		
Unencumbered Cash, Ending	<u>\$ 1,542,398</u>	<u>\$ 1,693,139</u>		

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, KANSAS

Electric Project 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		
Transfer in	\$ 300,000	\$ 200,000
Total Receipts	<u>300,000</u>	<u>200,000</u>
Expenditures		
Contractual service	-	171,422
Capital outlay	<u>201,826</u>	<u>94,098</u>
Total Expenditures	<u>201,826</u>	<u>265,520</u>
Receipts Over [Under] Expenditures	98,174	[65,520]
Unencumbered Cash, Beginning	<u>50,936</u>	<u>149,110</u>
Unencumbered Cash, Ending	<u>\$ 149,110</u>	<u>\$ 83,590</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Water System 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales to consumers	\$ 1,847,734	\$ 1,495,440	\$ 1,700,670	\$ [205,230]
Miscellaneous	154	54,587	3,000	51,587
Rentals	1,500	-	-	-
Bond proceeds	1,125,000	-	-	-
Transfer in	168,445	137,154	138,408	[1,254]
Use of money and property	<u>863</u>	<u>847</u>	<u>500</u>	<u>347</u>
Total Receipts	<u>3,143,696</u>	<u>1,688,028</u>	<u>\$ 1,842,578</u>	<u>\$ [154,550]</u>
Expenditures				
Distribution and collection	990,102	630,036	\$ 1,012,379	\$ 382,343
General administration	468,010	545,805	749,139	203,334
Capital outlay	9,858	-	500,000	500,000
Principal	1,164,414	85,000	70,351	[14,649]
Interest	39,004	17,154	33,057	15,903
Bond issuance costs	34,406	-	-	-
Transfers out	<u>236,878</u>	<u>297,592</u>	<u>65,000</u>	<u>[232,592]</u>
Total Expenditures	<u>2,942,672</u>	<u>1,575,587</u>	<u>\$ 2,429,926</u>	<u>\$ 854,339</u>
Receipts Over [Under] Expenditures	<u>201,024</u>	<u>112,441</u>		
Unencumbered Cash, Beginning	1,012,227	1,213,251		
Prior Period Adjustment - Prior Year Encumbrances	-	<u>3,562</u>		
Unencumbered Cash, Beginning, Restated	<u>1,012,227</u>	<u>1,216,813</u>		
Unencumbered Cash, Ending	<u>\$ 1,213,251</u>	<u>\$ 1,329,254</u>		

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, KANSAS

Water Project 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		
Water connection fees	\$ -	\$ 4,350
Transfer in	<u>-</u>	<u>30,000</u>
Total Receipts	<u>-</u>	<u>34,350</u>
Expenditures		
Contractual services	9,075	2,805
Capital projects	<u>104,357</u>	<u>10,989</u>
Total Expenditures	<u>113,432</u>	<u>13,794</u>
Receipts Over [Under] Expenditures	[113,432]	20,556
Unencumbered Cash, Beginning	<u>392,680</u>	<u>279,248</u>
Unencumbered Cash, Ending	<u>\$ 279,248</u>	<u>\$ 299,804</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Sewer Project 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		
Connect Fee	\$ -	\$ 2,200
Transfer in	<u>152,712</u>	<u>-</u>
Total Receipts	<u>152,712</u>	<u>2,200</u>
Expenditures		
Contractual services	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts Over [Under] Expenditures	152,712	2,200
Unencumbered Cash, Beginning	<u>-</u>	<u>152,712</u>
Unencumbered Cash, Ending	<u>\$ 152,712</u>	<u>\$ 154,912</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Wastewater Utility 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales to consumers	\$ 767,125	\$ 761,864	\$ 764,500	\$ [2,636]
Intergovernmental	183,380	187,866	-	187,866
Miscellaneous	1,352	18,329	-	18,329
Bond premium	-	137,229	-	137,229
Bond proceeds	-	3,335,000	-	3,335,000
Transfer in	383,814	222,196	401,487	[179,291]
Use of money and property	<u>1,122</u>	<u>322</u>	<u>-</u>	<u>322</u>
Total Receipts	<u>1,336,793</u>	<u>4,662,806</u>	<u>\$ 1,165,987</u>	<u>\$ 3,496,819</u>
Expenditures				
Treatment and collection	336,692	215,781	\$ 282,272	\$ 66,491
General administration	201,549	247,230	667,353	420,123
Principal	234,094	3,467,502	295,000	[3,172,502]
Bond issuance cost	114,455	61,524	-	[61,524]
Interest	-	59,826	106,487	46,661
Transfers out	754,277	367,098	-	[367,098]
Qualifying budget credits	<u>-</u>	<u>-</u>	<u>3,472,229</u>	<u>3,472,229</u>
Total Expenditures	<u>1,641,067</u>	<u>4,418,961</u>	<u>\$ 4,823,341</u>	<u>\$ 404,380</u>
Receipts Over [Under] Expenditures	<u>[304,274]</u>	<u>243,845</u>		
Unencumbered Cash, Beginning	557,644	253,370		
Prior Period Adjustment - Prior Year Encumbrances	<u>-</u>	<u>764</u>		
Unencumbered Cash, Beginning, Restated	<u>557,644</u>	<u>254,134</u>		
Unencumbered Cash, Ending	<u>\$ 253,370</u>	<u>\$ 497,979</u>		

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, KANSAS

Refuse Utility 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 Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales to consumers	\$ 192,703	\$ 198,176	\$ 193,164	\$ 5,012
Total Receipts	<u>192,703</u>	<u>198,176</u>	<u>\$ 193,164</u>	<u>\$ 5,012</u>
Expenditures				
Collection	178,578	183,229	\$ 182,621	\$ [608]
Transfers out	8,400	8,300	9,358	1,058
General administration	<u>-</u>	<u>424</u>	<u>-</u>	<u>[424]</u>
Total Expenditures	<u>186,978</u>	<u>191,953</u>	<u>\$ 191,979</u>	<u>\$ 26</u>
Receipts Over [Under] Expenditures	5,725	6,223		
Unencumbered Cash, Beginning	<u>2,597</u>	<u>8,322</u>		
Unencumbered Cash, Ending	<u>\$ 8,322</u>	<u>\$ 14,545</u>		

See independent auditor's report on the financial statements.

CITY OF BALDWIN CITY, KANSAS

Schedule of Receipts and Expenditures - Actual
 Regulatory Basis
 Related Municipal Entity - Baldwin City Library
 For the Year Ended December 31, 2013

Receipts	
City appropriations	\$ 53,753
Charges for services	6,488
Miscellaneous	24,717
Use of money and property	<u>8,423</u>
Total Receipts	<u>93,381</u>
Expenditures and Transfers	
Culture and recreation	<u>173,390</u>
Total Expenditures and Transfers	<u>173,390</u>
Receipts Over [Under] Expenditures	[80,009]
Unencumbered Cash, Beginning	<u>561,089</u>
Unencumbered Cash, Ending	<u>\$ 481,080</u>

See independent auditor's report on the financial statements.