

**CITY OF FORT SCOTT,  
KANSAS**

Financial Statements and  
Independent Auditors' Report  
with Federal Compliance Section  
and Supplemental Information  
For the Year Ended December 31, 2011

# CITY OF FORT SCOTT, KANSAS

## TABLE OF CONTENTS

|                                                                     | <u>PAGE<br/>NUMBER</u> |
|---------------------------------------------------------------------|------------------------|
| <b>FINANCIAL STATEMENTS:</b>                                        |                        |
| Independent Auditors' Report .....                                  | 1 - 2                  |
| Statement 1                                                         |                        |
| Summary of Cash Receipts, Expenditures, and Unencumbered Cash ..... | 3 - 5                  |
| Notes to the Financial Statements .....                             | 6 - 19                 |
| <b>SUPPLEMENTAL INFORMATION</b>                                     |                        |
| Schedule 1                                                          |                        |
| Summary of Expenditures - Actual and Budget .....                   | 20                     |
| Schedule 2                                                          |                        |
| Schedules of Cash Receipts and Expenditures - Actual and Budget     |                        |
| General Fund .....                                                  | 21 - 24                |
| Special Streets and Highways .....                                  | 25                     |
| Library .....                                                       | 26                     |
| Promotion of Industry .....                                         | 27                     |
| Equipment Reserve .....                                             | 28                     |
| Library Employee Benefits .....                                     | 29                     |
| Special Parks and Recreation .....                                  | 30                     |
| Police and Fire Equipment .....                                     | 31                     |
| Special Alcohol and Drug .....                                      | 32                     |
| Community Improvement District .....                                | 33                     |
| E911 Telephone Tax .....                                            | 34                     |
| Cellphone 911 .....                                                 | 35                     |
| Capital Improvements .....                                          | 36                     |
| Tourism and Convention Promotion .....                              | 37                     |
| Sewer Rate Stabilization Sales Tax .....                            | 38                     |
| General Bond and Interest .....                                     | 39                     |
| Bridge Project .....                                                | 40                     |
| Street Projects .....                                               | 41                     |
| Recreation Projects .....                                           | 42                     |
| Water Utility .....                                                 | 43 - 44                |
| Sewage Utility .....                                                | 45                     |
| Storm Drain Utility .....                                           | 46                     |
| Sewer Bond Reserve .....                                            | 47                     |
| Wastewater Projects .....                                           | 48                     |
| Water Project .....                                                 | 49                     |
| KDOT State Airport Grant .....                                      | 50                     |
| Municipal Court .....                                               | 51                     |
| Fire Insurance Proceeds .....                                       | 52                     |
| 20 <sup>th</sup> Century Veterans Memorial .....                    | 53                     |
| Medical Reimbursement .....                                         | 54                     |
| Sales Tax .....                                                     | 55                     |
| Restricted Donations .....                                          | 56                     |
| Main Street FEMA Project Grant .....                                | 57                     |

# CITY OF FORT SCOTT, KANSAS

## TABLE OF CONTENTS

(Continued)

|                                                                                                                                                                                                                                          | <u>PAGE<br/>NUMBER</u> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| <b>FINANCIAL STATEMENTS - (Continued)</b>                                                                                                                                                                                                |                        |
| <b>Schedule 2 - (Continued)</b>                                                                                                                                                                                                          |                        |
| Statement of Cash Receipts and Expenditures - Actual and Budget - (Continued)                                                                                                                                                            |                        |
| Police ARRA Grant .....                                                                                                                                                                                                                  | 58                     |
| 911 Grant .....                                                                                                                                                                                                                          | 59                     |
| CDBG Housing Grant .....                                                                                                                                                                                                                 | 60                     |
| BJA Bulletproof Vests Grant .....                                                                                                                                                                                                        | 61                     |
| Street and Sidewalks Project .....                                                                                                                                                                                                       | 62                     |
| Horton FEMA Project .....                                                                                                                                                                                                                | 63                     |
| YAT Ellis Park Project .....                                                                                                                                                                                                             | 64                     |
| Phoenix Project .....                                                                                                                                                                                                                    | 65                     |
| GNAT Project .....                                                                                                                                                                                                                       | 66                     |
| Brick Street and Sidewalk Grant .....                                                                                                                                                                                                    | 67                     |
| Klink Wall Street Project .....                                                                                                                                                                                                          | 68                     |
| Special Law Enforcement Trust .....                                                                                                                                                                                                      | 69                     |
| Fire Fitness Grant .....                                                                                                                                                                                                                 | 70                     |
| Seventh and National Storm Drain Project .....                                                                                                                                                                                           | 71                     |
| Safe Grant .....                                                                                                                                                                                                                         | 72                     |
| Skate for Scholars .....                                                                                                                                                                                                                 | 73                     |
| Buck Run Community Center YMCA .....                                                                                                                                                                                                     | 74                     |
| Airport Improvements .....                                                                                                                                                                                                               | 75                     |
| Energy Manager Grant .....                                                                                                                                                                                                               | 76                     |
| Take Charge Challenge Grant .....                                                                                                                                                                                                        | 77                     |
| Urgent Need Flood Grant .....                                                                                                                                                                                                            | 78                     |
| Runway Rehab Grant .....                                                                                                                                                                                                                 | 79                     |
| FAA Projects Grant .....                                                                                                                                                                                                                 | 80                     |
| CDBG Revolving Loan .....                                                                                                                                                                                                                | 81                     |
| <b>Schedule 3</b>                                                                                                                                                                                                                        |                        |
| Schedule of Cash Receipts and Expenditures - Actual                                                                                                                                                                                      |                        |
| Fort Scott Public Library - General Fund .....                                                                                                                                                                                           | 82                     |
| <b>FEDERAL COMPLIANCE SECTION</b>                                                                                                                                                                                                        |                        |
| Schedule of Expenditures of Federal Awards.....                                                                                                                                                                                          | 83 - 84                |
| Independent Auditors' Report on Compliance With Requirements Applicable<br>to Each Major Program and on Internal Control Over Compliance in<br>Accordance With OMB Circular A-133 .....                                                  | 85 - 86                |
| Independent Auditors' Report on Internal Control Over Financial<br>Reporting and on Compliance and Other Matters Based on an<br>Audit of Financial Statements Performed in Accordance<br>with <i>Government Auditing Standards</i> ..... | 87 - 88                |
| Schedule of Findings and Questioned Costs.....                                                                                                                                                                                           | 89                     |
| Summary Schedule of Prior Audit Findings.....                                                                                                                                                                                            | 90                     |

*Diehl  
Banwart  
Bolton*

*Certified Public Accountants PA*

---

**INDEPENDENT AUDITORS' REPORT**

To the Mayor and the City Commission  
City of Fort Scott, Kansas

We have audited the Statement of Cash Receipts, Expenditures, and Unencumbered Cash of the City of Fort Scott, Kansas, as of and for the year ended December 31, 2011 as listed in the Table of Contents. This financial statement is the responsibility of the City of Fort Scott, Kansas. Our responsibility is to express an opinion on this financial statement based on our audit. The prior year 2010 comparative information has been derived from the City's 2010 financial statement and, in our report dated April 25, 2011 we expressed an unqualified opinion on the primary government financial statement prepared in accordance with the statutory basis of accounting.

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

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

The financial statement does not include financial data for one of the City's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for this component unit be reported with the financial data of the City's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for its component units. The City has not issued such reporting entity financial statements. The effect of this departure from accounting principles generally accepted in the United States of America has not been determined.

*FS Hoxsey  
Author 5/4*

- ¶ In our opinion, because of the omission of a component unit as referred to in Note 1 and because of the City's policy to prepare its financial statements on the basis of accounting discussed in the third paragraph, the financial statement referred to in the first paragraph does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Fort Scott, Kansas, as of December 31, 2011, or the changes in financial position and, where applicable, its cash flows for the year then ended. Further, the City of Fort Scott, Kansas has not presented a management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.
- ¶ In our opinion, except for the effect on the financial statement of the omission of a component unit as described in the fourth paragraph, the statutory basis financial statement referred to in the first paragraph presents fairly, in all material respects, the cash and unencumbered cash balance of the City of Fort Scott, Kansas, as of December 31, 2011, and its aggregate cash receipts and expenditures, for the year then ended on the basis of accounting described in Note 1.

In accordance with ***Government Auditing Standards***, we have also issued our report dated April 17, 2012 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the financial statement of the City taken as a whole. The accompanying supplemental schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statement. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, and is also not a required part of the financial statement of the City. The supplemental schedules and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

*Diehl Banwart Bolton CPAs*  
DIEHL, BANWART, BOLTON, CPAs PA

April 17, 2012  
Fort Scott, Kansas

**Statement 1**

**CITY OF FORT SCOTT, KANSAS**  
**Summary of Cash Receipts, Expenditures, and Unencumbered Cash**  
**For the Year Ended December 31, 2011**

|                                | Funds        | Plus                                       |                                      |                  |              |                                         | Cash Balances                           |              |
|--------------------------------|--------------|--------------------------------------------|--------------------------------------|------------------|--------------|-----------------------------------------|-----------------------------------------|--------------|
|                                |              | Beginning<br>Unencumbered<br>Cash Balances | Prior Year<br>Encumbered<br>Receipts | Cash<br>Receipts | Expenditures | Ending<br>Unencumbered<br>Cash Balances | Encumbrances<br>and Accounts<br>Payable | 2011         |
| General Fund                   | \$797,954.51 | \$21,471.92                                | \$5,458,102.15                       | \$5,613,023.46   | \$664,305.12 | \$389,627.98                            | \$754,133.10                            | \$929,366.30 |
| Special Revenue Funds:         |              |                                            |                                      |                  |              |                                         |                                         |              |
| Special Streets and Highways   | 459,698.36   | 8,100.00                                   | 316,527.60                           | 407,545.61       | 376,780.35   | 9,715.20                                | 386,495.55                              | 467,798.36   |
| Library                        | -            | -                                          | 235,049.34                           | 235,049.34       | -            | 11,187.19                               | 11,187.19                               | -            |
| Promotion of Industry          | 370,187.18   | -                                          | 189,387.56                           | 166,882.52       | 392,692.22   | 2,333.94                                | 395,026.16                              | 370,187.18   |
| Equipment Reserve              | 109,513.84   | -                                          | 178,623.50                           | 74,187.05        | 213,950.29   | -                                       | 213,950.29                              | 112,617.28   |
| Library Employee Benefits      | -            | -                                          | 31,325.52                            | 31,325.52        | -            | 1,391.37                                | 1,391.37                                | -            |
| Special Parks and Recreation   | 40,241.63    | -                                          | 18,285.56                            | 25,000.00        | 33,527.19    | -                                       | 33,527.19                               | 80,241.63    |
| Police and Fire Equipment      | 160,283.80   | -                                          | 89,771.57                            | 99,870.42        | 150,184.95   | 26,953.75                               | 177,138.70                              | 164,278.80   |
| Special Alcohol and Drug       | 15,552.57    | -                                          | 14,285.58                            | 11,900.00        | 17,938.15    | -                                       | 17,938.15                               | 15,552.57    |
| Community Improvement District | 801.27       | -                                          | 14,301.75                            | 15,103.02        | -            | 4,004.70                                | 4,004.70                                | 801.27       |
| E911 Telephone Tax             | 100,181.02   | -                                          | 49,283.19                            | 49,789.74        | 99,674.47    | 3,487.93                                | 103,162.40                              | 100,181.02   |
| Cellphone 911                  | 74,366.85    | -                                          | 24,980.23                            | 19,786.52        | 79,560.56    | 1,161.25                                | 80,721.81                               | 74,366.85    |
| Capital Improvements           | 102,721.70   | 225.00                                     | 165,000.00                           | 27,538.30        | 240,408.40   | -                                       | 240,408.40                              | 132,489.50   |
| Tourism & Convention Promo     | 20,561.96    | 300.00                                     | 31,186.58                            | 35,000.00        | 17,048.54    | 17,500.00                               | 34,548.54                               | 20,561.96    |
| Sewer Rate Stabilization Sales | 859,830.65   | 13,759.74                                  | 702,627.29                           | 652,564.30       | 923,653.38   | 24,785.92                               | 948,439.30                              | 1,055,926.25 |
| Debt Service Fund              |              |                                            |                                      |                  |              |                                         |                                         |              |
| General Bond and Interest      | 133,774.70   | -                                          | 175,899.51                           | 265,674.00       | 44,000.21    | -                                       | 44,000.21                               | 133,774.70   |
| Capital Project Funds          |              |                                            |                                      |                  |              |                                         |                                         |              |
| Bridge Project                 | -            | -                                          | 329,326.80                           | 54.60            | 329,272.20   | -                                       | 329,272.20                              | -            |
| Street Projects                | -            | -                                          | -                                    | 250,889.11       | (250,889.11) | 163,705.68                              | (87,183.43)                             | -            |
| Recreation Projects            | -            | -                                          | 4,137,226.47                         | 3,920,013.32     | 217,213.15   | 3,029,034.25                            | 3,246,247.40                            | -            |
| Enterprise Funds:              |              |                                            |                                      |                  |              |                                         |                                         |              |
| Water Utility                  | 606,470.10   | 916.22                                     | 2,661,604.66                         | 2,334,553.12     | 934,437.86   | 306,195.22                              | 1,240,633.08                            | 905,094.87   |
| Sewage Utility                 | 567,603.48   | 2,044.19                                   | 1,135,992.05                         | 1,116,501.41     | 589,138.31   | 59,100.53                               | 648,238.84                              | 639,107.80   |
| Storm Drain Utility            | 672,573.64   | -                                          | 474,876.68                           | 455,519.62       | 691,930.70   | 45,000.00                               | 736,930.70                              | 701,318.96   |
| Sewer Bond Reserve             | 209,994.00   | -                                          | 31,044.00                            | -                | 241,038.00   | -                                       | 241,038.00                              | 209,994.00   |
| Wastewater Projects            | -            | -                                          | 556,518.07                           | 453,638.40       | 102,879.67   | 148,500.00                              | 251,379.67                              | -            |
| Water Project                  | -            | -                                          | 151,996.99                           | 151,996.99       | -            | 151,996.99                              | 151,996.99                              | -            |
| Expendable Trust Funds:        |              |                                            |                                      |                  |              |                                         |                                         |              |
| KDOT State Airport Grant       | -            | -                                          | 2,272.99                             | 42,013.84        | (39,740.85)  | 36,947.99                               | (2,792.86)                              | -            |
| Municipal Court                | -            | -                                          | 22,469.45                            | 22,032.95        | 436.50       | 2,303.50                                | 2,740.00                                | 1,117.50     |

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

Statement 1 (Continued)

**CITY OF FORT SCOTT, KANSAS**  
**Summary of Cash Receipts, Expenditures, and Unencumbered Cash**  
**For the Year Ended December 31, 2011**

| Funds                                      | Beginning<br>Unencumbered<br>Cash Balances | Prior Year<br>Cancelled<br>Encumbrances | Cash<br>Receipts | Expenditures | Ending<br>Unencumbered<br>Cash Balances | Plus<br>Encumbrances<br>and Accounts<br>Payable | Cash Balances<br>December 31, |              |
|--------------------------------------------|--------------------------------------------|-----------------------------------------|------------------|--------------|-----------------------------------------|-------------------------------------------------|-------------------------------|--------------|
|                                            |                                            |                                         |                  |              |                                         |                                                 | 2011                          | 2010         |
| <b>Expendable Trust Funds: (Continued)</b> |                                            |                                         |                  |              |                                         |                                                 |                               |              |
| Fire Insurance Proceeds                    | \$10,800.00                                | -                                       | \$5,678.64       | \$16,478.64  | -                                       | -                                               | \$10,800.00                   |              |
| 20th Century Vet Memorial                  | 13,643.16                                  | -                                       | 35.00            | 75.00        | 13,603.16                               | -                                               | 13,603.16                     | 13,643.16    |
| Medical Reimbursement                      | 134.52                                     | -                                       | 1,235.56         | 1,245.37     | 124.71                                  | -                                               | 124.71                        | 134.52       |
| Sales Tax                                  | -                                          | -                                       | 16,888.40        | 16,888.40    | -                                       | 1,801.03                                        | 1,801.03                      | 906.02       |
| Restricted Donations                       | 10,323.30                                  | -                                       | 51,807.14        | 69,640.85    | (7,510.41)                              | 40,796.25                                       | 33,285.84                     | 10,323.30    |
| Main Str FEMA Project Grant                | (206,157.66)                               | 3,372.70                                | 202,784.96       | -            | -                                       | -                                               | -                             | (202,784.96) |
| Police ARRA Grant                          | (10,536.91)                                | -                                       | 16,498.80        | 7,574.60     | (1,612.71)                              | -                                               | (1,612.71)                    | (10,536.91)  |
| 911 Grant                                  | (50,709.10)                                | -                                       | 60,709.00        | 70,359.90    | (60,360.00)                             | 4,400.00                                        | (55,960.00)                   | 0.00         |
| CDBG Housing Grant                         | (84.53)                                    | -                                       | 51,462.00        | 103,769.96   | (52,392.49)                             | 52,287.90                                       | (104.59)                      | (84.53)      |
| BJA Bulletproof Vests Grant                | -                                          | -                                       | 1,646.50         | 1,646.50     | -                                       | -                                               | -                             | -            |
| Street and Sidewalks Project               | -                                          | -                                       | 620,365.74       | 404,086.65   | 216,279.09                              | 125,582.39                                      | 341,861.48                    | -            |
| Horton FEMA Project                        | (260,039.46)                               | 28,259.89                               | 231,779.57       | -            | -                                       | -                                               | -                             | (143,404.01) |
| YAT Ellis Park Project                     | 81,460.11                                  | -                                       | 1,823.06         | 10,847.84    | 72,435.33                               | -                                               | 72,435.33                     | 81,460.11    |
| Phoenix Project                            | 25,446.49                                  | 700.00                                  | -                | 18,647.17    | 7,499.32                                | 500.00                                          | 7,999.32                      | 26,146.49    |
| GNAT Project                               | 4,991.16                                   | -                                       | 11,645.00        | 6,759.42     | 9,876.74                                | -                                               | 9,876.74                      | 4,991.16     |
| Brick Street & Sidewalk Grant              | (178,278.60)                               | -                                       | 132,090.84       | -            | (46,187.76)                             | -                                               | (46,187.76)                   | (178,278.60) |
| Klink Wall Street Project                  | (350,226.57)                               | -                                       | 350,226.57       | -            | -                                       | -                                               | -                             | (350,226.57) |
| Sprescial Law Enforcement Trust            | 23,217.48                                  | -                                       | 323.85           | -            | 23,541.33                               | -                                               | 23,541.33                     | 23,217.48    |
| Fire Fitness Grant                         | -                                          | -                                       | -                | -            | -                                       | -                                               | -                             | -            |
| Seventh & National Storm Drain             | 255,543.58                                 | 7,515.02                                | -                | 263,058.60   | -                                       | -                                               | -                             | 484,303.34   |
| Safe Grant                                 | 850.00                                     | -                                       | 2,715.00         | 1,113.90     | 2,451.10                                | 173.70                                          | 2,624.80                      | 850.00       |
| Skate for Scholars                         | 17,392.84                                  | -                                       | 29,450.00        | 5,552.84     | 41,290.00                               | -                                               | 41,290.00                     | 17,392.84    |
| Buck Run Com Center YMCA                   | 61,390.11                                  | -                                       | 151.15           | -            | -                                       | 61,541.26                                       | 61,541.26                     | 61,390.11    |
| Airport Improvements                       | -                                          | -                                       | -                | -            | -                                       | -                                               | -                             | -            |
| Energy Manager Grant                       | -                                          | -                                       | 66,445.39        | 66,397.96    | 47.43                                   | 21,257.03                                       | 21,304.46                     | -            |
| Take Charge Challenge Grant                | -                                          | -                                       | 17,054.30        | 17,054.30    | -                                       | 45.00                                           | 45.00                         | -            |
| Urgent Need Flood Grant                    | (14,000.00)                                | -                                       | -                | 103,100.00   | (117,100.00)                            | 100,000.00                                      | (17,100.00)                   | -            |
| Runway Rehab Grant                         | (2,139.82)                                 | 39.82                                   | 2,100.00         | -            | -                                       | -                                               | (0.00)                        | -            |
| FAA Projects Grant                         | (489,521.06)                               | 3,235.06                                | 453,052.00       | -            | (33,234.00)                             | 30,148.44                                       | (3,085.56)                    | (406,186.00) |

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

Statement 1 (Continued)

**CITY OF FORT SCOTT, KANSAS**  
**Summary of Cash Receipts, Expenditures, and Unencumbered Cash**  
**For the Year Ended December 31, 2011**

| Funds                                     | Beginning<br>Unencumbered<br>Cash Balances | Prior Year<br>Canceled<br>Encumbrances | Cash<br>Receipts | Expenditures    | Ending<br>Unencumbered<br>Cash Balances | Encumbrances<br>and Accounts<br>Payable | Plus            | Cash Balances<br>December 31,<br>2010 |
|-------------------------------------------|--------------------------------------------|----------------------------------------|------------------|-----------------|-----------------------------------------|-----------------------------------------|-----------------|---------------------------------------|
|                                           | \$244,587.25                               | -                                      | \$19,494.04      | -               | \$264,081.29                            | -                                       | \$264,081.29    | \$244,587.25                          |
| Total Primary Government                  | 4,490,397.55                               | 89,939.56                              | 19,545,427.60    | 17,723,292.32   | 6,402,472.39                            | 4,573,466.39                            | 10,975,938.78   | 5,803,421.00                          |
| Component Units                           |                                            |                                        |                  |                 |                                         |                                         |                 |                                       |
| Fort Scott Public Library                 |                                            |                                        |                  |                 |                                         |                                         |                 |                                       |
| General Fund                              | 591,191.35                                 | -                                      | 275,109.64       | 246,430.48      | 619,870.51                              | -                                       | 619,870.51      | 591,191.35                            |
| Total Reporting Entity                    | \$5,081,588.90                             | \$89,939.56                            | \$19,820,537.24  | \$17,969,722.80 | \$7,022,342.90                          | \$4,573,466.39                          | \$11,593,809.29 | \$6,394,612.35                        |
| Composition of Cash                       |                                            |                                        |                  |                 |                                         |                                         |                 |                                       |
| Primary Government                        |                                            |                                        |                  |                 |                                         |                                         |                 |                                       |
| General Checking Accounts                 |                                            |                                        |                  |                 |                                         |                                         | \$6,870,264.82  | \$3,698,467.05                        |
| Investments                               |                                            |                                        |                  |                 |                                         |                                         |                 |                                       |
| State of Kansas Municipal Investment Pool |                                            |                                        |                  |                 |                                         |                                         | 4,044,474.61    | 2,043,905.75                          |
| Certificates of Deposit                   |                                            |                                        |                  |                 |                                         |                                         | 61,199.35       | 61,048.20                             |
| Total Primary Government                  |                                            |                                        |                  |                 |                                         |                                         | 10,975,938.78   | 5,803,421.00                          |
| Component Units                           |                                            |                                        |                  |                 |                                         |                                         |                 |                                       |
| Fort Scott Public Library                 |                                            |                                        |                  |                 |                                         |                                         |                 |                                       |
| Cash in Bank Accounts                     |                                            |                                        |                  |                 |                                         |                                         |                 |                                       |
| Total Reporting Entity                    |                                            |                                        |                  |                 |                                         |                                         | 619,870.51      | 591,191.35                            |
|                                           |                                            |                                        |                  |                 |                                         |                                         | \$11,593,809.29 | \$6,394,612.35                        |

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

# CITY OF FORT SCOTT, KANSAS

## Notes to the Financial Statements For the Year Ended December 31, 2011

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Fort Scott, Kansas (the City) was incorporated as a city of the first class on February 27, 1860, under the provision of K.S.A. 13-101 et seq. The City operates under a Commission-City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water and sewer, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

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

#### Reporting Entity

The City of Fort Scott, Kansas (the City) is a municipal corporation governed by an elected five-member commission. These financial statements present the City of Fort Scott, Kansas (the primary government) and its component units. Component units are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

*Discretely Presented Component Units.* The component units section of the financial statements includes the financial data of the discretely presented component units. These component units are reported separately to emphasize that they are legally separate from the City. The governing bodies of these component units are appointed by the City.

1. Library Board - The City of Fort Scott 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.

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

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

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

### Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its cash, liabilities, fund equity, revenues and expenditures. The various funds are grouped by type in the financial statements. The types of funds maintained by the City are as follows:

### GOVERNMENTAL FUNDS

General Fund - The General Fund is the principal fund of the City which accounts for all financial transactions not accounted for in other funds. The majority of current operating expenditures of the City, other than proprietary fund activities, are financed through revenues received by the General Fund.

Special Revenue Funds - These funds are used to account for revenues derived from specific taxes, governmental grants or other revenue sources which are designated to finance particular functions or activities of the City.

Debt Service Fund - The Bond and Interest Fund is used to account for the payment of principal and interest on the City's general obligation bonds which are recorded in the general long-term debt group of accounts. Revenues for this purpose include ad valorem property taxes, special assessment taxes and investment interest income.

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

### PROPRIETARY FUNDS

Enterprise Funds - Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition, maintenance and improvement of the physical plant facilities required to provide these goods and services are financed from existing cash resources, the issuance of bonds (revenue or general obligation), federal grants and other City funds.

Internal Service Funds - Internal Service Funds are used to account for the financing of goods and services provided to other departments on a cost reimbursement basis.

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

**FIDUCIARY FUNDS**

**Expendable Trust Funds** - These funds account for funds held in trust for others. The funds are accounted for in essentially the same manner as governmental funds.

**Nonexpendable Trust Funds** - These funds are used to account for assets held by the City in a trustee capacity for others, the principal of which may not be expended.

**Basis of Presentation - Statutory Basis of Accounting**

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made. The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the statutory basis of accounting.

**Departures from Accounting Principles Generally Accepted in the United States of America**

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

The Fort Scott Housing Authority - a component unit - has been omitted from these financial statements.

**Budgetary Information**

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

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. As stated in Note 13, the General and Special Streets and Highways Funds were amended in 2011.

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

Annual operating budgets are prepared using the cash basis of accounting, modified further by the recording of accounts payable and encumbrances. Revenues are recognized when cash is received. Expenditures include cash disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for certain special revenue funds, capital project funds, and fiduciary 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.

**Cash and Investments**

The City Pool's idle cash from all funds for the purpose of increasing income through investment activities. Investments are stated at cost.

**Property Taxes**

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31, such taxes are a lien on the property.

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

### Special Assessments

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligations bonds which are secured by the full faith and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of general obligation bonds are recorded as revenue in the bond and interest fund. Further, state statutes require levying additional general ad valorem property taxes in the City Bond and Interest Fund to finance delinquent special assessments receivable.

Accordingly, special assessments are accounted for within the City Bond and Interest Fund. Special assessments are levied over a ten or fifteen-year period and annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears. At December 31, the special assessment taxes levied are a lien on the property.

### Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

### Compensated Absences

All regular full-time employees are eligible for vacation benefits. Employees are allowed to accumulate and carry forward a maximum of 160 hours (12 shift days for Fire Department Personnel). Hours accumulated and not taken in excess of these limits at December 31 of each year are lost by the employees. New employees must work a minimum of six months to utilize earned vacation benefits. Unused vacation benefits are paid to employees when employment with the City terminates.

All regular full-time employees are also eligible for sick leave benefits. All regular full-time service employees with 12 years of continuous service will be paid for half of accumulated sick hours on the books upon death or retirement. Unused sick leave benefits are lost when employment with the City terminates unless due to death or retirement. Employees accrue sick leave at the rate of 10 days per year with a maximum of 120 days (six shift days per year with a maximum of 72 shift days for Fire Department Personnel). The City accrues a liability for compensated absences that meet the following criteria:

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

In accordance with the above criteria the City has accrued a liability for vacation and sick pay which has been earned but not taken by City employees.

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

### Pension Plan

Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System or the State of Kansas Police and Firemen's Retirement System, both of which are multi-employer statewide pension plans. The City's policy is to fund all pension costs accrued; such costs to be funded are actuarially determined annually by the State.

### Termination and Post Employment Benefits

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

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

### Comparative Data

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

## **2. COMPLIANCE, STEWARDSHIP, AND ACCOUNTABILITY**

### Compliance With Kansas Statutes

Statements 1 and 2 are designed to show compliance with the cash basis and budget laws of Kansas. As shown on Statement 1, several funds show negative unencumbered cash balances in apparent violation of the Kansas cash basis law. However, these are apparently not violations of the cash basis law due to numerous grant money receivables as of December 31, 2011.

## **3. CASH, INVESTMENTS AND DEPOSITS WITH FINANCIAL INSTITUTIONS**

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

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

**3. CASH, INVESTMENTS AND DEPOSITS WITH FINANCIAL INSTITUTIONS**  
(Continued)

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

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Government's deposits may not be returned to it. State statutes require the Government's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not have any "peak periods" designated.

At December 31, 2011 the City's carrying amount of deposits was \$6,931,464.17 and the bank balance was \$7,279,587.29. The bank balances were held by several banks resulting in a diversification of credit risk. Of the bank balance, \$311,366.09 was covered by federal depository insurance, and \$6,968,221.20 was collateralized with securities totaling \$8,977,912.34 held by the pledging financial institutions' agents in the City's name.

At December 31, 2011 the City had invested \$4,044,474.61 in the State's municipal investment pool. The Pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

**4. LONG-TERM OBLIGATIONS**

**General Obligation Bonds**

General Obligation Bonds are direct obligations and pledge the full faith and credit of the City. 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 activities. These bonds therefore are reported in the proprietary funds if they are expected to be repaid from proprietary revenues.

**Debt Service Requirements**

Future requirements of principal and interest are recorded in Note 14. Additional disclosures for revenue bonds are as follows:

4. **LONG-TERM OBLIGATIONS**  
Debt Service Requirements (Continued)

| YEAR ENDED<br>DECEMBER 31, | PRINCIPAL             | INTEREST              | TOTAL                  |
|----------------------------|-----------------------|-----------------------|------------------------|
| 2012                       | \$ 75,660.00          | \$ 234,316.48         | \$ 309,976.48          |
| 2013                       | 79,892.00             | 230,792.68            | 310,684.68             |
| 2014                       | 82,842.00             | 227,300.81            | 310,142.81             |
| 2015                       | 86,875.00             | 223,605.02            | 310,480.02             |
| 2016                       | 90,641.00             | 219,797.49            | 310,438.49             |
| 2017 TO 2021               | 516,638.00            | 1,034,322.39          | 1,550,960.39           |
| 2022 TO 2026               | 642,821.00            | 908,146.79            | 1,550,967.79           |
| 2027 TO 2031               | 799,785.00            | 751,116.49            | 1,550,901.49           |
| 2032 TO 2036               | 996,013.00            | 555,538.92            | 1,551,551.92           |
| 2037 TO 2041               | 1,239,573.00          | 311,794.10            | 1,551,367.10           |
| 2042 TO 2046               | <u>660,831.00</u>     | <u>72,134.06</u>      | <u>732,965.06</u>      |
|                            | <u>\$5,271,571.00</u> | <u>\$4,768,865.23</u> | <u>\$10,040,436.23</u> |

Compensated Absences

Compensated absences are accrued as detailed in Note 1. Accrued compensated absences as of December 31, 2011, consisted of vacation and sick pay in the amount of \$459,169.48.

Industrial Revenue Bonds

The City has entered into various agreements to induce businesses to locate or expand operations in Fort Scott, Kansas. In connection therewith, the City has issued industrial revenue bonds (IRB's), which require the businesses to make lease payments to trust accounts sufficient to pay debt service on the IRB's. The City is under no obligation to pay the IRB debt, which is to be paid from the lease payments made by the related businesses. At December 31, 2011, there were two industrial revenue bond issues to two local businesses with principal balances due totaling \$260,000.

5. **DEFINED BENEFIT RETIREMENT PLANS**

Plan Description

The City participates in the Kansas Public Employees Retirement System ("KPERS"), and the Kansas Police and Firemen's Retirement System ("KP&F"). Both are part of a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing to KPERS (611 S Kansas, Suite 100; Topeka, Kansas 66603) or by calling 1-888-275-5737.

**5. DEFINED BENEFIT RETIREMENT PLANS (Continued)**

**Funding Policy**

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% to 6% of covered salary, depending upon the date of hire. K.S.A. 74-4975 established KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. State law sets a limitation on annual increases in the employer contribution rates. The KPERS employer rate established by statute is 7.74% from January 1, 2011 to December 31, 2011. The City's employer contributions to KPERS for the years ending December 31, 2011, 2010, and 2009, were \$136,230.31, \$131,257.46, and \$100,376.86, respectively, equal to the statutory required contributions for each year. The KP&F uniform participating employer rate established for the calendar year 2011 is 13.88%. Employers participating in KP&F can also make contributions to amortize the liability for past service costs, if any, which is determined separately for each participating employer. The City has chosen to do this and, accordingly, paid a rate of 20.42% for 2011. The City's contributions to KP&F for the years ending December 31, 2011, 2010, and 2009, were \$239,846.74, \$215,678.33, and \$219,797.38, respectively, equal to the statutory required contributions for each year.

**6. SALES TO MAJOR CUSTOMER - ENTERPRISE FUNDS**

During 2011, approximately 40% of the total cubic feet of water and 34% of water sales in the Water Utility Fund were to Consolidated Rural Water District #2, Inc., Bourbon County, Kansas.

**7. RISK MANAGEMENT**

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

**8. DISCLOSURES FOR COMPONENT UNITS**

**FORT SCOTT PUBLIC LIBRARY**

The Library's basis of accounting is the same as the City's basis as described in Note 1. The Library is not subject to the budgetary statutes applicable to Cities in the State of Kansas. Copies of the Library's financial statements may be obtained at the Fort Scott Public Library. Cash consists of deposits in bank accounts fully secured by FDIC insurance. The Library participates in the KPER's retirement system referred to in Note 5. The Library's employer contributions for 2011, 2010, and 2009, equaled \$11,131.84, \$10,289.56, and \$7,748.24, respectively. The Library manages exposure to various risks of loss due to torts; theft of, damage to, or destruction to assets; errors and omissions; and injuries to employees by purchasing various insurance policies.

## 9. INTERFUND TRANSFERS

Operating transfers were as follows:

| <u>From Fund</u>                     | <u>To Fund</u>            | <u>K.S.A. Statutory Authority</u> | <u>Amount</u> |
|--------------------------------------|---------------------------|-----------------------------------|---------------|
| Water Utility                        | General Fund              | 12-825d                           | \$115,000.00  |
| Sewage Utility                       | General Fund              | 12-825d                           | 215,000.00    |
| General                              | Equipment Reserve         | 12-1, 117                         | 165,000.00    |
| General                              | Special Street & Highways | 68-590                            | 100,000.00    |
| General                              | Capital Improvements      | 12-1, 118                         | 165,000.00    |
| Sewage Utility                       | Sewer Bond Reserve        | 12-825d                           | 31,044.00     |
| General                              | Runway Rehab Grant        | (2)                               | 106.00        |
| General                              | FAA Projects Grant        | (2)                               | 4,004.00      |
| Wastewater Project                   | Sewer Utility             | (1)                               | 20,599.00     |
| 7 <sup>th</sup> and National Project | Storm Drain Utility       | (1)                               | 229,312.20    |
| General                              | KDOT State Airport Grant  | (2)                               | 2,272.95      |

The Transfers noted with (1) is to transfer the remaining unused bond proceeds to the Debt Service Fund to pay the debt.

The Transfers noted with (2) are actually reimbursed expenses.

## 10. CAPITAL PROJECTS

Capital projects with approved change orders compared with expenditures from inception are as follows:

|                                                                            | <u>Expenditures To Date</u> | <u>Project Authorization</u> |
|----------------------------------------------------------------------------|-----------------------------|------------------------------|
| Street Improvement Projects (FEMA)<br>(Funds 45 & 57) - Completed in 2011  |                             |                              |
| Grant - Federal                                                            |                             | \$ 529,892.00                |
| Grant - Kansas                                                             |                             | 70,652.00                    |
| Other Receipts                                                             |                             | 105,978.00                   |
| Totals                                                                     | <u>\$ 496,654.89</u>        | <u>\$ 706,522.00</u>         |
| Street Improvements Projects (KDOT)<br>(Funds 66 & 76) - Still in Progress |                             |                              |
| KDOT Revolving Loan                                                        |                             | \$ 400,000.00                |
| GO Bonds                                                                   |                             | 1,851,123.57                 |
| Revenue Bonds                                                              |                             | 277,000.00                   |
| KDOT Grant                                                                 |                             | 1,400,000.00                 |
| Other Receipts                                                             |                             | 120,329.00                   |
| Totals                                                                     | <u>\$3,766,781.89</u>       | <u>\$ 4,048,452.57</u>       |
| Runway Rehab Project (Fund 89) - Completed in 2011                         |                             |                              |
| FAA Grant                                                                  |                             | \$ 613,223.00                |
| Local Funds (Reimbursement)                                                |                             | 32,277.00                    |
| Totals                                                                     | <u>\$ 645,498.96</u>        | <u>\$ 645,500.00</u>         |
| KLINK Wall Street Project (Fund 68) - Still in Progress                    |                             |                              |
| KDOT Revolving Loan                                                        |                             | \$ 400,000.00                |
| KDOT Grant                                                                 |                             | 400,000.00                   |
| Local Funds                                                                |                             | 133,333.00                   |
| Totals                                                                     | <u>\$ 438,798.07</u>        | <u>\$ 933,333.00</u>         |

## 10. CAPITAL PROJECTS (Continued)

|                                                                                                          | <u>Expenditures<br/>To Date</u> | <u>Project<br/>Authorization</u> |
|----------------------------------------------------------------------------------------------------------|---------------------------------|----------------------------------|
| Street and Sidewalks Project<br>(Fund 56) – Still in Progress                                            |                                 |                                  |
| GO Bonds                                                                                                 |                                 | \$ 620,365.74                    |
| Totals                                                                                                   | <u>\$ 404,086.65</u>            | <u>\$ 620,365.74</u>             |
| Street Projects (US 69 and 18 <sup>th</sup> & 23 <sup>rd</sup> Streets)<br>(Fund 33) - Still in Progress |                                 |                                  |
| KDOT Federal Grant                                                                                       |                                 | \$ 1,999,659.00                  |
| Totals                                                                                                   | <u>\$ 250,889.11</u>            | <u>\$ 1,999,659.00</u>           |
| Wastewater Projects (Fund 30) - Still in Progress                                                        |                                 |                                  |
| GO Bonds                                                                                                 |                                 | \$ 155,091.43                    |
| Temporary Notes                                                                                          |                                 | 401,426.64                       |
| Totals                                                                                                   | <u>\$ 453,638.40</u>            | <u>\$ 556,518.07</u>             |
| Water Project (Fund 72) - Still in Progress                                                              |                                 |                                  |
| Temporary Notes                                                                                          |                                 | \$ 151,996.99                    |
| Totals                                                                                                   | <u>\$ 151,996.99</u>            | <u>\$ 151,996.99</u>             |
| Bridge Project (Fund 32) - Still in Progress                                                             |                                 |                                  |
| Temporary Notes                                                                                          |                                 | \$ 329,326.80                    |
| Totals                                                                                                   | <u>\$ 54.60</u>                 | <u>\$ 329,326.80</u>             |

## 11. CONTINGENCIES

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

## 12. SUBSEQUENT EVENTS

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

### 13. BUDGET AMENDMENTS

| General Fund                             | Original Budget     | Amended Budget      |
|------------------------------------------|---------------------|---------------------|
| <b>Cash Receipts</b>                     |                     |                     |
| Taxes                                    | \$ 3,324,783        | \$ 3,324,783        |
| Intergovernmental                        | 774,159             | 774,159             |
| Fines, Forfeitures and Penalties         | 120,000             | 120,000             |
| Golf Course Receipts                     | -                   | 216,500             |
| Donations                                | -                   | 200,000             |
| All Other                                | 55,800              | 55,800              |
| Other Income                             | 405,500             | 405,500             |
| Operating Transfer from Other Funds      | <u>330,000</u>      | <u>330,000</u>      |
| Total Receipts                           | 5,010,242           | 5,426,742           |
| Unencumbered Cash, January 1             | 548,775             | 797,954             |
| Resources Available                      | <u>\$ 5,559,017</u> | <u>\$ 6,224,696</u> |
| <b>Expenditures</b>                      |                     |                     |
| General Government                       | \$ 1,015,485        | \$ 1,015,485        |
| Recreation - Golf Course                 | -                   | 385,214             |
| Recreation - Other                       | 585,470             | 585,470             |
| Public Transportation                    | 1,063,582           | 1,063,582           |
| Public Safety                            | 2,583,855           | 2,583,855           |
| Debt Service                             | 60,625              | 60,625              |
| Operating Transfer to Other Funds        | <u>250,000</u>      | <u>250,000</u>      |
| Total Expenditures                       | <u>\$ 5,559,017</u> | <u>\$ 5,944,231</u> |
| <b>Special Streets and Highways Fund</b> |                     |                     |
| <b>Cash Receipts</b>                     |                     |                     |
| Intergovernmental                        | \$ 217,720          | \$ 212,240          |
| Other Income                             | -                   | 7,000               |
| Operating Transfer from Other Funds      | <u>100,000</u>      | <u>100,000</u>      |
| Total Receipts                           | 317,720             | 319,240             |
| Unencumbered Cash, January 1             | <u>177,709</u>      | <u>459,698</u>      |
| Resources Available                      | <u>\$ 495,429</u>   | <u>\$ 778,938</u>   |
| <b>Expenditures</b>                      |                     |                     |
| Public Transportation                    | \$ 250,000          | \$ 384,500          |
| Debt Service                             | <u>81,044</u>       | <u>81,044</u>       |
| Total Expenditures                       | <u>\$ 331,044</u>   | <u>\$ 465,544</u>   |

### 14. LONG-TERM DEBT OBLIGATIONS

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

14. **LONG TERM OBLIGATIONS** (Continued)

| Issue                                                                                    | Interest Rates | Amount of Issue | Date of Issue | Date of Final Maturity | Balances Beginning of Year | Additions/ New Debt | Reductions/ Principal Paid | Balances End of Year | Interest Paid     |      |
|------------------------------------------------------------------------------------------|----------------|-----------------|---------------|------------------------|----------------------------|---------------------|----------------------------|----------------------|-------------------|------|
|                                                                                          |                |                 |               |                        |                            |                     |                            |                      | Interest          | Paid |
| <u>General Obligation Bonds</u>                                                          |                |                 |               |                        |                            |                     |                            |                      |                   |      |
| FS Middle School Series 2001                                                             | 4.75%          | \$ 55,000       | 7/29/1999     | 10/1/2011              | \$ 90,000                  | \$ -                | \$ 90,000                  | \$ -                 | \$ 4,050          |      |
| Plumper Truck Series 1999-A                                                              | 3.85% - 5.85%  | 711,000         | 8/1/2001      | 8/2/2014               | 18,575                     | -                   | 4,330                      | 14,245               | 883               |      |
| Series 2010-A                                                                            | 1.75% - 3.75%  | 1,295,000       | 4/1/2010      | 10/1/2024              | 1,295,000                  | -                   | 100,000                    | 1,195,000            | 54,368            |      |
| Series 2011-A                                                                            | 1.50% - 3.35%  | 775,000         | 3/1/2011      | 10/1/2021              | -                          | 775,000             | -                          | 775,000              | -                 |      |
| Series 2011-B                                                                            | 1.25% - 2.05%  | 3,900,000       | 12/1/2011     | 10/1/2021              | -                          | 3,900,000           | -                          | 3,900,000            | -                 |      |
| <b>Total General Obligation Bonds</b>                                                    |                |                 |               |                        | <b>1,403,575</b>           | <b>4,675,000</b>    | <b>194,330</b>             | <b>5,884,245</b>     | <b>59,300</b>     |      |
| <u>Temporary Notes</u>                                                                   |                |                 |               |                        |                            |                     |                            |                      |                   |      |
| Series 2011-1                                                                            | 1.15%          | 635,000         | 8/1/2011      | 10/1/2013              | -                          | 635,000             | -                          | 635,000              | 4,260             |      |
| Series 2011-2                                                                            | 55.00%         | 250,000         | 12/1/2011     | 12/1/2013              | -                          | 250,000             | -                          | 250,000              | -                 |      |
| Series 2010-1 City Hall                                                                  | 2.95%          | 150,000         | 5/15/2010     | 10/1/2013              | 150,000                    | -                   | 50,000                     | 100,000              | 6,097             |      |
| <b>Total Temporary Notes</b>                                                             |                |                 |               |                        | <b>150,000</b>             | <b>885,000</b>      | <b>50,000</b>              | <b>985,000</b>       | <b>10,356</b>     |      |
| <u>General Obligation Enterprise Bonds</u>                                               |                |                 |               |                        |                            |                     |                            |                      |                   |      |
| Series 2004 Refunding                                                                    | 2.5% - 3.7%    | 3,070,000       | 7/1/2004      | 10/1/2012              | 720,000                    | -                   | 350,000                    | 370,000              | 25,940            |      |
| Series 2009 - Streets / Waterline                                                        | Variable       | 2,005,000       | 6/1/2009      | 10/1/2024              | 1,910,000                  | -                   | 125,000                    | 1,785,000            | 62,465            |      |
| <b>Total General Obligation Enterprise Bonds</b>                                         |                |                 |               |                        | <b>2,630,000</b>           | <b>-</b>            | <b>475,000</b>             | <b>2,155,000</b>     | <b>88,405</b>     |      |
| <u>Revolving Loans: Kansas Department of Health &amp; Environment and Transportation</u> |                |                 |               |                        |                            |                     |                            |                      |                   |      |
| Mill Creek Bridge Project-TR0059                                                         | 3.88%          | 72,000          | 1/4/2008      | 8/1/2012               | 29,357                     | -                   | 14,980                     | 14,377               | 1,139             |      |
| WWTP Improvements-C20 134402                                                             | 3.49%          | 2,169,247       | 3/8/2001      | 2/1/2026               | 957,296                    | -                   | 68,964                     | 888,332              | 32,813            |      |
| Water Plant Project #2277                                                                | 3.80%          | 6,788,071       | 1/8/2002      | 9/1/2022               | 4,364,402                  | -                   | 220,631                    | 4,143,771            | 163,771           |      |
| Water Tower #2189                                                                        | 4.13%          | 5,480,086       | 1/16/2004     | 8/1/2026               | 1,676,036                  | -                   | 82,635                     | 1,593,401            | 68,376            |      |
| Brick Streets and Sidewalks-TR0076                                                       | 4.00%          | 400,000         | 5/6/2008      | 8/1/2027               | 249,064                    | -                   | 18,840                     | 230,224              | 9,987             |      |
| Wall Street Klink Project-TR0122                                                         | 4.00%          | 400,000         | 8/4/2009      | 8/1/2019               | 88,572                     | -                   | 48,162                     | 40,409               | 4,107             |      |
| <b>Total Revolving Loans</b>                                                             |                |                 |               |                        | <b>7,364,726</b>           | <b>-</b>            | <b>454,211</b>             | <b>6,910,515</b>     | <b>280,193</b>    |      |
| <u>Revenue Bonds</u>                                                                     |                |                 |               |                        |                            |                     |                            |                      |                   |      |
| Sewer Utility, Series A,B 2005                                                           | 4.25%          | 3,460,200       | 12/15/2005    | 12/15/2045             | 3,273,812                  | -                   | 42,241                     | 3,231,571            | 139,137           |      |
| Sewer Utility, Series A, 2001                                                            | 4.75%          | 2,290,000       | 9/13/2001     | 9/13/2041              | 2,071,000                  | -                   | 31,000                     | 2,040,000            | 98,373            |      |
| <b>Total Revenue Bonds</b>                                                               |                |                 |               |                        | <b>5,344,812</b>           | <b>-</b>            | <b>73,241</b>              | <b>5,271,571</b>     | <b>237,510</b>    |      |
| <u>Capital Leases</u>                                                                    |                |                 |               |                        |                            |                     |                            |                      |                   |      |
| Track Paver                                                                              | 5.44%          | 128,113         | 7/31/2006     | 8/1/2011               | 28,441                     | -                   | 28,441                     | -                    | 1,188             |      |
| 2009 Freight Liner                                                                       | 4.08%          | 181,607         | 3/18/2010     | 4/1/2020               | 181,607                    | -                   | 15,070                     | 166,537              | 7,410             |      |
| Police Cars                                                                              | 5.00%          | 79,806          | 5/27/2011     | 5/27/2013              | -                          | 79,806              | -                          | 27,910               | 51,896            | -    |
| <b>Total Capital Leases</b>                                                              |                |                 |               |                        | <b>210,048</b>             | <b>79,806</b>       | <b>71,422</b>              | <b>218,433</b>       | <b>8,597</b>      |      |
| <u>Compensated Absences</u>                                                              |                |                 |               |                        |                            |                     |                            |                      |                   |      |
| General Long Term Debt                                                                   | N/A            | N/A             | N/A           | N/A                    | 379,679                    | -                   | 10,761                     | 368,918              | -                 |      |
| Enterprise Funds                                                                         | N/A            | N/A             | N/A           | N/A                    | 96,138                     | -                   | 5,887                      | 90,251               |                   |      |
| <b>Total Compensated Absences</b>                                                        |                |                 |               |                        | <b>475,817</b>             | <b>-</b>            | <b>16,648</b>              | <b>459,170</b>       |                   |      |
|                                                                                          |                |                 |               |                        | <b>\$ 17,578,979</b>       | <b>\$ 5,639,806</b> | <b>\$ 1,334,852</b>        | <b>\$ 21,883,934</b> | <b>\$ 684,362</b> |      |

Note Additional Drawdowns of \$104,992 and \$311,429 can be made from TR 0076 and TR 0122 respectively

14. **LONG TERM OBLIGATIONS** (Continued)

|                                                                             | Issue              | 2012               | 2013               | 2014               | 2015               | 2016               | 2017 to 2021       | 2022 to 2027       | Thereafter          | Totals    |
|-----------------------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|-----------|
| <u>Principal</u>                                                            |                    |                    |                    |                    |                    |                    |                    |                    |                     |           |
| General Obligation Bonds                                                    | \$ 484,530         | \$ 529,750         | \$ 549,965         | \$ 560,000         | \$ 580,000         | \$ 3,020,000       | \$ 160,000         | \$ -               | \$ 5,884,245        |           |
| Temporary Notes                                                             | 50,000             | 935,000            | -                  | -                  | -                  | -                  | -                  | -                  | 985,000             |           |
| General Obligation Enterprise Bonds                                         | 500,000            | 135,000            | 140,000            | 145,000            | 150,000            | 710,000            | 375,000            | -                  | -                   | 2,155,000 |
| Revolving Loans: Kansas Department of Health & Environment & Transportation | 460,974            | 421,866            | 438,151            | 455,066            | 472,637            | 2,646,186          | 2,015,635          | -                  | 6,910,515           |           |
| Revenue Bonds                                                               | 75,660             | 79,892             | 82,842             | 86,785             | 90,641             | 516,638            | 642,821            | 3,696,292          | 5,271,571           |           |
| Capital Leases                                                              | 41,000             | 42,906             | 16,991             | 17,684             | 18,406             | 81,446             | -                  | -                  | 218,433             |           |
| Total Principal                                                             | <u>\$1,612,164</u> | <u>\$2,144,414</u> | <u>\$1,227,949</u> | <u>\$1,264,536</u> | <u>\$1,311,684</u> | <u>\$6,974,270</u> | <u>\$3,193,456</u> | <u>\$3,696,292</u> | <u>\$21,424,764</u> |           |
| <u>Interest</u>                                                             |                    |                    |                    |                    |                    |                    |                    |                    |                     |           |
| General Obligation Bonds                                                    | \$ 123,341         | \$ 112,094         | \$ 101,981         | \$ 90,690          | \$ 79,058          | \$ 228,180         | \$ 12,063          | \$ -               | \$ 747,405          |           |
| Temporary Notes                                                             | 10,253             | 11,528             | -                  | -                  | -                  | -                  | -                  | -                  | 21,780              |           |
| General Obligation Enterprise Bonds                                         | 71,155             | 52,590             | 50,025             | 46,945             | 43,320             | 145,860            | 30,670             | -                  | 440,565             |           |
| Revolving Loans: Kansas Department of Health & Environment & Transportation | 262,004            | 244,151            | 227,866            | 210,950            | 193,380            | 678,584            | 176,904            | -                  | 1,993,839           |           |
| Revenue Bonds                                                               | 234,316            | 230,793            | 227,301            | 223,605            | 219,797            | 1,034,322          | 908,147            | 1,690,583          | 4,768,865           |           |
| Capital Leases                                                              | 9,390              | 7,484              | 5,489              | 4,795              | 4,074              | 8,473              | -                  | -                  | 39,705              |           |
| Total Interest                                                              | <u>\$ 710,458</u>  | <u>\$ 658,639</u>  | <u>\$ 612,661</u>  | <u>\$ 576,986</u>  | <u>\$ 539,629</u>  | <u>\$2,095,420</u> | <u>\$1,127,783</u> | <u>\$1,690,583</u> | <u>\$ 8,012,160</u> |           |
| Total Principal and Interest                                                | <u>\$2,322,622</u> | <u>\$2,803,053</u> | <u>\$1,840,610</u> | <u>\$1,841,522</u> | <u>\$1,851,313</u> | <u>\$9,069,690</u> | <u>\$4,321,239</u> | <u>\$5,386,875</u> | <u>\$29,436,924</u> |           |

**CITY OF FORT SCOTT, KANSAS**  
**SUPPLEMENTAL INFORMATION**

For the Year Ended December 31, 2011

## Schedule 1

**CITY OF FORT SCOTT, KANSAS**  
Summary of Expenditures - Actual and Budget  
For the Year Ended December 31, 2011

**CITY OF FORT SCOTT, KANSAS**  
**GENERAL FUND**

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

|                                     | 2010<br>Actual      | 2011<br>Actual      | 2011<br>Budget        | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------|---------------------|---------------------|-----------------------|------------------------------------------|
| <b>Cash Receipts</b>                |                     |                     |                       |                                          |
| Taxes                               |                     |                     |                       |                                          |
| Ad Valorem property tax             | \$1,801,228.39      | \$1,647,888.79      | \$1,764,267.00        | (\$116,378.21)                           |
| Delinquent                          | 59,321.04           | 78,084.21           | -                     | 78,084.21                                |
| Motor vehicle                       | 182,483.85          | 199,014.01          | 222,016.00            | (23,001.99)                              |
| Sales tax                           | 1,209,953.99        | 1,244,795.87        | 1,220,000.00          | 24,795.87                                |
| Compensating use tax                | 117,099.93          | 151,291.11          | 115,000.00            | 36,291.11                                |
| Special assessments                 | 4,719.69            | 2,397.50            | 3,500.00              | (1,102.50)                               |
| Intergovernmental                   |                     |                     |                       |                                          |
| State special alcohol tax           | 15,068.52           | 14,285.55           | 14,159.00             | 126.55                                   |
| Utility franchise taxes             | 771,275.73          | 760,528.79          | 760,000.00            | 528.79                                   |
| Federal Emergency preparedness      | 50,775.75           | 4,242.38            | -                     | 4,242.38                                 |
| State Emergency preparedness        | 6,770.10            | 565.65              | -                     | 565.65                                   |
| KDOT Grant-State                    | 2,271.00            | -                   | -                     | -                                        |
| KDOT STEP Grant-Federal             | 2,235.45            | 3,696.91            | -                     | 3,696.91                                 |
| Licenses and Permits                |                     |                     |                       |                                          |
| Licenses and permits                | 11,123.00           | 12,821.80           | 12,000.00             | 821.80                                   |
| Other fees                          | 3,745.50            | 4,269.00            | -                     | 4,269.00                                 |
| Fines, Forfeitures and Penalties    |                     |                     |                       |                                          |
| Municipal court fines               | 80,731.92           | 117,792.56          | 120,000.00            | (2,207.44)                               |
| Use of Money and Property           |                     |                     |                       |                                          |
| Interest earned                     | 4,913.13            | 3,485.19            | 5,000.00              | (1,514.81)                               |
| Golf course receipts                | -                   | 89,723.01           | 216,500.00            | (126,776.99)                             |
| Donations                           | -                   | 210,000.00          | 200,000.00            | 10,000.00                                |
| Swimming pool receipts              | 16,756.76           | 18,720.78           | 15,000.00             | 3,720.78                                 |
| Memorial Hall receipts              | 1,785.00            | 2,175.00            | 4,500.00              | (2,325.00)                               |
| Gunn Park receipts                  | 1,954.00            | 1,127.00            | 2,000.00              | (873.00)                                 |
| Buck Run Com Center receipts        | 24,803.13           | 22,086.03           | 24,000.00             | (1,913.97)                               |
| Lease income                        | 8,248.75            | 18,823.00           | 5,300.00              | 13,523.00                                |
| Sales of property                   | 143,688.75          | 34,705.97           | -                     | 34,705.97                                |
| Other Income                        |                     |                     |                       |                                          |
| Payments in lieu of taxes           | 34,704.64           | 25,413.28           | 34,000.00             | (8,586.72)                               |
| Airport revenue                     | 148,897.41          | 143,332.84          | 175,000.00            | (31,667.16)                              |
| Miscellaneous                       | 11,359.95           | 36,942.51           | 15,000.00             | 21,942.51                                |
| Dispatching services                | 82,500.00           | 80,000.00           | 80,000.00             | -                                        |
| Reimbursed Expenses                 | 57,051.59           | 150,240.36          | 66,000.00             | 84,240.36                                |
| Shelter House Rental                | 3,110.00            | 2,555.00            | 3,500.00              | (945.00)                                 |
| Mercy Hospital participation        | 24,975.00           | 23,400.00           | 20,000.00             | 3,400.00                                 |
| Neighborhood revitalization rebates | 32,013.85           | 23,698.05           | -                     | 23,698.05                                |
| Operating Transfer from Other Funds |                     |                     |                       |                                          |
| Water Utility                       | 115,000.00          | 115,000.00          | 115,000.00            | -                                        |
| Sewage Utility                      | 215,000.00          | 215,000.00          | 215,000.00            | -                                        |
| Total Cash Receipts                 | <u>5,245,565.82</u> | <u>5,458,102.15</u> | <u>\$5,426,742.00</u> | <u>\$31,360.15</u>                       |

**CITY OF FORT SCOTT, KANSAS**

**GENERAL FUND**

Schedule of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2011

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

|                      | 2010<br>Actual | 2011<br>Actual | 2011<br>Budget | Variance -<br>Favorable<br>(Unfavorable) |
|----------------------|----------------|----------------|----------------|------------------------------------------|
| <b>Expenditures</b>  |                |                |                |                                          |
| Code Enforcement     |                |                |                |                                          |
| Personal services    | \$90,986.62    | \$88,841.52    | \$94,799.00    | \$5,957.48                               |
| Contractual services | 59,107.93      | 47,924.69      | 73,205.00      | 25,280.31                                |
| Commodities          | 2,764.33       | 5,438.14       | 5,500.00       | 61.86                                    |
| Capital outlay       | -              | -              | -              | -                                        |
| General Government   |                |                |                |                                          |
| Personal services    | 314,080.20     | 324,515.73     | 322,900.00     | (1,615.73)                               |
| Contractual services | 248,968.15     | 291,400.89     | 265,911.00     | (25,489.89)                              |
| Commodities          | 35,028.45      | 36,809.79      | 45,650.00      | 8,840.21                                 |
| Capital outlay       | 29,049.40      | 101,179.90     | 2,500.00       | (98,679.90)                              |
| Trolley Department   |                |                |                |                                          |
| Personal services    | 7,167.36       | 6,546.64       | 12,000.00      | 5,453.36                                 |
| Contractual services | 1,679.11       | 1,055.00       | -              | (1,055.00)                               |
| Commodities          | 3,151.92       | 2,447.52       | 3,000.00       | 552.48                                   |
| Capital outlay       | -              | -              | -              | -                                        |
| Street Department    |                |                |                |                                          |
| Personal services    | 391,412.97     | 361,585.75     | 453,514.00     | 91,928.25                                |
| Contractual services | 92,479.20      | 167,922.68     | 91,450.00      | (76,472.68)                              |
| Commodities          | 88,052.57      | 101,487.36     | 139,463.00     | 37,975.64                                |
| Capital outlay       | 699.99         | 2,556.00       | 1,000.00       | (1,556.00)                               |
| Economic Development |                |                |                |                                          |
| Personal services    | 73,984.82      | 13,436.36      | 65,655.00      | 52,218.64                                |
| Contractual services | 49,746.38      | 46,864.74      | 59,265.00      | 12,400.26                                |
| Commodities          | 2,363.72       | 824.96         | 2,000.00       | 1,175.04                                 |
| Capital outlay       | 1,325.94       | -              | -              | -                                        |
| Airport Department   |                |                |                |                                          |
| Personal services    | 74,890.49      | 64,414.83      | 78,305.00      | 13,890.17                                |
| Contractual services | 41,921.19      | 55,354.47      | 39,600.00      | (15,754.47)                              |
| Commodities          | 150,286.25     | 152,014.25     | 260,250.00     | 108,235.75                               |
| Capital outlay       | 59.99          | 737.00         | -              | (737.00)                                 |
| Park Department      |                |                |                |                                          |
| Personal services    | 158,822.43     | 149,011.13     | 225,846.00     | 76,834.87                                |
| Contractual services | 47,446.01      | 34,710.38      | 26,900.00      | (7,810.38)                               |
| Commodities          | 44,744.42      | 41,362.90      | 37,750.00      | (3,612.90)                               |
| Capital outlay       | 91,824.17      | 7,323.44       | -              | (7,323.44)                               |

**CITY OF FORT SCOTT, KANSAS**  
**GENERAL FUND**

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

|                           | 2010<br>Actual | 2011<br>Actual | 2011<br>Budget | Variance -<br>Favorable<br>(Unfavorable) |
|---------------------------|----------------|----------------|----------------|------------------------------------------|
| <b>Expenditures</b>       |                |                |                |                                          |
| Swimming Pool Department  |                |                |                |                                          |
| Personal services         | \$56,236.34    | \$62,181.59    | \$63,850.00    | \$1,668.41                               |
| Contractual services      | 10,501.20      | 30,755.88      | 9,970.00       | (20,785.88)                              |
| Commodities               | 21,262.48      | 15,406.70      | 11,500.00      | (3,906.70)                               |
| Capital outlay            | 5,106.88       | 515.00         | -              | (515.00)                                 |
| Golf Course               |                |                |                |                                          |
| Personal services         | -              | 89,178.60      | 225,214.00     | 136,035.40                               |
| Contractual services      | -              | 30,108.70      | -              | (30,108.70)                              |
| Commodities               | -              | 33,653.80      | -              | (33,653.80)                              |
| Capital outlay            | -              | 144,757.01     | 160,000.00     | 15,242.99                                |
| Buck Run Community Center |                |                |                |                                          |
| Personal services         | 34,591.09      | 37,926.81      | 37,095.00      | (831.81)                                 |
| Contractual services      | 100,848.40     | 114,948.15     | 112,160.00     | (2,788.15)                               |
| Commodities               | 14,194.80      | 10,303.12      | 13,899.00      | 3,595.88                                 |
| Capital outlay            | 4,212.72       | 2,755.22       | 1,500.00       | (1,255.22)                               |
| Grand Memorial Theater    |                |                |                |                                          |
| Personal services         | 192.13         | 2,978.66       | -              | (2,978.66)                               |
| Contractual services      | -              | 292.18         | 30,000.00      | 29,707.82                                |
| Commodities               | -              | -              | -              | -                                        |
| Capital outlay            | -              | -              | -              | -                                        |
| Animal Control            |                |                |                |                                          |
| Personal services         | 34,335.24      | 34,631.45      | 33,625.00      | (1,006.45)                               |
| Contractual services      | 7,842.53       | 7,576.78       | 6,300.00       | (1,276.78)                               |
| Commodities               | 1,401.28       | 451.01         | 6,800.00       | 6,348.99                                 |
| Capital outlay            | -              | 134.95         | -              | (134.95)                                 |
| Police Department         |                |                |                |                                          |
| Personal services         | 990,600.02     | 1,018,934.43   | 1,155,810.00   | 136,875.57                               |
| Contractual services      | 87,440.19      | 94,366.98      | 95,000.00      | 633.02                                   |
| Commodities               | 72,267.77      | 85,013.53      | 88,750.00      | 3,736.47                                 |
| Capital outlay            | 2,877.67       | 112.10         | 1,500.00       | 1,387.90                                 |
| Fire Department           |                |                |                |                                          |
| Personal services         | 673,776.45     | 692,113.77     | 706,256.00     | 14,142.23                                |
| Contractual services      | 63,576.94      | 68,633.20      | 84,250.00      | 15,616.80                                |
| Commodities               | 45,961.53      | 54,319.75      | 81,494.00      | 27,174.25                                |
| Capital outlay            | 1,411.96       | 4,794.72       | -              | (4,794.72)                               |
| Dispatch Center           |                |                |                |                                          |
| Personal services         | 294,686.13     | 304,027.20     | 313,270.00     | 9,242.80                                 |
| Contractual services      | 7,820.02       | 10,870.72      | 7,300.00       | (3,570.72)                               |
| Commodities               | 422.92         | 1,166.42       | 3,500.00       | 2,333.58                                 |
| Capital outlay            | 763.02         | 305.04         | -              | (305.04)                                 |

**CITY OF FORT SCOTT, KANSAS**  
**GENERAL FUND**

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

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

|                                           | 2010<br>Actual      | 2011<br>Actual      | 2011<br>Budget        | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------------|---------------------|---------------------|-----------------------|------------------------------------------|
| <b>Expenditures</b>                       |                     |                     |                       |                                          |
| <b>Legislative</b>                        |                     |                     |                       |                                          |
| Personal services                         | \$78.00             | \$26.00             | -                     | (\$26.00)                                |
| Contractual services                      | 11,092.85           | 9,251.44            | -                     | (9,251.44)                               |
| Commodities                               | 125.00              | 175.00              | 13,100.00             | 12,925.00                                |
| <b>Neighborhood Revitalization</b>        |                     |                     |                       |                                          |
| Contractual services                      | 33,559.53           | 49,238.49           | 65,000.00             | 15,761.51                                |
| <b>Debt Service</b>                       |                     |                     |                       |                                          |
| Temporary Note                            |                     |                     |                       |                                          |
| Principal                                 | 85,000.00           | 12,500.00           | 12,500.00             | -                                        |
| Interest                                  | 3,400.00            | 1,524.16            | 1,524.00              | (0.16)                                   |
| Revolving Loan                            |                     |                     |                       |                                          |
| Principal                                 | 29,440.55           | 33,819.34           | 30,603.00             | (3,216.34)                               |
| Interest                                  | 16,998.30           | 11,126.50           | 15,998.00             | 4,871.50                                 |
| Other                                     | -                   | -                   | -                     | -                                        |
| <b>Operating Transfers to Other Funds</b> |                     |                     |                       |                                          |
| Equipment Reserve                         | 65,000.00           | 165,000.00          | 65,000.00             | (100,000.00)                             |
| Airport Improvements                      | 0.70                | -                   | -                     | -                                        |
| Special Streets and Highways              | 100,000.00          | 100,000.00          | 100,000.00            | -                                        |
| Capital Improvements                      | 65,000.00           | 165,000.00          | 65,000.00             | (100,000.00)                             |
| KDOT State Airport Grant                  | -                   | 2,272.99            | -                     | (2,272.99)                               |
| CDBG Housing                              | -                   | -                   | -                     | -                                        |
| Fire Fitness Grant                        | -                   | -                   | -                     | -                                        |
| Runway Rehab Grant                        | 1,844.16            | 106.00              | -                     | (106.00)                                 |
| FAA Projects Grant                        | 24,723.59           | 4,004.00            | 20,000.00             | 15,996.00                                |
| <b>Subtotal</b>                           |                     |                     | <u>5,944,231.00</u>   |                                          |
| <b>Adjustments for Qualifying</b>         |                     |                     |                       |                                          |
| <b>Budget Credits</b>                     |                     |                     |                       |                                          |
| Grants                                    | -                   | -                   | 8,504.94              | 8,504.94                                 |
| Reimbursements in excess of budget        | -                   | -                   | 84,240.36             | 84,240.36                                |
| <b>Total Expenditures</b>                 | <u>5,070,636.40</u> | <u>5,613,023.46</u> | <u>\$6,036,976.30</u> | <u>\$423,952.84</u>                      |
| <b>Receipts Over (Under) Expenditures</b> | <u>174,929.42</u>   | <u>(154,921.31)</u> |                       |                                          |
| <b>Prior Year Canceled Encumbrances</b>   | <u>58,315.52</u>    | <u>21,471.92</u>    |                       |                                          |
| <b>Unencumbered Cash, Beginning</b>       | <u>564,709.57</u>   | <u>797,954.51</u>   |                       |                                          |
| <b>Unencumbered Cash, Ending</b>          | <u>\$797,954.51</u> | <u>\$664,505.12</u> |                       |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**SPECIAL STREETS AND HIGHWAYS FUND**  
Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                           | 2010<br>Actual      | 2011<br>Actual      | 2011<br>Budget      | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------------|---------------------|---------------------|---------------------|------------------------------------------|
| <b>Cash Receipts</b>                      |                     |                     |                     |                                          |
| Intergovernmental                         |                     |                     |                     |                                          |
| State gasoline tax                        | \$213,232.47        | \$209,098.61        | \$212,240.00        | (\$3,141.39)                             |
| State connecting links                    | 7,403.99            | 7,403.99            | -                   | 7,403.99                                 |
| Other Receipts                            |                     |                     |                     |                                          |
| Reimbursed expenses                       | 2,840.05            | 25.00               | 7,000.00            | (6,975.00)                               |
| Operating Transfer from Other Funds       |                     |                     |                     |                                          |
| General                                   | 100,000.00          | 100,000.00          | 100,000.00          | -                                        |
| <b>Total Cash Receipts</b>                | <b>323,476.51</b>   | <b>316,527.60</b>   | <b>\$319,240.00</b> | <b>(\$2,712.40)</b>                      |
| <b>Expenditures</b>                       |                     |                     |                     |                                          |
| Public Streets                            |                     |                     |                     |                                          |
| Contractual services                      | 15,888.72           | 183,819.62          | \$134,500.00        | (\$49,319.62)                            |
| Commodities                               | 26,639.30           | 139,612.41          | 250,000.00          | 110,387.59                               |
| Capital outlay                            | 92,870.66           | -                   | -                   | -                                        |
| Debt Service on Temporary Note            |                     |                     |                     |                                          |
| Interest                                  | -                   | 2,215.09            | -                   | (2,215.09)                               |
| Debt Service on Revolving Loan            |                     |                     |                     |                                          |
| Principal                                 | -                   | 48,162.20           | 37,175.00           | (10,987.20)                              |
| Interest                                  | -                   | 4,106.93            | 14,263.00           | 10,156.07                                |
| Debt Service on Lease Purchase            |                     |                     |                     |                                          |
| Principal                                 | 26,956.54           | 28,441.49           | 28,441.00           | (0.49)                                   |
| Interest                                  | 2,649.52            | 1,187.87            | 1,165.00            | (22.87)                                  |
| <b>Total Expenditures</b>                 | <b>165,004.74</b>   | <b>407,545.61</b>   | <b>\$465,544.00</b> | <b>\$57,998.39</b>                       |
| <b>Receipts Over (Under) Expenditures</b> | <b>158,471.77</b>   | <b>(91,018.01)</b>  |                     |                                          |
| Prior Year Encumbrances Canceled          | 5,319.00            | 8,100.00            |                     |                                          |
| Unencumbered Cash, Beginning              | 295,907.59          | 459,698.36          |                     |                                          |
| Unencumbered Cash, Ending                 | <b>\$459,698.36</b> | <b>\$376,780.35</b> |                     |                                          |

**CITY OF FORT SCOTT, KANSAS  
LIBRARY FUND**

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

|                                           | 2010<br>Actual    | 2011<br>Actual    | 2011<br>Budget      | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------------|-------------------|-------------------|---------------------|------------------------------------------|
| <b>Cash Receipts</b>                      |                   |                   |                     |                                          |
| Taxes                                     |                   |                   |                     |                                          |
| Ad Valorem property tax                   | \$204,397.02      | \$202,777.76      | \$217,127.00        | (\$14,349.24)                            |
| Delinquent                                | 7,490.57          | 9,284.69          | -                   | 9,284.69                                 |
| Motor vehicle tax                         | 22,984.85         | 22,986.89         | 25,200.00           | (2,213.11)                               |
| <b>Total Cash Receipts</b>                | <b>234,872.44</b> | <b>235,049.34</b> | <b>242,327.00</b>   | <b>(\$7,277.66)</b>                      |
| <b>Expenditures</b>                       |                   |                   |                     |                                          |
| Recreation                                |                   |                   |                     |                                          |
| Appropriation to Library Board            | 234,872.44        | 235,049.34        | \$242,327.00        | \$7,277.66                               |
| <b>Total Expenditures</b>                 | <b>234,872.44</b> | <b>235,049.34</b> | <b>\$242,327.00</b> | <b>\$7,277.66</b>                        |
| <b>Receipts Over (Under) Expenditures</b> | <b>-</b>          | <b>-</b>          |                     |                                          |
| <b>Unencumbered Cash, Beginning</b>       | <b>-</b>          | <b>-</b>          |                     |                                          |
| <b>Unencumbered Cash, Ending</b>          | <b>-</b>          | <b>-</b>          |                     |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**PROMOTION OF INDUSTRY FUND**

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

|                                    | 2010<br>Actual      | 2011<br>Actual      | 2011<br>Budget      | Variance -<br>Favorable<br>(Unfavorable) |
|------------------------------------|---------------------|---------------------|---------------------|------------------------------------------|
| <b>Cash Receipts</b>               |                     |                     |                     |                                          |
| Taxes                              |                     |                     |                     |                                          |
| Ad Valorem property tax            | \$21,869.21         | \$21,274.26         | \$22,795.00         | (\$1,520.74)                             |
| Delinquent                         | 836.76              | 1,014.48            | -                   | 1,014.48                                 |
| Motor vehicle tax                  | 2,566.23            | 2,493.25            | 2,694.00            | (200.75)                                 |
| Other Receipts                     |                     |                     |                     |                                          |
| Miscellaneous                      | -                   | 23,220.50           | -                   | 23,220.50                                |
| Lease Income                       | 138,000.00          | 141,385.07          | 138,000.00          | 3,385.07                                 |
| <b>Total Cash Receipts</b>         | <b>163,272.20</b>   | <b>189,387.56</b>   | <b>\$163,489.00</b> | <b>\$25,898.56</b>                       |
| <b>Expenditures</b>                |                     |                     |                     |                                          |
| Economic Development               |                     |                     |                     |                                          |
| Contractual services               | 70,821.36           | 158,608.13          | \$310,825.00        | \$152,216.87                             |
| Commodities                        | 35,085.00           | 8,274.39            | 15,000.00           | 6,725.61                                 |
| Capital outlay                     | 725.68              | -                   | 100,000.00          | 100,000.00                               |
| <b>Total Expenditures</b>          | <b>106,632.04</b>   | <b>166,882.52</b>   | <b>\$425,825.00</b> | <b>\$258,942.48</b>                      |
| Receipts Over (Under) Expenditures | 56,640.16           | 22,505.04           |                     |                                          |
| Prior Year Encumbrances Canceled   | 250.00              | -                   |                     |                                          |
| Unencumbered Cash, Beginning       | 313,297.02          | 370,187.18          |                     |                                          |
| <b>Unencumbered Cash, Ending</b>   | <b>\$370,187.18</b> | <b>\$392,692.22</b> |                     |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**EQUIPMENT RESERVE FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                        | 2010<br>Actual                 | 2011<br>Actual                 |
|----------------------------------------|--------------------------------|--------------------------------|
| Cash Receipts                          |                                |                                |
| Other Receipts                         |                                |                                |
| Reimbursed Expenses                    | \$10,919.95                    | \$13,623.50                    |
| Intergovernmental                      |                                |                                |
| Grants                                 | -                              | -                              |
| Operating Transfer from Other Funds    |                                |                                |
| General                                | <u>65,000.00</u>               | <u>165,000.00</u>              |
| <br>Total Cash Receipts                | <br><u>75,919.95</u>           | <br><u>178,623.50</u>          |
| <br>Expenditures                       |                                |                                |
| General Government                     |                                |                                |
| Capital outlay                         | <u>87,736.44</u>               | <u>74,187.05</u>               |
| <br>Total Expenditures                 | <br><u>87,736.44</u>           | <br><u>74,187.05</u>           |
| <br>Receipts Over (Under) Expenditures | <br><u>(11,816.49)</u>         | <br><u>104,436.45</u>          |
| <br>Unencumbered Cash, Beginning       | <br><u>121,330.33</u>          | <br><u>109,513.84</u>          |
| <br>Unencumbered Cash, Ending          | <br><u><b>\$109,513.84</b></u> | <br><u><b>\$213,950.29</b></u> |

**CITY OF FORT SCOTT, KANSAS**  
**LIBRARY EMPLOYEE BENEFITS FUND**  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                           | 2010<br>Actual   | 2011<br>Actual   | 2011<br>Budget     | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------------|------------------|------------------|--------------------|------------------------------------------|
| <b>Cash Receipts</b>                      |                  |                  |                    |                                          |
| Taxes                                     |                  |                  |                    |                                          |
| Ad Valorem property tax                   | \$26,296.03      | \$27,270.34      | \$29,200.00        | (\$1,929.66)                             |
| Delinquent                                | 859.44           | 1,146.96         | -                  | 1,146.96                                 |
| Motor vehicle tax                         | 2,677.49         | 2,908.22         | 3,241.00           | (332.78)                                 |
| <b>Total Cash Receipts</b>                | <b>29,832.96</b> | <b>31,325.52</b> | <b>\$32,441.00</b> | <b>(\$1,115.48)</b>                      |
| <b>Expenditures</b>                       |                  |                  |                    |                                          |
| Recreation                                |                  |                  |                    |                                          |
| Appropriation to Library Board            | 29,832.96        | 31,325.52        | \$32,441.00        | \$1,115.48                               |
| <b>Total Expenditures</b>                 | <b>29,832.96</b> | <b>31,325.52</b> | <b>\$32,441.00</b> | <b>\$1,115.48</b>                        |
| <b>Receipts Over (Under) Expenditures</b> | <b>-</b>         | <b>-</b>         | <b>-</b>           | <b>-</b>                                 |
| <b>Unencumbered Cash, Beginning</b>       | <b>-</b>         | <b>-</b>         | <b>-</b>           | <b>-</b>                                 |
| <b>Unencumbered Cash, Ending</b>          | <b>-</b>         | <b>-</b>         | <b>-</b>           | <b>-</b>                                 |

**CITY OF FORT SCOTT, KANSAS**  
**SPECIAL PARKS AND RECREATION FUND**  
Schedule of Cash Receipts and Expenditures - Actual and Budget  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                           | 2010<br>Actual     | 2011<br>Actual     | 2011<br>Budget     | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------------|--------------------|--------------------|--------------------|------------------------------------------|
| <b>Cash Receipts</b>                      |                    |                    |                    |                                          |
| Intergovernmental                         |                    |                    |                    |                                          |
| State special alcohol tax                 | \$15,068.53        | \$14,285.56        | \$14,159.00        | \$126.56                                 |
| Other Receipts                            |                    |                    |                    |                                          |
| Miscellaneous                             | -                  | 4,000.00           | -                  | 4,000.00                                 |
| <b>Total Cash Receipts</b>                | <b>15,068.53</b>   | <b>18,285.56</b>   | <b>\$14,159.00</b> | <b>\$4,126.56</b>                        |
| <b>Expenditures</b>                       |                    |                    |                    |                                          |
| Recreation                                |                    |                    |                    |                                          |
| Contractual services                      | -                  | 10,000.00          | -                  | (\$10,000.00)                            |
| Commodities                               | -                  | -                  | -                  | -                                        |
| Capital outlay                            | 41,830.15          | 15,000.00          | 42,562.00          | 27,562.00                                |
| <b>Total Expenditures</b>                 | <b>41,830.15</b>   | <b>25,000.00</b>   | <b>\$42,562.00</b> | <b>\$17,562.00</b>                       |
| <b>Receipts Over (Under) Expenditures</b> | <b>(26,761.62)</b> | <b>(6,714.44)</b>  |                    |                                          |
| <b>Unencumbered Cash, Beginning</b>       | <b>67,003.25</b>   | <b>40,241.63</b>   |                    |                                          |
| <b>Unencumbered Cash, Ending</b>          | <b>\$40,241.63</b> | <b>\$33,527.19</b> |                    |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**POLICE AND FIRE EQUIPMENT FUND**  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual             | 2011<br>Actual             | 2011<br>Budget      | Variance -<br>Favorable<br>(Unfavorable) |
|------------------------------------|----------------------------|----------------------------|---------------------|------------------------------------------|
| <b>Cash Receipts</b>               |                            |                            |                     |                                          |
| Taxes                              |                            |                            |                     |                                          |
| Ad Valorem property tax            | \$29,814.06                | \$82,116.16                | \$88,016.00         | (\$5,899.84)                             |
| Delinquent                         | 3,331.87                   | 2,575.71                   | -                   | 2,575.71                                 |
| Motor vehicle tax                  | 10,165.88                  | 5,079.70                   | 3,687.00            | 1,392.70                                 |
| Other Receipts                     |                            |                            |                     |                                          |
| Reimbursed Expenses                | -                          | -                          | -                   | -                                        |
| <b>Total Cash Receipts</b>         | <b>43,311.81</b>           | <b>89,771.57</b>           | <b>\$91,703.00</b>  | <b>(\$1,931.43)</b>                      |
| <b>Expenditures</b>                |                            |                            |                     |                                          |
| Public Safety                      |                            |                            |                     |                                          |
| Capital outlay                     | 40,892.97                  | 49,480.59                  | \$150,000.00        | \$100,519.41                             |
| Debt Service on Lease Purchase     |                            |                            |                     |                                          |
| Principal                          | 26,045.99                  | 42,980.26                  | 22,480.00           | (20,500.26)                              |
| Interest                           | 1,237.15                   | 7,409.57                   | -                   | (7,409.57)                               |
| <b>Total Expenditures</b>          | <b>68,176.11</b>           | <b>99,870.42</b>           | <b>\$172,480.00</b> | <b>\$72,609.58</b>                       |
| Receipts Over (Under) Expenditures | (24,864.30)                | (10,098.85)                |                     |                                          |
| Prior Year Encumbrances Canceled   | -                          | -                          |                     |                                          |
| Unencumbered Cash, Beginning       | <u>185,148.10</u>          | <u>160,283.80</u>          |                     |                                          |
| Unencumbered Cash, Ending          | <u><b>\$160,283.80</b></u> | <u><b>\$150,184.95</b></u> |                     |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**SPECIAL ALCOHOL AND DRUG FUND**

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

|                                           | 2010<br>Actual     | 2011<br>Actual     | 2011<br>Budget     | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------------|--------------------|--------------------|--------------------|------------------------------------------|
| <b>Cash Receipts</b>                      |                    |                    |                    |                                          |
| Intergovernmental                         |                    |                    |                    |                                          |
| State special alcohol tax                 | \$15,068.53        | \$14,285.58        | \$14,159.00        | \$126.58                                 |
| <b>Total Cash Receipts</b>                | <b>15,068.53</b>   | <b>14,285.58</b>   | <b>\$14,159.00</b> | <b>\$126.58</b>                          |
| <b>Expenditures</b>                       |                    |                    |                    |                                          |
| Public Safety                             |                    |                    |                    |                                          |
| Contractual services                      | 10,200.00          | 11,900.00          | \$26,043.00        | \$14,143.00                              |
| <b>Total Expenditures</b>                 | <b>10,200.00</b>   | <b>11,900.00</b>   | <b>\$26,043.00</b> | <b>\$14,143.00</b>                       |
| <b>Receipts Over (Under) Expenditures</b> | <b>4,868.53</b>    | <b>2,385.58</b>    |                    |                                          |
| <b>Unencumbered Cash, Beginning</b>       | <b>10,684.04</b>   | <b>15,552.57</b>   |                    |                                          |
| <b>Unencumbered Cash, Ending</b>          | <b>\$15,552.57</b> | <b>\$17,938.15</b> |                    |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**COMMUNITY IMPROVEMENT DISTRICT FUND**  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual         | 2011<br>Actual     | 2011<br>Budget     | Variance -<br>Favorable<br>(Unfavorable) |
|------------------------------------|------------------------|--------------------|--------------------|------------------------------------------|
| <b>Cash Receipts</b>               |                        |                    |                    |                                          |
| Intergovernmental                  |                        |                    |                    |                                          |
| Sales tax                          | <u>\$801.27</u>        | <u>\$14,301.75</u> | <u>\$50,000.00</u> | <u>(\$35,698.25)</u>                     |
| Total Cash Receipts                | <u>801.27</u>          | <u>14,301.75</u>   | <u>\$50,000.00</u> | <u>(\$35,698.25)</u>                     |
| <b>Expenditures</b>                |                        |                    |                    |                                          |
| General Government                 |                        |                    |                    |                                          |
| Contractual services               | <u>-</u>               | <u>15,103.02</u>   | <u>\$50,000.00</u> | <u>\$34,896.98</u>                       |
| Total Expenditures                 | <u>-</u>               | <u>15,103.02</u>   | <u>\$50,000.00</u> | <u>\$34,896.98</u>                       |
| Receipts Over (Under) Expenditures | 801.27                 | (801.27)           |                    |                                          |
| Unencumbered Cash, Beginning       | <u>-</u>               | <u>801.27</u>      |                    |                                          |
| Unencumbered Cash, Ending          | <u><u>\$801.27</u></u> | <u><u>-</u></u>    |                    |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**E911 TELEPHONE TAX FUND**

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

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

|                                        | 2010<br>Actual      | 2011<br>Actual     | 2011<br>Budget     | Variance -<br>Favorable<br>(Unfavorable) |
|----------------------------------------|---------------------|--------------------|--------------------|------------------------------------------|
| <b>Cash Receipts</b>                   |                     |                    |                    |                                          |
| Intergovernmental                      |                     |                    |                    |                                          |
| Special telephone tax                  | \$49,461.82         | \$49,283.19        | \$50,000.00        | (\$716.81)                               |
| Other Receipts                         |                     |                    |                    |                                          |
| Miscellaneous                          |                     |                    |                    |                                          |
|                                        | <hr/>               | <hr/>              | <hr/>              | <hr/>                                    |
| <b>Total Cash Receipts</b>             | <b>49,461.82</b>    | <b>49,283.19</b>   | <b>\$50,000.00</b> | <b>(\$716.81)</b>                        |
| <br><b>Expenditures</b>                |                     |                    |                    |                                          |
| Public Safety                          |                     |                    |                    |                                          |
| Contractual services                   | 48,892.51           | 46,305.99          | \$55,000.00        | \$8,694.01                               |
| Capital outlay                         | 5,476.97            | 3,483.75           | 8,683.00           | 5,199.25                                 |
|                                        | <hr/>               | <hr/>              | <hr/>              | <hr/>                                    |
| <b>Total Expenditures</b>              | <b>54,369.48</b>    | <b>49,789.74</b>   | <b>\$63,683.00</b> | <b>\$13,893.26</b>                       |
| <br>Receipts Over (Under) Expenditures | (4,907.66)          | (506.55)           |                    |                                          |
| <br>Prior Year Encumbrances Canceled   | 103.00              |                    |                    |                                          |
| <br>Unencumbered Cash, Beginning       | <u>104,985.68</u>   | <u>100,181.02</u>  |                    |                                          |
| <br>Unencumbered Cash, Ending          | <u>\$100,181.02</u> | <u>\$99,674.47</u> |                    |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**CELLPHONE 911 FUND**

Schedule of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2011

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

|                                           | 2010<br>Actual     | 2011<br>Actual     | 2011<br>Budget     | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------------|--------------------|--------------------|--------------------|------------------------------------------|
| <b>Cash Receipts</b>                      |                    |                    |                    |                                          |
| Intergovernmental                         |                    |                    |                    |                                          |
| Special telephone tax                     | \$26,037.18        | \$24,980.23        | \$25,000.00        | (\$19.77)                                |
| Other Receipts                            |                    |                    |                    |                                          |
| Miscellaneous                             |                    |                    |                    |                                          |
| <b>Total Cash Receipts</b>                | <b>26,037.18</b>   | <b>24,980.23</b>   | <b>\$25,000.00</b> | <b>(\$19.77)</b>                         |
| <b>Expenditures</b>                       |                    |                    |                    |                                          |
| Public Safety                             |                    |                    |                    |                                          |
| Contractual services                      | 11,705.88          | 18,625.27          | \$62,112.00        | \$43,486.73                              |
| Capital outlay                            | 16,430.93          | 1,161.25           | -                  | (1,161.25)                               |
| <b>Total Expenditures</b>                 | <b>28,136.81</b>   | <b>19,786.52</b>   | <b>\$62,112.00</b> | <b>\$42,325.48</b>                       |
| <b>Receipts Over (Under) Expenditures</b> | <b>(2,099.63)</b>  | <b>5,193.71</b>    |                    |                                          |
| <b>Unencumbered Cash, Beginning</b>       | <b>76,466.48</b>   | <b>74,366.85</b>   |                    |                                          |
| <b>Unencumbered Cash, Ending</b>          | <b>\$74,366.85</b> | <b>\$79,560.56</b> |                    |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**CAPITAL IMPROVEMENTS FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                      | 2010<br>Actual      | 2011<br>Actual      |
|--------------------------------------|---------------------|---------------------|
| Cash Receipts                        |                     |                     |
| Operating Transfers from Other Funds |                     |                     |
| General                              | <u>\$65,000.00</u>  | <u>\$165,000.00</u> |
| Total Cash Receipts                  | <u>65,000.00</u>    | <u>165,000.00</u>   |
| Expenditures                         |                     |                     |
| Capital Improvements                 |                     |                     |
| Capital Outlay                       | <u>45,666.75</u>    | <u>27,538.30</u>    |
| Total Expenditures                   | <u>45,666.75</u>    | <u>27,538.30</u>    |
| Receipts Over (Under) Expenditures   | 19,333.25           | 137,461.70          |
| Prior Year Encumbrances Canceled     | -                   | 225.00              |
| Unencumbered Cash, Beginning         | <u>83,388.45</u>    | <u>102,721.70</u>   |
| Unencumbered Cash, Ending            | <u>\$102,721.70</u> | <u>\$240,408.40</u> |

**CITY OF FORT SCOTT, KANSAS**  
**TOURISM AND CONVENTION PROMOTION FUND**  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual     | 2011<br>Actual     | 2011<br>Budget     | Variance -<br>Favorable<br>(Unfavorable) |
|------------------------------------|--------------------|--------------------|--------------------|------------------------------------------|
| <b>Cash Receipts</b>               |                    |                    |                    |                                          |
| Intergovernmental                  |                    |                    |                    |                                          |
| State guest tax                    | \$48,759.33        | \$31,186.58        | \$51,000.00        | (\$19,813.42)                            |
| Other Receipts                     |                    |                    |                    |                                          |
| Miscellaneous                      | 8,470.14           | -                  | -                  | -                                        |
| <b>Total Cash Receipts</b>         | <b>57,229.47</b>   | <b>31,186.58</b>   | <b>\$51,000.00</b> | <b>(\$19,813.42)</b>                     |
| <b>Expenditures</b>                |                    |                    |                    |                                          |
| Economic Development               |                    |                    |                    |                                          |
| Contractual services               | 67,117.00          | 35,000.00          | 50,000.00          | \$15,000.00                              |
| Capital outlay                     | -                  | -                  | -                  | -                                        |
| <b>Total Expenditures</b>          | <b>67,117.00</b>   | <b>35,000.00</b>   | <b>\$50,000.00</b> | <b>\$15,000.00</b>                       |
| Receipts Over (Under) Expenditures | (9,887.53)         | (3,813.42)         |                    |                                          |
| Prior Year Canceled Encumbrances   | -                  | 300.00             |                    |                                          |
| Unencumbered Cash, Beginning       | 30,449.49          | 20,561.96          |                    |                                          |
| Unencumbered Cash, Ending          | <b>\$20,561.96</b> | <b>\$17,048.54</b> |                    |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**SEWER RATE STABILIZATION SALES TAX FUND**  
 Schedule of Cash Receipts and Expenditures - Actual and Budget  
 For the Year Ended December 31, 2011  
 With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                           | 2010<br>Actual             | 2011<br>Actual             | 2011<br>Budget      | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------------|----------------------------|----------------------------|---------------------|------------------------------------------|
| <b>Cash Receipts</b>                      |                            |                            |                     |                                          |
| Intergovernmental                         |                            |                            |                     |                                          |
| Sales tax                                 | \$675,957.22               | \$702,627.29               | \$675,000.00        | \$27,627.29                              |
| <b>Total Cash Receipts</b>                | <u>675,957.22</u>          | <u>702,627.29</u>          | <u>\$675,000.00</u> | <u>\$27,627.29</u>                       |
| <b>Expenditures</b>                       |                            |                            |                     |                                          |
| Public Works                              |                            |                            |                     |                                          |
| Capital outlay                            | 224,850.00                 | 24,785.92                  | \$50,000.00         | \$25,214.08                              |
| Debt Service on Revenue Bonds             |                            |                            |                     |                                          |
| Principal                                 | 69,519.00                  | 73,241.00                  | 73,241.00           | -                                        |
| Interest                                  | 240,609.07                 | 237,509.51                 | 237,510.00          | 0.49                                     |
| Debt Service on General Ob Bonds          |                            |                            |                     |                                          |
| Principal                                 | -                          | 75,000.00                  | 75,000.00           | -                                        |
| Interest                                  | -                          | 47,517.00                  | 47,518.00           | 1.00                                     |
| Debt Service on Temporary Notes           |                            |                            |                     |                                          |
| Principal                                 | -                          | 12,500.00                  | 12,500.00           | -                                        |
| Interest                                  | -                          | 1,524.00                   | 1,524.00            | -                                        |
| Debt Service on Revolving Loans           |                            |                            |                     |                                          |
| Principal                                 | 266,618.62                 | 147,673.75                 | 147,674.00          | 0.25                                     |
| Interest                                  | 35,158.40                  | 32,813.12                  | 32,813.00           | (0.12)                                   |
| <b>Total Expenditures</b>                 | <u>836,755.09</u>          | <u>652,564.30</u>          | <u>\$677,780.00</u> | <u>\$25,215.70</u>                       |
| <b>Receipts Over (Under) Expenditures</b> | <u>(160,797.87)</u>        | <u>50,062.99</u>           |                     |                                          |
| <b>Prior Year Canceled Encumbrances</b>   | <u>-</u>                   | <u>13,759.74</u>           |                     |                                          |
| <b>Unencumbered Cash, Beginning</b>       | <u>1,020,628.52</u>        | <u>859,830.65</u>          |                     |                                          |
| <b>Unencumbered Cash, Ending</b>          | <u><u>\$859,830.65</u></u> | <u><u>\$923,653.38</u></u> |                     |                                          |

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

|                                     | 2010<br>Actual      | 2011<br>Actual     | 2011<br>Budget      | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------|---------------------|--------------------|---------------------|------------------------------------------|
| <b>Cash Receipts</b>                |                     |                    |                     |                                          |
| Taxes                               |                     |                    |                     |                                          |
| Ad Valorem property tax             | \$3,063.49          | \$94,899.11        | \$101,787.00        | (\$6,887.89)                             |
| Motor vehicle                       | 5,674.61            | 1,927.90           | -                   | 1,927.90                                 |
| Special assessments                 | 78,258.80           | 78,258.80          | 78,000.00           | 258.80                                   |
| Delinquent                          | 1,693.26            | 813.70             | 388.00              | 425.70                                   |
| Operating Transfer from Other Funds |                     |                    |                     |                                          |
| Street & Sidewalk Project           | 48,174.34           | -                  | -                   | -                                        |
| <b>Total Cash Receipts</b>          | <b>136,864.50</b>   | <b>175,899.51</b>  | <b>\$180,175.00</b> | <b>(\$4,275.49)</b>                      |
| <b>Expenditures</b>                 |                     |                    |                     |                                          |
| Debt Service on Bonds               |                     |                    |                     |                                          |
| Principal                           | 129,130.00          | 219,197.00         | \$219,197.00        | -                                        |
| Interest                            | 30,974.00           | 46,477.00          | 46,477.00           | -                                        |
| Other                               | -                   | -                  | -                   | -                                        |
| <b>Total Expenditures</b>           | <b>160,104.00</b>   | <b>265,674.00</b>  | <b>\$265,674.00</b> | <b>-</b>                                 |
| Receipts Over (Under) Expenditures  | (23,239.50)         | (89,774.49)        |                     |                                          |
| Unencumbered Cash, Beginning        | 157,014.20          | 133,774.70         |                     |                                          |
| Unencumbered Cash, Ending           | <b>\$133,774.70</b> | <b>\$44,000.21</b> |                     |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**BRIDGE PROJECT FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                           | 2010<br>Actual | 2011<br>Actual      |
|-------------------------------------------|----------------|---------------------|
| <b>Cash Receipts</b>                      |                |                     |
| Use of Property and Money                 |                |                     |
| Proceeds from Bonds                       | -              | \$329,326.80        |
| Other Receipts                            |                |                     |
| Miscellaneous                             | -              | -                   |
| <b>Total Cash Receipts</b>                | -              | <u>329,326.80</u>   |
| <b>Expenditures</b>                       |                |                     |
| Public Streets                            |                |                     |
| Contractual                               | -              | 54.60               |
| Capital outlay                            | -              | -                   |
| <b>Total Expenditures</b>                 | -              | 54.60               |
| <b>Receipts Over (Under) Expenditures</b> | -              | 329,272.20          |
| <b>Unencumbered Cash, Beginning</b>       | -              | -                   |
| <b>Unencumbered Cash, Ending</b>          | -              | <u>\$329,272.20</u> |

**CITY OF FORT SCOTT, KANSAS**  
**STREET PROJECTS FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                        | 2010<br>Actual | 2011<br>Actual        |
|----------------------------------------|----------------|-----------------------|
| Cash Receipts                          |                |                       |
| Intergovernmental                      |                |                       |
| Federal grants                         | -              | -                     |
| Other Receipts                         |                |                       |
| Miscellaneous                          | -              | -                     |
| <br>Total Cash Receipts                | -              | -                     |
| <br>Expenditures                       |                |                       |
| Public Streets                         |                |                       |
| Contractual                            | -              | 250,889.11            |
| Capital outlay                         | -              | -                     |
| <br>Total Expenditures                 | -              | 250,889.11            |
| <br>Receipts Over (Under) Expenditures | -              | (250,889.11)          |
| <br>Unencumbered Cash, Beginning       | -              | -                     |
| <br>Unencumbered Cash, Ending          | <u>-</u>       | <u>(\$250,889.11)</u> |

**CITY OF FORT SCOTT, KANSAS**  
**RECREATION PROJECTS FUND**

**Schedule of Cash Receipts and Expenditures - Actual**

For the Year Ended December 31, 2011

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

|                                        | 2010<br>Actual | 2011<br>Actual          |
|----------------------------------------|----------------|-------------------------|
| Cash Receipts                          |                |                         |
| Intergovernmental                      |                |                         |
| Sales tax                              | -              | \$217,213.15            |
| Use of Property and Money              |                |                         |
| Proceeds from Bonds                    | -              | 3,920,013.32            |
| Other Receipts                         |                |                         |
| Miscellaneous                          | -              | -                       |
| <br>Total Cash Receipts                | <br>-          | <br><u>4,137,226.47</u> |
| <br>Expenditures                       |                |                         |
| Recreation                             |                |                         |
| Contractual                            | -              | 968,779.95              |
| Capital outlay                         | -              | 2,951,233.37            |
| <br>Total Expenditures                 | <br>-          | <br><u>3,920,013.32</u> |
| <br>Receipts Over (Under) Expenditures | <br>-          | <br>217,213.15          |
| <br>Unencumbered Cash, Beginning       | <br>-          | <br>-                   |
| <br>Unencumbered Cash, Ending          | <br>-          | <br><u>\$217,213.15</u> |

**CITY OF FORT SCOTT, KANSAS**  
**WATER UTILITY FUND**

Schedule of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2011

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

|                                                     | 2010<br>Actual      | 2011<br>Actual      | 2011<br>Budget        | Variance -<br>Favorable<br>(Unfavorable) |
|-----------------------------------------------------|---------------------|---------------------|-----------------------|------------------------------------------|
| <b>Cash Receipts</b>                                |                     |                     |                       |                                          |
| Operating Revenue                                   |                     |                     |                       |                                          |
| Charges for services                                | \$2,299,367.98      | \$2,488,731.66      | \$2,467,007.00        | \$21,724.66                              |
| Other charges                                       | 82,539.40           | 103,792.67          | 55,000.00             | 48,792.67                                |
| Fishing, boating and camping fees                   | 23,085.86           | 28,886.75           | 22,000.00             | 6,886.75                                 |
| Lake lot leases                                     | 20,450.00           | 22,250.00           | 20,000.00             | 2,250.00                                 |
| Nonoperating Revenue                                |                     |                     |                       |                                          |
| KDH&E grant                                         | -                   | 2,020.00            | -                     | 2,020.00                                 |
| Reimbursed expenses                                 | 5,152.49            | 5,296.94            | 5,000.00              | 296.94                                   |
| Miscellaneous                                       | 5,161.39            | 10,626.64           | 5,000.00              | 5,626.64                                 |
| <b>Total Cash Receipts</b>                          | <b>2,435,757.12</b> | <b>2,661,604.66</b> | <b>\$2,574,007.00</b> | <b>\$87,597.66</b>                       |
| <b>Expenditures and Transfers Subject to Budget</b> |                     |                     |                       |                                          |
| Water Production                                    |                     |                     |                       |                                          |
| Personal services                                   | 247,162.89          | 243,005.91          | \$264,800.00          | \$21,794.09                              |
| Contractual services                                | 213,145.34          | 243,019.75          | 226,250.00            | (16,769.75)                              |
| Commodities                                         | 301,603.19          | 228,229.17          | 231,250.00            | 3,020.83                                 |
| Capital outlay                                      | 33,438.80           | 164,699.66          | 51,950.00             | (112,749.66)                             |
| Water Distribution                                  |                     |                     |                       |                                          |
| Personal services                                   | 255,427.07          | 256,747.51          | 291,950.00            | 35,202.49                                |
| Contractual services                                | 62,086.21           | 46,810.34           | 68,800.00             | 21,989.66                                |
| Commodities                                         | 79,657.14           | 72,075.63           | 114,300.00            | 42,224.37                                |
| Capital outlay                                      | 266,831.77          | 133,441.72          | 236,000.00            | 102,558.28                               |
| Water Administration                                |                     |                     |                       |                                          |
| Personal services                                   | 151,845.20          | 157,756.38          | 199,640.00            | 41,883.62                                |
| Contractual services                                | 143,861.85          | 130,237.39          | 130,100.00            | (137.39)                                 |
| Commodities                                         | 6,674.88            | 6,258.80            | 15,000.00             | 8,741.20                                 |
| Capital outlay                                      | 19,912.80           | 749.99              | 51,000.00             | 50,250.01                                |
| Water Lake Maintenance                              |                     |                     |                       |                                          |
| Personal services                                   | 50,432.46           | 44,074.30           | 67,630.00             | 23,555.70                                |
| Contractual services                                | 40,589.24           | 9,637.08            | 19,850.00             | 10,212.92                                |
| Commodities                                         | 11,848.94           | 11,059.83           | 31,300.00             | 20,240.17                                |
| Capital outlay                                      | 30,355.25           | -                   | 25,000.00             | 25,000.00                                |
| Debt Service on Revenue Bonds                       |                     |                     |                       |                                          |
| Principal                                           | 55,000.00           | -                   | -                     | -                                        |
| Interest                                            | 66,290.00           | -                   | -                     | -                                        |
| Other                                               | -                   | -                   | -                     | -                                        |
| Debt Service on Revolving Loans                     |                     |                     |                       |                                          |
| Principal                                           | 91,804.96           | 224,556.00          | 224,556.00            | -                                        |
| Interest                                            | 243,607.70          | 232,146.81          | 232,147.00            | 0.19                                     |
| Debt Service on Temporary Notes                     |                     |                     |                       |                                          |
| Principal                                           | -                   | 12,500.00           | 12,500.00             | -                                        |
| Interest                                            | -                   | 2,546.85            | 1,524.00              | (1,022.85)                               |

**CITY OF FORT SCOTT, KANSAS  
WATER UTILITY FUND**

Schedule of Cash Receipts and Expenditures - Actual and Budget

For the Year Ended December 31, 2011

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

|                                     | 2010<br>Actual      | 2011<br>Actual      | 2011<br>Budget        | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------|---------------------|---------------------|-----------------------|------------------------------------------|
| <b>Expenditures</b>                 |                     |                     |                       |                                          |
| Operating Transfers to Other Funds  |                     |                     |                       |                                          |
| General                             | \$115,000.00        | \$115,000.00        | \$115,000.00          |                                          |
| Water Tower Improvement             | -                   | -                   | -                     | -                                        |
| <b>Total Expenditures</b>           | <b>2,486,575.69</b> | <b>2,334,553.12</b> | <b>\$2,610,547.00</b> | <b>\$275,993.88</b>                      |
| Receipts Over (Under) Expenditures  | (50,818.57)         | 327,051.54          |                       |                                          |
| Prior Year Canceled Encumbrances    | 54,929.55           | 916.22              |                       |                                          |
| <b>Unencumbered Cash, Beginning</b> | <b>602,359.12</b>   | <b>606,470.10</b>   |                       |                                          |
| <b>Unencumbered Cash, Ending</b>    | <b>\$606,470.10</b> | <b>\$934,437.86</b> |                       |                                          |

**CITY OF FORT SCOTT, KANSAS  
SEWAGE UTILITY FUND**

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

|                                     | 2010<br>Actual      | 2011<br>Actual      | 2011<br>Budget        | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------|---------------------|---------------------|-----------------------|------------------------------------------|
| <b>Cash Receipts</b>                |                     |                     |                       |                                          |
| Operating Revenue                   |                     |                     |                       |                                          |
| Charges for services                | \$930,038.53        | \$1,013,675.28      | \$1,007,600.00        | \$6,075.28                               |
| Nonoperating Revenue                |                     |                     |                       |                                          |
| Reimbursed Expenses                 | 490.32              | 1,475.32            | -                     | 1,475.32                                 |
| Miscellaneous                       | 47,975.28           | 100,242.45          | -                     | 100,242.45                               |
| Operating Transfer from Other Funds |                     |                     |                       |                                          |
| Wastewater Projects                 | -                   | 20,599.00           | -                     | 20,599.00                                |
| <b>Total Cash Receipts</b>          | <b>978,504.13</b>   | <b>1,135,992.05</b> | <b>\$1,007,600.00</b> | <b>\$128,392.05</b>                      |
| <b>Expenditures</b>                 |                     |                     |                       |                                          |
| Wastewater Plant                    |                     |                     |                       |                                          |
| Personal services                   | 266,761.99          | 271,491.51          | \$298,537.00          | \$27,045.49                              |
| Contractual services                | 296,425.59          | 253,371.40          | 287,025.00            | 33,653.60                                |
| Commodities                         | 70,223.49           | 55,670.01           | 49,950.00             | (5,720.01)                               |
| Capital outlay                      | 1,598.37            | 179.90              | 21,500.00             | 21,320.10                                |
| Wastewater Collections              |                     |                     |                       |                                          |
| Personal services                   | 102,700.45          | 125,045.53          | 148,430.00            | 23,384.47                                |
| Contractual services                | 34,963.36           | 58,586.99           | 17,780.00             | (40,806.99)                              |
| Commodities                         | 21,954.50           | 39,868.17           | 27,500.00             | (12,368.17)                              |
| Capital outlay                      | 23,156.74           | 51,197.55           | 62,316.00             | 11,118.45                                |
| Debt Service on General Ob Bonds    |                     |                     |                       |                                          |
| Interest                            | -                   | -                   | -                     | -                                        |
| Debt Service on Temporary Notes     |                     |                     |                       |                                          |
| Principal                           | -                   | 12,500.00           | 12,500.00             | -                                        |
| Interest                            | -                   | 2,546.35            | 1,524.00              | (1,022.35)                               |
| Operating Transfers to Other Funds  |                     |                     |                       |                                          |
| General                             | 215,000.00          | 215,000.00          | 215,000.00            | -                                        |
| Sewer Bond Reserve                  | 31,044.00           | 31,044.00           | 31,044.00             | -                                        |
| <b>Total Expenditures</b>           | <b>1,063,828.49</b> | <b>1,116,501.41</b> | <b>\$1,173,106.00</b> | <b>\$56,604.59</b>                       |
| Receipts Over (Under) Expenditures  | (85,324.36)         | 19,490.64           |                       |                                          |
| Prior Year Canceled Encumbrances    | 5,801.92            | 2,044.19            |                       |                                          |
| Unencumbered Cash, Beginning        | 647,125.92          | 567,603.48          |                       |                                          |
| Unencumbered Cash, Ending           | <b>\$567,603.48</b> | <b>\$589,138.31</b> |                       |                                          |

**CITY OF FORT SCOTT, KANSAS  
STORM DRAIN UTILITY FUND**

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

|                                     | 2010<br>Actual      | 2011<br>Actual      | 2011<br>Budget      | Variance -<br>Favorable<br>(Unfavorable) |
|-------------------------------------|---------------------|---------------------|---------------------|------------------------------------------|
| <b>Cash Receipts</b>                |                     |                     |                     |                                          |
| Operating Revenue                   |                     |                     |                     |                                          |
| Charges for services                | \$220,668.20        | \$219,378.18        | \$222,000.00        | (\$2,621.82)                             |
| Nonoperating Revenue                |                     |                     |                     |                                          |
| Federal Emergency preparedness      | 51,268.88           | 6,697.76            | -                   | 6,697.76                                 |
| State Emergency preparedness        | 6,835.85            | 893.04              | -                   | 893.04                                   |
| Special assessments                 | -                   | 1,735.78            | -                   | 1,735.78                                 |
| Proceeds from GO Bonds              | -                   | -                   | -                   | -                                        |
| Miscellaneous                       | 2,009.36            | 16,859.72           | -                   | 16,859.72                                |
| Operating Transfer from Other Funds |                     |                     |                     |                                          |
| Seventh & National Storm Drain Fund | -                   | 229,312.20          | -                   | 229,312.20                               |
| <b>Total Cash Receipts</b>          | <b>280,782.29</b>   | <b>474,876.68</b>   | <b>\$222,000.00</b> | <b>\$252,876.68</b>                      |
| <b>Expenditures</b>                 |                     |                     |                     |                                          |
| Nonoperating Expenses               |                     |                     |                     |                                          |
| Capital Outlays                     | 103,771.10          | 26,675.62           | \$100,000.00        | \$73,324.38                              |
| Operating Transfers to Other Funds  |                     |                     |                     |                                          |
| Main Street FEMA Project            | 36,783.78           | -                   | -                   | -                                        |
| Horton FEMA Project                 | 25,306.58           | -                   | -                   | -                                        |
| Debt Service                        |                     |                     |                     |                                          |
| Principal                           | 350,000.00          | 375,133.00          | 375,133.00          | -                                        |
| Interest                            | 37,490.00           | 53,711.00           | 53,711.00           | -                                        |
| Other                               | -                   | -                   | -                   | -                                        |
| <b>Total Expenditures</b>           | <b>553,351.46</b>   | <b>455,519.62</b>   | <b>\$528,844.00</b> | <b>\$73,324.38</b>                       |
| Receipts Over (Under) Expenditures  | (272,569.17)        | 19,357.06           |                     |                                          |
| Unencumbered Cash, Beginning        | <b>945,142.81</b>   | <b>672,573.64</b>   |                     |                                          |
| Unencumbered Cash, Ending           | <b>\$672,573.64</b> | <b>\$691,930.70</b> |                     |                                          |

**CITY OF FORT SCOTT, KANSAS**  
**SEWER BOND RESERVE**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                     | 2010<br>Actual      | 2011<br>Actual      |
|-------------------------------------|---------------------|---------------------|
| Cash Receipts                       |                     |                     |
| Operating Transfer from Other Funds |                     |                     |
| Sewer Utility Fund                  | <u>\$31,044.00</u>  | <u>\$31,044.00</u>  |
| Total Cash Receipts                 | <u>31,044.00</u>    | <u>31,044.00</u>    |
| Expenditures                        |                     |                     |
| Public Works                        |                     |                     |
| Contractual services                | -                   | -                   |
| Total Expenditures                  | -                   | -                   |
| Receipts Over (Under) Expenditures  | 31,044.00           | 31,044.00           |
| Unencumbered Cash, Beginning        | <u>178,950.00</u>   | <u>209,994.00</u>   |
| Unencumbered Cash, Ending           | <u>\$209,994.00</u> | <u>\$241,038.00</u> |

**CITY OF FORT SCOTT, KANSAS**  
**WASTEWATER PROJECTS FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                        | 2010<br>Actual | 2011<br>Actual      |
|----------------------------------------|----------------|---------------------|
| <b>Cash Receipts</b>                   |                |                     |
| Use of Property and Money              |                |                     |
| Proceeds from Bonds                    | -              | \$556,518.07        |
| Other Receipts                         |                |                     |
| Miscellaneous                          | -              | -                   |
| <b>Total Cash Receipts</b>             |                | <b>556,518.07</b>   |
| <br><b>Expenditures</b>                |                |                     |
| Public Works                           |                |                     |
| Contractual                            | -              | 167,149.40          |
| Capital outlay                         | -              | 265,890.00          |
| Operating Transfers to Other Funds     |                |                     |
| Sewage Utility                         | -              | 20,599.00           |
| <b>Total Expenditures</b>              |                | <b>453,638.40</b>   |
| <br>Receipts Over (Under) Expenditures |                |                     |
|                                        | -              | 102,879.67          |
| <br>Unencumbered Cash, Beginning       |                |                     |
| <br>Unencumbered Cash, Ending          |                | <b>\$102,879.67</b> |

**CITY OF FORT SCOTT, KANSAS**  
**WATER PROJECT FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                           | 2010<br>Actual | 2011<br>Actual    |
|-------------------------------------------|----------------|-------------------|
| <b>Cash Receipts</b>                      |                |                   |
| Use of Property and Money                 |                |                   |
| Proceeds from Bonds                       | -              | \$151,996.99      |
| Other Receipts                            |                |                   |
| Miscellaneous                             | -              | -                 |
| <b>Total Cash Receipts</b>                | -              | <u>151,996.99</u> |
| <b>Expenditures</b>                       |                |                   |
| Public Works                              |                |                   |
| Contractual                               | -              | -                 |
| Capital outlay                            | -              | <u>151,996.99</u> |
| <b>Total Expenditures</b>                 | -              | <u>151,996.99</u> |
| <b>Receipts Over (Under) Expenditures</b> | -              | -                 |
| <b>Unencumbered Cash, Beginning</b>       | -              | -                 |
| <b>Unencumbered Cash, Ending</b>          | -              | -                 |

**CITY OF FORT SCOTT, KANSAS**  
**KDOT STATE AIRPORT GRANT**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                      | 2010<br>Actual | 2011<br>Actual       |
|--------------------------------------|----------------|----------------------|
| Cash Receipts                        |                |                      |
| Intergovernmental                    |                |                      |
| KDOT State aid                       | -              | -                    |
| Operating Transfers from Other Funds |                |                      |
| General                              | -              | <u>2,272.99</u>      |
| Total Cash Receipts                  | -              | <u>2,272.99</u>      |
| Expenditures                         |                |                      |
| Public Transportation                |                |                      |
| Contractual services                 | -              | <u>42,013.84</u>     |
| Total Expenditures                   | -              | <u>42,013.84</u>     |
| Receipts Over (Under) Expenditures   | -              | (39,740.85)          |
| Unencumbered Cash, Beginning         | -              | -                    |
| Unencumbered Cash, Ending            | -              | <u>(\$39,740.85)</u> |

**CITY OF FORT SCOTT, KANSAS**  
**MUNICIPAL COURT FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                    | 2010<br>Actual     | 2011<br>Actual     |
|------------------------------------|--------------------|--------------------|
| <b>Cash Receipts</b>               |                    |                    |
| Fines, Forfeitures and Penalties   |                    |                    |
| Municipal court fines              | <u>\$18,502.50</u> | <u>\$22,469.45</u> |
| <b>Total Cash Receipts</b>         | <u>18,502.50</u>   | <u>22,469.45</u>   |
| <b>Expenditures</b>                |                    |                    |
| General Government                 |                    |                    |
| Contractual services               | <u>18,502.50</u>   | <u>22,032.95</u>   |
| <b>Total Expenditures</b>          | <u>18,502.50</u>   | <u>22,032.95</u>   |
| Receipts Over (Under) Expenditures | -                  | 436.50             |
| Unencumbered Cash, Beginning       | -                  | -                  |
| <b>Unencumbered Cash, Ending</b>   | <u>-</u>           | <u>\$436.50</u>    |

**CITY OF FORT SCOTT, KANSAS**  
**FIRE INSURANCE PROCEEDS FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual     | 2011<br>Actual    |
|------------------------------------|--------------------|-------------------|
| Cash Receipts                      |                    |                   |
| Other Receipts                     |                    |                   |
| Insurance proceeds                 | <u>\$37,137.00</u> | <u>\$5,678.64</u> |
| Total Cash Receipts                | <u>37,137.00</u>   | <u>5,678.64</u>   |
| Expenditures                       |                    |                   |
| Public Safety                      |                    |                   |
| Contractual services               | <u>30,987.00</u>   | <u>16,478.64</u>  |
| Total Expenditures                 | <u>30,987.00</u>   | <u>16,478.64</u>  |
| Receipts Over (Under) Expenditures | 6,150.00           | (10,800.00)       |
| Unencumbered Cash, Beginning       | <u>4,650.00</u>    | <u>10,800.00</u>  |
| Unencumbered Cash, Ending          | <u>\$10,800.00</u> | <u>-</u>          |

**CITY OF FORT SCOTT, KANSAS**  
**20TH CENTURY VETERANS MEMORIAL FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual            | 2011<br>Actual            |
|------------------------------------|---------------------------|---------------------------|
| Cash Receipts                      |                           |                           |
| Other Receipts                     |                           |                           |
| Donations                          |                           |                           |
|                                    |                           |                           |
| Total Cash Receipts                |                           |                           |
|                                    |                           |                           |
| Expenditures                       |                           |                           |
| Recreation                         |                           |                           |
| Contractual services               |                           |                           |
| Commodities                        |                           |                           |
|                                    |                           |                           |
| Total Expenditures                 |                           |                           |
|                                    |                           |                           |
| Receipts Over (Under) Expenditures |                           |                           |
|                                    |                           |                           |
| Unencumbered Cash, Beginning       | <u>13,643.16</u>          | <u>13,643.16</u>          |
|                                    |                           |                           |
| Unencumbered Cash, Ending          | <u><u>\$13,643.16</u></u> | <u><u>\$13,603.16</u></u> |

**CITY OF FORT SCOTT, KANSAS**  
**MEDICAL REIMBURSEMENT FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual         | 2011<br>Actual         |
|------------------------------------|------------------------|------------------------|
| Cash Receipts                      |                        |                        |
| Other Receipts                     |                        |                        |
| Miscellaneous                      | <u>\$4,506.78</u>      | <u>\$1,235.56</u>      |
| Total Cash Receipts                | <u>4,506.78</u>        | <u>1,235.56</u>        |
| Expenditures                       |                        |                        |
| Employee Benefits                  |                        |                        |
| Contractual services               | <u>3,372.39</u>        | <u>1,245.37</u>        |
| Total Expenditures                 | <u>3,372.39</u>        | <u>1,245.37</u>        |
| Receipts Over (Under) Expenditures | 1,134.39               | (9.81)                 |
| Unencumbered Cash, Beginning       | <u>(999.87)</u>        | <u>134.52</u>          |
| Unencumbered Cash, Ending          | <u><b>\$134.52</b></u> | <u><b>\$124.71</b></u> |

**CITY OF FORT SCOTT, KANSAS**  
**SALES TAX FUND**

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

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

|                                    | <b>2010</b><br><b>Actual</b> | <b>2011</b><br><b>Actual</b> |
|------------------------------------|------------------------------|------------------------------|
| Cash Receipts                      |                              |                              |
| Intergovernmental                  |                              |                              |
| Sales tax                          | <u>\$17,881.28</u>           | <u>\$16,888.40</u>           |
| Total Cash Receipts                | <u>17,881.28</u>             | <u>16,888.40</u>             |
| Expenditures                       |                              |                              |
| General Government                 |                              |                              |
| Contractual services               | <u>17,881.28</u>             | <u>16,888.40</u>             |
| Total Expenditures                 | <u>17,881.28</u>             | <u>16,888.40</u>             |
| Receipts Over (Under) Expenditures | -                            | -                            |
| Unencumbered Cash, Beginning       | -                            | -                            |
| Unencumbered Cash, Ending          | <u>-</u>                     | <u>-</u>                     |

**CITY OF FORT SCOTT, KANSAS**  
**RESTRICTED DONATIONS FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual     | 2011<br>Actual      |
|------------------------------------|--------------------|---------------------|
| Cash Receipts                      |                    |                     |
| Intergovernmental                  |                    |                     |
| Federal grants                     | -                  | -                   |
| Other grants                       | -                  | 600.00              |
| Other Receipts                     |                    |                     |
| Miscellaneous                      | <u>69,457.00</u>   | <u>51,207.14</u>    |
| Total Cash Receipts                | <u>69,457.00</u>   | <u>51,807.14</u>    |
| Expenditures                       |                    |                     |
| General Government                 |                    |                     |
| Contractual services               | 5,350.00           | 13,906.79           |
| Commodities                        | 45.00              | 259.55              |
| Capital outlay                     | <u>81,659.38</u>   | <u>55,474.51</u>    |
| Total Expenditures                 | <u>87,054.38</u>   | <u>69,640.85</u>    |
| Receipts Over (Under) Expenditures | (17,597.38)        | (17,833.71)         |
| Unencumbered Cash, Beginning       | <u>27,920.68</u>   | <u>10,323.30</u>    |
| Unencumbered Cash, Ending          | <u>\$10,323.30</u> | <u>(\$7,510.41)</u> |

**CITY OF FORT SCOTT, KANSAS**  
**MAIN STREET FEMA PROJECT GRANT**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                        | 2010<br>Actual        | 2011<br>Actual      |
|----------------------------------------|-----------------------|---------------------|
| <b>Cash Receipts</b>                   |                       |                     |
| Intergovernmental                      |                       |                     |
| Federal Emergency preparedness         | -                     | \$178,927.90        |
| State Emergency preparedness           | -                     | 23,857.06           |
| Operating Transfers from Other Funds   |                       |                     |
| Storm Drain Utility                    | <u>36,783.78</u>      | -                   |
| <b>Total Cash Receipts</b>             | <u>36,783.78</u>      | <u>202,784.96</u>   |
| <br><b>Expenditures</b>                |                       |                     |
| Public Safety                          |                       |                     |
| Capital outlay                         | <u>242,941.44</u>     | -                   |
| <b>Total Expenditures</b>              | <u>242,941.44</u>     | -                   |
| <br>Receipts Over (Under) Expenditures | (206,157.66)          | 202,784.96          |
| Prior Year Canceled Encumbrances       | -                     | 3,372.70            |
| <br>Unencumbered Cash, Beginning       | -                     | <u>(206,157.66)</u> |
| <br>Unencumbered Cash, Ending          | <u>(\$206,157.66)</u> | -                   |

**CITY OF FORT SCOTT, KANSAS  
POLICE ARRA GRANT FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                    | 2010<br>Actual       | 2011<br>Actual      |
|------------------------------------|----------------------|---------------------|
| Cash Receipts                      |                      |                     |
| Intergovernmental                  |                      |                     |
| Federal grant                      | <u>\$9,383.49</u>    | <u>\$16,498.80</u>  |
| Total Cash Receipts                | <u>9,383.49</u>      | <u>16,498.80</u>    |
| Expenditures                       |                      |                     |
| Public Safety                      |                      |                     |
| Contractual                        | <u>-</u>             | <u>1,612.71</u>     |
| Capital outlay                     | <u>17,547.90</u>     | <u>5,961.89</u>     |
| Total Expenditures                 | <u>17,547.90</u>     | <u>7,574.60</u>     |
| Receipts Over (Under) Expenditures | <u>(8,164.41)</u>    | <u>8,924.20</u>     |
| Unencumbered Cash, Beginning       | <u>(2,372.50)</u>    | <u>(10,536.91)</u>  |
| Unencumbered Cash, Ending          | <u>(\$10,536.91)</u> | <u>(\$1,612.71)</u> |

**CITY OF FORT SCOTT, KANSAS**  
**911 GRANT FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                    | 2010<br>Actual       | 2011<br>Actual       |
|------------------------------------|----------------------|----------------------|
| Cash Receipts                      |                      |                      |
| Intergovernmental                  |                      |                      |
| State 911 grant                    |                      | <u>\$60,709.00</u>   |
| Total Cash Receipts                |                      | <u>60,709.00</u>     |
| Expenditures                       |                      |                      |
| Public Safety                      |                      |                      |
| Contractual                        |                      |                      |
| Capital outlay                     | <u>50,709.10</u>     | <u>70,359.90</u>     |
| Total Expenditures                 | <u>50,709.10</u>     | <u>70,359.90</u>     |
| Receipts Over (Under) Expenditures | (50,709.10)          | (9,650.90)           |
| Unencumbered Cash, Beginning       |                      | <u>(50,709.10)</u>   |
| Unencumbered Cash, Ending          | <u>(\$50,709.10)</u> | <u>(\$60,360.00)</u> |

**CITY OF FORT SCOTT, KANSAS**  
**CDBG HOUSING GRANT FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                        | 2010<br>Actual   | 2011<br>Actual       |
|----------------------------------------|------------------|----------------------|
| <b>Cash Receipts</b>                   |                  |                      |
| Intergovernmental                      |                  |                      |
| Federal Grant                          | -                | \$51,462.00          |
| Operating Transfers from Other Funds   |                  |                      |
| General                                | -                | -                    |
| <b>Total Cash Receipts</b>             | -                | <u>51,462.00</u>     |
| <br><b>Expenditures</b>                |                  |                      |
| Economic Development                   |                  |                      |
| Contractual services                   | 84.53            | 103,769.96           |
| <b>Total Expenditures</b>              | <u>84.53</u>     | <u>103,769.96</u>    |
| <br>Receipts Over (Under) Expenditures | (84.53)          | (52,307.96)          |
| <br>Prior Year Canceled Encumbrances   | -                | -                    |
| <br>Unencumbered Cash, Beginning       | -                | (84.53)              |
| <br>Unencumbered Cash, Ending          | <u>(\$84.53)</u> | <u>(\$52,392.49)</u> |

**CITY OF FORT SCOTT, KANSAS**  
**BJA BULLETPROOF VESTS GRANT FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual    | 2011<br>Actual    |
|------------------------------------|-------------------|-------------------|
| Cash Receipts                      |                   |                   |
| Intergovernmental                  |                   |                   |
| Federal Grant                      | <u>\$1,356.49</u> | <u>\$1,646.50</u> |
| Total Cash Receipts                | <u>1,356.49</u>   | <u>1,646.50</u>   |
| Expenditures                       |                   |                   |
| Public Safety                      |                   |                   |
| Commodities                        |                   |                   |
| Capital outlay                     |                   | <u>1,646.50</u>   |
| Total Expenditures                 | <u>-</u>          | <u>1,646.50</u>   |
| Receipts Over (Under) Expenditures | <u>1,356.49</u>   | <u>-</u>          |
| Unencumbered Cash, Beginning       | <u>(1,356.49)</u> | <u>-</u>          |
| Unencumbered Cash, Ending          | <u>-</u>          | <u>-</u>          |

**CITY OF FORT SCOTT, KANSAS**  
**STREET AND SIDEWALKS PROJECT FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                        | 2010<br>Actual      | 2011<br>Actual      |
|----------------------------------------|---------------------|---------------------|
| <b>Cash Receipts</b>                   |                     |                     |
| Proceeds from Long Term Debt           |                     |                     |
| Principal Received on Bonds            | <u>\$686,198.48</u> | <u>\$620,365.74</u> |
| <b>Total Cash Receipts</b>             | <u>686,198.48</u>   | <u>620,365.74</u>   |
| <br><b>Expenditures</b>                |                     |                     |
| Public Safety                          |                     |                     |
| Personnel services                     |                     |                     |
| Contractual services                   | 638,024.14          | 404,086.65          |
| Operating Transfers to Other Funds     |                     |                     |
| General Bond & Interest                | <u>48,174.34</u>    | -                   |
| <b>Total Expenditures</b>              | <u>686,198.48</u>   | <u>404,086.65</u>   |
| <br>Receipts Over (Under) Expenditures | -                   | 216,279.09          |
| <br>Unencumbered Cash, Beginning       | -                   | -                   |
| <br>Unencumbered Cash, Ending          | -                   | <u>\$216,279.09</u> |

**CITY OF FORT SCOTT, KANSAS**  
**HORTON FEMA PROJECT FUND**  
**Schedule of Cash Receipts and Expenditures - Actual**  
**For the Year Ended December 31, 2011**  
**With Comparative Actual Amounts for the Year Ended December 31, 2010**

|                                        | <b>2010</b><br><b>Actual</b> | <b>2011</b><br><b>Actual</b> |
|----------------------------------------|------------------------------|------------------------------|
| <b>Cash Receipts</b>                   |                              |                              |
| Intergovernmental                      |                              |                              |
| Federal Emergency preparedness         | -                            | \$194,024.09                 |
| State Emergency preparedness           | -                            | 25,869.88                    |
| Other Receipts                         |                              |                              |
| Miscellaneous                          |                              | 11,885.60                    |
| Operating Transfers from Other Funds   |                              |                              |
| Storm Drain Utility                    | <u>25,306.58</u>             | -                            |
| <b>Total Cash Receipts</b>             | <u>25,306.58</u>             | <u>231,779.57</u>            |
| <br><b>Expenditures</b>                |                              |                              |
| Public Transportation                  |                              |                              |
| Contractual                            | 167,246.89                   | -                            |
| Capital outlay                         | <u>118,099.15</u>            | -                            |
| <b>Total Expenditures</b>              | <u>285,346.04</u>            | -                            |
| <br>Receipts Over (Under) Expenditures | (260,039.46)                 | 231,779.57                   |
| <br>Prior Year Canceled Encumbrances   | -                            | 28,259.89                    |
| <br>Unencumbered Cash, Beginning       | -                            | <u>(260,039.46)</u>          |
| <br>Unencumbered Cash, Ending          | <u>(\$260,039.46)</u>        | -                            |

**CITY OF FORT SCOTT, KANSAS  
YAT ELLIS PARK PROJECT FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                    | 2010<br>Actual     | 2011<br>Actual     |
|------------------------------------|--------------------|--------------------|
| Cash Receipts                      |                    |                    |
| Other Receipts                     |                    |                    |
| Miscellaneous                      | \$97,948.82        | \$1,823.06         |
| Total Cash Receipts                | 97,948.82          | 1,823.06           |
| Expenditures                       |                    |                    |
| Recreation                         |                    |                    |
| Contractual services               | 97,175.24          | 4,128.99           |
| Commodities                        | 17,322.98          | 6,718.85           |
| Capital outlay                     | -                  | -                  |
| Total Expenditures                 | 114,498.22         | 10,847.84          |
| Receipts Over (Under) Expenditures | (16,549.40)        | (9,024.78)         |
| Unencumbered Cash, Beginning       | 98,009.51          | 81,460.11          |
| Unencumbered Cash, Ending          | <u>\$81,460.11</u> | <u>\$72,435.33</u> |

**CITY OF FORT SCOTT, KANSAS**  
**PHOENIX PROJECT FUND**

**Schedule of Cash Receipts and Expenditures - Actual**

For the Year Ended December 31, 2011

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

|                                    | <b>2010</b><br><b>Actual</b> | <b>2011</b><br><b>Actual</b> |
|------------------------------------|------------------------------|------------------------------|
| Cash Receipts                      |                              |                              |
| Other Receipts                     |                              |                              |
| Miscellaneous                      |                              |                              |
| Total Cash Receipts                |                              |                              |
| Expenditures                       |                              |                              |
| General Government                 |                              |                              |
| Contractual services               | 700.00                       |                              |
| Commodities                        |                              | 18,647.17                    |
| Total Expenditures                 | 700.00                       | 18,647.17                    |
| Receipts Over (Under) Expenditures | (700.00)                     | (18,647.17)                  |
| Prior Year Encumbrances Canceled   | 750.00                       | 700.00                       |
| Unencumbered Cash, Beginning       | 25,396.49                    | 25,446.49                    |
| Unencumbered Cash, Ending          | <b>\$25,446.49</b>           | <b>\$7,499.32</b>            |

**CITY OF FORT SCOTT, KANSAS**  
**GNAT PROJECT FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                    | 2010<br>Actual     | 2011<br>Actual     |
|------------------------------------|--------------------|--------------------|
| Cash Receipts                      |                    |                    |
| Other Revenue                      |                    |                    |
| Miscellaneous                      | <u>\$26,105.11</u> | <u>\$11,645.00</u> |
| Total Cash Receipts                | <u>26,105.11</u>   | <u>11,645.00</u>   |
| Expenditures                       |                    |                    |
| Public Safety                      |                    |                    |
| Capital outlay                     | <u>21,113.95</u>   | <u>6,759.42</u>    |
| Total Expenditures                 | <u>21,113.95</u>   | <u>6,759.42</u>    |
| Receipts Over (Under) Expenditures | 4,991.16           | 4,885.58           |
| Unencumbered Cash, Beginning       | -                  | <u>4,991.16</u>    |
| Unencumbered Cash, Ending          | <u>\$4,991.16</u>  | <u>\$9,876.74</u>  |

**CITY OF FORT SCOTT, KANSAS**  
**BRICK STREET AND SIDEWALK GRANT FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual        | 2011<br>Actual       |
|------------------------------------|-----------------------|----------------------|
| <b>Cash Receipts</b>               |                       |                      |
| Intergovernmental                  |                       |                      |
| KDOT grant                         | \$20,089.76           | \$132,090.84         |
| Use of Property and Money          |                       |                      |
| Revolving Loan Proceeds            | 57,865.44             | -                    |
| <b>Total Cash Receipts</b>         | <b>77,955.20</b>      | <b>132,090.84</b>    |
| <b>Expenditures</b>                |                       |                      |
| Public Streets                     |                       |                      |
| Contractual                        | -                     | -                    |
| Capital outlay                     | 126,081.55            | -                    |
| <b>Total Expenditures</b>          | <b>126,081.55</b>     | <b>-</b>             |
| Receipts Over (Under) Expenditures | (48,126.35)           | 132,090.84           |
| Unencumbered Cash, Beginning       | (130,152.25)          | (178,278.60)         |
| <b>Unencumbered Cash, Ending</b>   | <b>(\$178,278.60)</b> | <b>(\$46,187.76)</b> |

**CITY OF FORT SCOTT, KANSAS**  
**KLINK WALL STREET PROJECT FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                           | 2010<br>Actual        | 2011<br>Actual    |
|-------------------------------------------|-----------------------|-------------------|
| <b>Cash Receipts</b>                      |                       |                   |
| Intergovernmental                         |                       |                   |
| State grant                               | -                     | \$350,226.57      |
| Use of Property and Money                 |                       |                   |
| Revolving Loan Proceeds                   | <u>88,571.50</u>      | -                 |
| <b>Total Cash Receipts</b>                | <u>88,571.50</u>      | <u>350,226.57</u> |
| <b>Expenditures</b>                       |                       |                   |
| Public Transportation                     |                       |                   |
| Capital outlay                            | <u>10,300.00</u>      | -                 |
| <b>Total Expenditures</b>                 | <u>10,300.00</u>      | -                 |
| <b>Receipts Over (Under) Expenditures</b> | 78,271.50             | 350,226.57        |
| Prior Year Encumbrances Canceled          | 49,264.43             | -                 |
| Unencumbered Cash, Beginning              | (477,762.50)          | (350,226.57)      |
| Unencumbered Cash, Ending                 | <u>(\$350,226.57)</u> | -                 |

**CITY OF FORT SCOTT, KANSAS**  
**SPECIAL LAW ENFORCEMENT TRUST FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual            | 2011<br>Actual            |
|------------------------------------|---------------------------|---------------------------|
| Cash Receipts                      |                           |                           |
| Other Revenue                      |                           |                           |
| Miscellaneous                      | <u>\$2,935.65</u>         | <u>\$323.85</u>           |
| Total Cash Receipts                | <u>2,935.65</u>           | <u>323.85</u>             |
| Expenditures                       |                           |                           |
| Public Safety                      |                           |                           |
| Contractual services               | <u>-</u>                  | <u>-</u>                  |
| Commodities                        | <u>-</u>                  | <u>-</u>                  |
| Capital outlay                     | <u>931.00</u>             | <u>-</u>                  |
| Total Expenditures                 | <u>931.00</u>             | <u>-</u>                  |
| Receipts Over (Under) Expenditures | <u>2,004.65</u>           | <u>323.85</u>             |
| Unencumbered Cash, Beginning       | <u>21,212.83</u>          | <u>23,217.48</u>          |
| Unencumbered Cash, Ending          | <u><u>\$23,217.48</u></u> | <u><u>\$23,541.33</u></u> |

**CITY OF FORT SCOTT, KANSAS**  
**FIRE FITNESS GRANT FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual | 2011<br>Actual |
|------------------------------------|----------------|----------------|
| Cash Receipts                      |                |                |
| Intergovernmental                  |                |                |
| Federal Grant                      | \$8,990.00     | -              |
| Total Cash Receipts                | 8,990.00       | -              |
| Expenditures                       |                |                |
| General Government                 |                |                |
| Contractual services               | -              | -              |
| Capital outlay                     | -              | -              |
| Total Expenditures                 | -              | -              |
| Receipts Over (Under) Expenditures | 8,990.00       | -              |
| Unencumbered Cash, Beginning       | (8,990.00)     | -              |
| Unencumbered Cash, Ending          | -              | -              |

**CITY OF FORT SCOTT, KANSAS**  
**SEVENTH AND NATIONAL STORM DRAIN PROJECT FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual      | 2011<br>Actual    |
|------------------------------------|---------------------|-------------------|
| <b>Cash Receipts</b>               |                     |                   |
| Proceeds from Long Term Debt       |                     |                   |
| Principal Received on Bonds        | <u>\$609,506.28</u> | -                 |
| Total Cash Receipts                | <u>609,506.28</u>   | -                 |
| <b>Expenditures</b>                |                     |                   |
| Public Safety                      |                     |                   |
| Contractual                        | 31,130.20           | 19,589.00         |
| Capital outlay                     | 322,832.50          | 14,157.40         |
| Operating Transfers to Other Funds |                     |                   |
| Storm Drain Utility                | -                   | <u>229,312.20</u> |
| Total Expenditures                 | <u>353,962.70</u>   | <u>263,058.60</u> |
| Receipts Over (Under) Expenditures | 255,543.58          | (263,058.60)      |
| Prior Year Encumbrances Canceled   | -                   | 7,515.02          |
| Unencumbered Cash, Beginning       | -                   | <u>255,543.58</u> |
| Unencumbered Cash, Ending          | <u>255,543.58</u>   | -                 |

**CITY OF FORT SCOTT, KANSAS  
SAFE GRANT FUND**

**Schedule of Cash Receipts and Expenditures - Actual**

For the Year Ended December 31, 2011

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

|                                        | 2010<br>Actual  | 2011<br>Actual    |
|----------------------------------------|-----------------|-------------------|
| <b>Cash Receipts</b>                   |                 |                   |
| Intergovernmental                      |                 |                   |
| State Grant                            | \$1,000.00      | \$1,000.00        |
| Other Revenue                          |                 |                   |
| Miscellaneous                          | -               | 1,715.00          |
| <b>Total Cash Receipts</b>             | <b>1,000.00</b> | <b>2,715.00</b>   |
| <br><b>Expenditures</b>                |                 |                   |
| Public Safety                          |                 |                   |
| Commodities                            | 150.00          | 1,113.90          |
| Capital outlay                         | -               | -                 |
| <b>Total Expenditures</b>              | <b>150.00</b>   | <b>1,113.90</b>   |
| <br>Receipts Over (Under) Expenditures | 850.00          | 1,601.10          |
| <br>Unencumbered Cash, Beginning       | -               | 850.00            |
| <br>Unencumbered Cash, Ending          | <b>\$850.00</b> | <b>\$2,451.10</b> |

**CITY OF FORT SCOTT, KANSAS**  
**SKATE FOR SCHOLARS FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                    | 2010<br>Actual     | 2011<br>Actual     |
|------------------------------------|--------------------|--------------------|
| Cash Receipts                      |                    |                    |
| Other Revenue                      |                    |                    |
| Private Grant                      | \$10,000.00        | -                  |
| Donations                          | 7,943.04           | 29,450.00          |
| Total Cash Receipts                | 17,943.04          | 29,450.00          |
| Expenditures                       |                    |                    |
| General Government                 |                    |                    |
| Contractual services               | 890.20             | 2,500.00           |
| Capital outlay                     | -                  | 3,052.84           |
| Total Expenditures                 | 890.20             | 5,552.84           |
| Receipts Over (Under) Expenditures | 17,052.84          | 23,897.16          |
| Unencumbered Cash, Beginning       | 340.00             | 17,392.84          |
| Unencumbered Cash, Ending          | <u>\$17,392.84</u> | <u>\$41,290.00</u> |

**CITY OF FORT SCOTT, KANSAS**  
**BUCK RUN COMMUNITY CENTER YMCA FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual     | 2011<br>Actual |
|------------------------------------|--------------------|----------------|
| Cash Receipts                      |                    |                |
| Other Receipts                     |                    |                |
| Miscellaneous                      |                    |                |
| Interest Earnings                  | 451.34             | 151.15         |
| Total Cash Receipts                | 451.34             | 151.15         |
| Expenditures                       |                    |                |
| Recreation                         |                    |                |
| Contractual services               | -                  | -              |
| Capital outlay                     | -                  | 61,541.26      |
| Total Expenditures                 | -                  | 61,541.26      |
| Receipts Over (Under) Expenditures | 451.34             | (61,390.11)    |
| Unencumbered Cash, Beginning       | 60,938.77          | 61,390.11      |
| Unencumbered Cash, Ending          | <u>\$61,390.11</u> | <u>-</u>       |

**CITY OF FORT SCOTT, KANSAS  
AIRPORT IMPROVEMENTS FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                      | 2010<br>Actual   | 2011<br>Actual |
|--------------------------------------|------------------|----------------|
| <b>Cash Receipts</b>                 |                  |                |
| Intergovernmental                    |                  |                |
| Federal grant                        | \$12,851.00      | -              |
| Other Receipts                       |                  |                |
| Miscellaneous                        | -                | -              |
| Operating Transfers from Other Funds |                  |                |
| General                              | 0.70             | -              |
| <b>Total Cash Receipts</b>           | <b>12,851.70</b> | -              |
| <b>Expenditures</b>                  |                  |                |
| Public Transportation                |                  |                |
| Contractual services                 | -                | -              |
| Commodities                          | -                | -              |
| Capital outlay                       | -                | -              |
| <b>Total Expenditures</b>            | <b>-</b>         | -              |
| Receipts Over (Under) Expenditures   | 12,851.70        | -              |
| Prior Year Encumbrances Canceled     | 3,299.64         | -              |
| Unencumbered Cash, Beginning         | (16,151.34)      | -              |
| Unencumbered Cash, Ending            | -                | -              |

**CITY OF FORT SCOTT, KANSAS**  
**ENERGY MANAGER GRANT FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual | 2011<br>Actual   |
|------------------------------------|----------------|------------------|
| Cash Receipts                      |                |                  |
| Intergovernmental                  |                |                  |
| Federal grant                      | -              | \$66,397.96      |
| Use of Property and Money          |                |                  |
| Interest earned                    | -              | 47.43            |
| Total Cash Receipts                | -              | <u>66,445.39</u> |
| Expenditures                       |                |                  |
| General Government                 |                |                  |
| Capital outlays                    | -              | 66,397.96        |
| Total Expenditures                 | -              | <u>66,397.96</u> |
| Receipts Over (Under) Expenditures | -              | 47.43            |
| Unencumbered Cash, Beginning       | -              | -                |
| Unencumbered Cash, Ending          | -              | <u>\$47.43</u>   |

**CITY OF FORT SCOTT, KANSAS**  
**TAKE CHARGE CHALLENGE GRANT FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual | 2011<br>Actual   |
|------------------------------------|----------------|------------------|
| Cash Receipts                      |                |                  |
| Intergovernmental                  |                |                  |
| Federal grant                      | -              | \$16,756.30      |
| Other Receipts                     |                |                  |
| Miscellaneous                      | -              | 298.00           |
| Total Cash Receipts                | -              | <u>17,054.30</u> |
| Expenditures                       |                |                  |
| General Government                 |                |                  |
| Contractual services               | -              | 5,499.14         |
| Commodities                        | -              | 11,555.16        |
| Total Expenditures                 | -              | <u>17,054.30</u> |
| Receipts Over (Under) Expenditures | -              | -                |
| Unencumbered Cash, Beginning       | -              | -                |
| Unencumbered Cash, Ending          | -              | -                |

**CITY OF FORT SCOTT, KANSAS**  
**URGENT NEED FLOOD GRANT FUND**  
Schedule of Cash Receipts and Expenditures - Actual  
For the Year Ended December 31, 2011  
With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                    | 2010<br>Actual       | 2011<br>Actual        |
|------------------------------------|----------------------|-----------------------|
| Cash Receipts                      |                      |                       |
| Intergovernmental                  |                      |                       |
| HUD Federal grant                  | -                    | -                     |
| Other Receipts                     |                      |                       |
| Miscellaneous                      | -                    | -                     |
| Total Cash Receipts                | -                    | -                     |
| Expenditures                       |                      |                       |
| General Government                 |                      |                       |
| Contractual services               | 14,000.00            | 103,100.00            |
| Capital outlay                     | -                    | -                     |
| Total Expenditures                 | 14,000.00            | 103,100.00            |
| Receipts Over (Under) Expenditures | (14,000.00)          | (103,100.00)          |
| Unencumbered Cash, Beginning       | -                    | (14,000.00)           |
| Unencumbered Cash, Ending          | <u>(\$14,000.00)</u> | <u>(\$117,100.00)</u> |

**CITY OF FORT SCOTT, KANSAS**  
**RUNWAY REHAB GRANT FUND**

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

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

|                                      | 2010<br>Actual      | 2011<br>Actual    |
|--------------------------------------|---------------------|-------------------|
| Cash Receipts                        |                     |                   |
| Intergovernmental                    |                     |                   |
| Federal Grant                        | \$37,043.00         | \$1,994.00        |
| Operating Transfers from Other Funds |                     |                   |
| General                              | 1,844.16            | 106.00            |
| Total Cash Receipts                  | <u>38,887.16</u>    | <u>2,100.00</u>   |
| Expenditures                         |                     |                   |
| Public Transportation                |                     |                   |
| Contractual                          | 6,914.45            | -                 |
| Capital outlay                       | -                   | -                 |
| Total Expenditures                   | <u>6,914.45</u>     | <u>-</u>          |
| Receipts Over (Under) Expenditures   | 31,972.71           | 2,100.00          |
| Prior Year Encumbrances Canceled     | 4,875.00            | 39.82             |
| Unencumbered Cash, Beginning         | <u>(38,987.53)</u>  | <u>(2,139.82)</u> |
| Unencumbered Cash, Ending            | <u>(\$2,139.82)</u> | <u>-</u>          |

**CITY OF FORT SCOTT, KANSAS**  
**FAA PROJECTS GRANT FUND**  
 Schedule of Cash Receipts and Expenditures - Actual  
 For the Year Ended December 31, 2011  
 With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                      | 2010<br>Actual        | 2011<br>Actual       |
|--------------------------------------|-----------------------|----------------------|
| Cash Receipts                        |                       |                      |
| Intergovernmental                    |                       |                      |
| Federal Grant                        | \$63,526.00           | \$449,048.00         |
| Operating Transfers from Other Funds |                       |                      |
| General                              | <u>24,723.59</u>      | <u>4,004.00</u>      |
| Total Cash Receipts                  | <u>88,249.59</u>      | <u>453,052.00</u>    |
| Expenditures                         |                       |                      |
| Public Transportation                |                       |                      |
| Contractual                          | 76,875.00             | -                    |
| Capital outlay                       | <u>500,895.65</u>     | <u>-</u>             |
| Total Expenditures                   | <u>577,770.65</u>     | <u>-</u>             |
| Receipts Over (Under) Expenditures   | (489,521.06)          | 453,052.00           |
| Prior Year Encumbrances Canceled     | -                     | 3,235.06             |
| Unencumbered Cash, Beginning         | -                     | <u>(489,521.06)</u>  |
| Unencumbered Cash, Ending            | <u>(\$489,521.06)</u> | <u>(\$33,234.00)</u> |

**CITY OF FORT SCOTT, KANSAS**  
**CDBG REVOLVING LOAN FUND**

Schedule of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2011

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

|                                    | 2010<br>Actual      | 2011<br>Actual      |
|------------------------------------|---------------------|---------------------|
| <b>Cash Receipts</b>               |                     |                     |
| Use of Property and Money          |                     |                     |
| Interest earned                    | \$1,656.04          | \$1,718.86          |
| Interest on loans repaid           | 1,063.20            | 254.61              |
| Principal on loans repaid          | <u>27,053.18</u>    | <u>17,520.57</u>    |
| Total Cash Receipts                | <u>29,772.42</u>    | <u>19,494.04</u>    |
| <b>Expenditures</b>                |                     |                     |
| Economic Development               | -                   | -                   |
| Contractual services               | -                   | -                   |
| Total Expenditures                 | -                   | -                   |
| Receipts Over (Under) Expenditures | 29,772.42           | 19,494.04           |
| Unencumbered Cash, Beginning       | <u>214,814.83</u>   | <u>244,587.25</u>   |
| Unencumbered Cash, Ending          | <u>\$244,587.25</u> | <u>\$264,081.29</u> |

**CITY OF FORT SCOTT, KANSAS**  
**FORT SCOTT PUBLIC LIBRARY - GENERAL FUND**  
 Schedule of Cash Receipts and Expenditures - Actual  
 For the Year Ended December 31, 2011  
 With Comparative Actual Amounts for the Year Ended December 31, 2010

|                                           | 2010<br>Actual             | 2011<br>Actual             |
|-------------------------------------------|----------------------------|----------------------------|
| <b>Cash Receipts</b>                      |                            |                            |
| Intergovernmental                         |                            |                            |
| Appropriation from the City               | \$298,005.88               | \$253,796.30               |
| Other appropriations                      | 16,036.00                  | 14,549.00                  |
| Fines, Forfeitures and Penalties          | 2,214.94                   | 2,006.65                   |
| Use of Property and Money                 |                            |                            |
| Interest                                  | 967.49                     | 645.95                     |
| Other Receipts                            |                            |                            |
| Donations                                 | 220.00                     | 655.00                     |
| Miscellaneous                             | 2,262.19                   | 3,456.74                   |
| <b>Total Cash Receipts</b>                | <u>319,706.50</u>          | <u>275,109.64</u>          |
| <b>Expenditures</b>                       |                            |                            |
| Recreation                                |                            |                            |
| Personal services                         | 147,614.18                 | 147,257.58                 |
| Contractual Services                      | 43,042.39                  | 48,435.16                  |
| Commodities                               | 56,067.02                  | 45,896.34                  |
| Capital outlay                            | 538.80                     | 4,841.40                   |
| <b>Total Expenditures</b>                 | <u>247,262.39</u>          | <u>246,430.48</u>          |
| <b>Receipts Over (Under) Expenditures</b> | <u>72,444.11</u>           | <u>28,679.16</u>           |
| <b>Unencumbered Cash, Beginning</b>       | <u>518,747.24</u>          | <u>591,191.35</u>          |
| <b>Unencumbered Cash, Ending</b>          | <u><b>\$591,191.35</b></u> | <u><b>\$619,870.51</b></u> |

**CITY OF FORT SCOTT, KANSAS**  
**FEDERAL COMPLIANCE SECTION**

For the Year Ended December 31, 2011

**CITY OF FORT SCOTT, KANSAS**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2011**

| FEDERAL GRANTOR/<br>PASS THROUGH GRANTOR/<br>PROGRAM TITLE              | FEDERAL<br>CFDA<br>NUMBER | AMOUNT<br>RECEIVED | AMOUNT<br>EXPENDED |
|-------------------------------------------------------------------------|---------------------------|--------------------|--------------------|
| <b><u>U.S. Department of Housing and Urban Development</u></b>          |                           |                    |                    |
| Direct Grants from HUD                                                  |                           |                    |                    |
| PROJ NO 344831700                                                       |                           | -                  | \$17,100.00        |
| CDGB Special Purpose Grants                                             | 14.225                    | -                  | 17,100.00          |
| Passed through the State of Kansas Department of Commerce               |                           |                    |                    |
| Small Cities Community Development Block Grants                         | 14.228                    | 51,462.00          | 51,462.00          |
| <b><u>U.S. Department of Justice</u></b>                                |                           |                    |                    |
| Direct Grant from U.S. Bureau of Justice Assistance                     |                           |                    |                    |
| Bulletproof Vest Grants                                                 | 16.607                    | 1,646.50           | 1,646.50           |
| Direct Grant from U.S. Bureau of Justice Assistance                     |                           |                    |                    |
| ARRA Justice Assistance Grants                                          | 16.804                    | 16,498.80          | 7,574.60           |
| <b><u>U.S. Department of Transportation</u></b>                         |                           |                    |                    |
| Direct Grant from the Department of Transportation                      |                           |                    |                    |
| AIP 3-20-0022-12                                                        |                           | 1,994.00           | 1,994.00           |
| AIP 3-20-0022-13                                                        |                           | 409,892.00         | 3,706.00           |
| AIP 3-20-0022-14                                                        |                           | 39,156.00          | 43,748.98          |
| Airport Improvement Program                                             | 20.106                    | 451,042.00         | 49,448.98          |
| Passed through the State of Kansas Department of Transportation         |                           |                    |                    |
| 6 KA-0429-01-Downtown Brick Street and Sidewalk Program                 |                           |                    |                    |
| Total Transportation Improvement & HPP Project                          | 20.205                    | 132,090.84         | 132,090.84         |
| Passed through the State of Kansas Department of Transportation         |                           |                    |                    |
| Grant # OP 1275-09                                                      |                           |                    |                    |
| Total Traffic Safety & Drunk Driving Prevention                         | 20.601                    | 3,696.91           | 3,580.30           |
| Passed through the State of Kansas Department of Transportation         |                           |                    |                    |
| Project # 6 U-0040-10                                                   |                           |                    |                    |
| Surface Transportation Project program                                  | 20.937                    | -                  | 87,183.43          |
| <b><u>U.S. Environmental Protection Agency</u></b>                      |                           |                    |                    |
| Passed through the State of Kansas Department of Health and Environment |                           |                    |                    |
| Public Water Supply Capitalization Grant                                | 66.458                    | 2,020.00           | 2,020.00           |
| <b><u>U.S. Department of Energy</u></b>                                 |                           |                    |                    |
| Passed through the State of Kansas Corporation Commission               |                           |                    |                    |
| Take Charge Challenge                                                   |                           | 16,756.30          | 16,756.30          |
| Energy Managers                                                         |                           | 66,397.96          | 66,397.96          |
| DOE Formula Grant - ARRA                                                | 81.128                    | 83,154.26          | 83,154.26          |

**CITY OF FORT SCOTT, KANSAS**

Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended December 31, 2011

| FEDERAL GRANTOR/<br>PASS THROUGH GRANTOR/<br>PROGRAM TITLE          | FEDERAL<br>CFDA<br>NUMBER | AMOUNT<br>RECEIVED    | AMOUNT<br>EXPENDED  |
|---------------------------------------------------------------------|---------------------------|-----------------------|---------------------|
| <b><u>U.S. Department of Homeland Security</u></b>                  |                           |                       |                     |
| Passed through the State of Kansas Office of the Adjutant General   |                           |                       |                     |
| FEMA-KS-DR1849                                                      |                           | \$383,892.13          | \$54,918.75         |
| FEMA-KS-DR1860                                                      |                           | -                     | 89,034.88           |
| Public Assistance Grants                                            | 97.036                    | 383,892.13            | 143,953.63          |
| Passed through the State of Kansas Division of Emergency Management |                           |                       |                     |
| EMW-2008-FO-05954                                                   |                           | -                     | -                   |
| Hazard Mitigation (Sirens) Grant                                    | 97.039                    | -                     | -                   |
| <b>TOTALS</b>                                                       |                           | <b>\$1,125,503.44</b> | <b>\$579,214.54</b> |

**Notes to the Schedule of Expenditures of Federal Awards:**

(1) Receipts consist of money actually received during the year ended December 31, 2011. Expenditures are recorded on the modified accrual basis of accounting, which records expenses when the goods or services are received, plus accounts payable. Expenditures for these programs differ from the City's financial reports filed with grantors inasmuch as the City records expenditures when an encumbrance or contract is signed in accordance with the statutory basis of accounting, whereas expenditures on the financial reports are recorded when the goods or services are received.

*Diehl*

*Banwart*

*Bolton*

*Certified Public Accountants PA*

---

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Mayor and the City Commission  
City of Fort Scott, Kansas

**Compliance**

We have audited the compliance of the City of Fort Scott, Kansas with the types of compliance requirements described in the **U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement** that are applicable to each of its major federal programs for the year ended December 31, 2011. The City's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in **Government Auditing Standards**, issued by the Comptroller General of the United States; and OMB Circular A-133, **Audits of States, Local Governments, and Non-Profit Organizations**. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

In our opinion, the City of Fort Scott, Kansas, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2011.

## **Internal Control Over Compliance**

The management of the City of Fort Scott, Kansas is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses as defined above.

There were no findings identified in our audit and described in the accompanying schedule of findings and questioned costs.

This report is intended solely for the information and use of management, City Commission, others within the entity, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Diehl, Banwart, Bolton, CPAs PA*

DIEHL, BANWART, BOLTON, CPAs PA

April 17, 2012  
Fort Scott, Kansas

*Diehl  
Banwart  
Bolton*

*Certified Public Accountants PA*

---

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Mayor and the City Commission  
City of Fort Scott, Kansas

We have audited the financial statements of The City of Fort Scott, Kansas, as of and for the year ended December 31, 2011, and have issued our report thereon dated April 17, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reports that we consider to be material weaknesses, as defined above.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of management, the City Commission, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Diehl, Banwart, Bolton, CPAs PA*  
DIEHL, BANWART, BOLTON, CPAs PA

April 17, 2012  
Fort Scott, Kansas

**CITY OF FORT SCOTT, KANSAS  
FORT SCOTT, KANSAS**

**Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2011**

**SUMMARY OF AUDITORS' RESULTS**

1. The auditor's report was adverse for departures from accounting principles generally accepted in the United State of America due to the preparation of the financial statements in accordance with the Kansas statutory basis of accounting. A qualified opinion on the statutory basis of accounting financial statements was issued due to the omission of a component unit.
2. There were no internal control deficiencies disclosed during the audit of the financial statements as reported in the Independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of the financial statements performed in accordance with "Government Auditing Standards".
3. No instances of noncompliance material to the financial statements of the City of Fort Scott, Kansas were disclosed during the audit.
4. There were no reportable conditions in internal control over major Federal award programs disclosed during the audit.
5. The auditors report on compliance for the major Federal award programs for the City of Fort Scott, Kansas expresses an unqualified opinion on all major Federal programs.
6. Audit findings that are required to be reported in accordance with Section 510(a) OMB Circular A-133 are reported in this schedule.
7. The programs tested as major programs included the following:

| <u>CFDA #</u> | <u>NAME OF PROGRAM</u>                   |
|---------------|------------------------------------------|
| 20.205        | Transportation Improvement Program Grant |
| 97.036        | Public Assistance Grants                 |

8. The threshold for distinguishing types A and B programs was \$300,000.
9. The City of Fort Scott, Kansas was determined to be a low-risk auditee.

**FINDINGS – FINANCIAL STATEMENTS AUDIT**

None Reported

**MATERIAL WEAKNESSES IN INTERNAL CONTROLS OVER FINANCIAL REPORTING**

None reported

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS**

None reported.

**CITY OF FORT SCOTT, KANSAS**

**Summary Schedule of Prior Audit Findings**  
**For the Year Ended December 31, 2011**

---

For the year ended December 31, 2010, the City had no findings or questioned costs relative to federal awards.