

**CITY OF ABILENE, KANSAS**  
**FINANCIAL STATEMENTS**  
**WITH INDEPENDENT AUDITORS' REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

CITY OF ABILENE, KANSAS

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**INDEPENDENT AUDITORS' REPORT**

To the Mayor and City Commission  
City of Abilene  
Abilene, Kansas

We have audited the accompanying primary government financial statements of the City of Abilene, Kansas, as of and for the year ended December 31, 2009, as listed in the table of contents. These financial statements are the responsibility of the City of Abilene, Kansas' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit Guide*. Those standards and guidance 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 opinions.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. The primary government financial statements referred to above do not include the financial data of component units of the City of Abilene, Kansas, as of December 31, 2009.

As described in Note 1, the City of Abilene, Kansas has prepared these financial statements on the statutory basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these statutory accounting practices and accounting principles generally accepted in the United State of America, although not reasonably determinable, are presumed to be material. The differences between the statutory basis of accounting and accounting principles generally accepted in the United States of America are also described in Note 1.

In our opinion, because of the effects of the matter discussed in the preceding paragraph and because they do not include the financial data of component units of the City of Abilene, Kansas, the primary government financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Abilene, Kansas, as of December 31, 2009, or the changes in its financial position for the year then ended.

**MEMBERS:**

American Institute of  
Certified Public Accountants

Kansas Society of Certified  
Public Accountants



In our opinion, the primary government financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of the City of Abilene, Kansas as of December 31, 2009, and its cash receipts and expenditures, for the year then ended, on the basis of accounting described in Note 1.

*Pottberg, Gassman & Hoffman, Chartered*

Pottberg, Gassman & Hoffman, Chartered  
Abilene, Kansas  
September 21, 2010

**CITY OF ABILENE, KANSAS**

**SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

<u>Fund</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Canceled Encumbrances</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
<b>Governmental Type Funds:</b>							
General Fund	\$ 2,218,735	58,048	3,756,539	3,869,660	2,163,662	140,936	2,304,598
<b>Special Revenue Funds:</b>							
Airport Fund	60,850	23,585	126,432	127,390	83,477	1,675	85,152
Fire Apparatus	8,062	-	47,758	30,002	25,818	-	25,818
Special Park and Recreation	45,019	-	20,343	36,670	28,692	252	28,944
Special Alcohol and Drug	39,416	-	16,542	41,394	14,564	-	14,564
Library	2,454	-	272,067	274,521	-	-	-
Tourism and Convention	8,172	-	215,763	211,197	12,738	2,601	15,339
Special Street	96,895	-	374,605	415,778	55,722	16	55,738
Recreation	206,211	-	386,943	432,868	160,286	6,918	167,204
Special Liability	16,067	-	-	-	16,067	-	16,067
Capital Improvement	237,871	-	29,915	-	267,786	-	267,786
Equipment Reserve	167,588	-	119,955	132,013	155,530	-	155,530
Community Center	152,219	-	946	-	153,165	-	153,165
Library / Pool Renovation	-	-	476,105	476,105	-	-	-
<b>Debt Service Fund:</b>							
Bond and Interest	144,866	-	218,796	284,870	78,792	-	78,792
<b>Capital Projects Funds:</b>							
Library Renovation	2,086,247	-	-	1,797,867	288,380	128,529	416,909
Pool Renovation	1,260,682	-	148,245	1,408,927	-	-	-
Cedar Ridge Estates	82,009	-	1,017,950	1,099,959	-	-	-
Eastridge Estates	(6,405)	-	515,756	509,351	-	-	-
The Highlands Addition	1,158,691	-	6,182	507,712	657,161	-	657,161
Dawson 4	26,047	-	399,132	425,179	-	-	-
Wastewater Treatment Plant	(9,459)	-	384,264	374,805	-	-	-
Automated Meter Reader System	8,412	-	-	-	8,412	-	8,412

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

**CITY OF ABILENE, KANSAS**

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
FOR THE YEAR ENDED DECEMBER 31, 2009

<u>Fund</u>	<u>Beginning Unencumbered Cash Balance</u>	<u>Prior Year Canceled Encumbrances</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Outstanding Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
Proprietary Type Funds:							
Enterprise Funds:							
Water Utility	470,190	19,714	1,299,915	1,600,523	189,296	67,162	256,458
Wastewater Utility	1,506,956	-	1,615,047	1,360,612	1,761,391	45,637	1,807,028
Equipment Reserve - Water	821,154	-	142,400	55,650	907,904	55,650	963,554
Equipment Reserve - Sewer	151,778	-	26,041	-	177,819	-	177,819
Recycling Fund	351,925	-	83,765	106,358	329,332	2,954	332,286
Storm Drain	391,676	-	68,576	8,398	451,854	-	451,854
Total Primary Government (Excluding Agency Fund)	<u>\$ 11,704,328</u>	<u>101,347</u>	<u>11,769,982</u>	<u>15,587,809</u>	<u>7,987,848</u>	<u>452,330</u>	<u>8,440,178</u>
Composition of Cash:				Checking Accounts		\$	4,235,752
				Money Market			350,722
				Petty Cash			931
				Certificates of Deposit			3,858,126
				Total Cash			<u>8,445,531</u>
				Agency Fund Per Page 25			<u>(5,353)</u>
				Total Primary Government (Excluding Agency Fund)		\$	<u>8,440,178</u>

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

**CITY OF ABILENE, KANSAS**  
**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
General Fund	\$ 5,768,722	-	5,768,722	3,869,660	(1,899,062)
Special Revenue Funds:					
Airport Fund	46,340	-	46,340	127,390	81,050
Fire Apparatus	53,857	-	53,857	30,002	(23,855)
Special Park and Recreation	48,087	-	48,087	36,670	(11,417)
Special Alcohol and Drug	41,422	-	41,422	41,394	(28)
Library	281,733	-	281,733	274,521	(7,212)
Tourism and Convention	209,643	-	209,643	211,197	1,554
Special Street	533,500	-	533,500	415,778	(117,722)
Recreation	523,121	-	523,121	432,868	(90,253)
Special Liability	15,500	-	15,500	-	(15,500)
Capital Improvement	-	-	-	-	-
Equipment Reserve	181,779	-	181,779	132,013	(49,766)
Community Center	150,000	-	150,000	-	(150,000)
Library / Pool Renovation	428,000	-	428,000	476,105	48,105
Debt Service Fund:					
Bond and Interest	285,370	-	285,370	284,870	(500)
Capital Projects Funds:					
Library Renovation	1,300,100	-	1,300,100	1,797,867	497,767
Pool Renovation	900,100	-	900,100	1,408,927	508,827
Proprietary Type Funds:					
Enterprise Funds:					
Water Utility	\$ 1,820,397	-	1,820,397	1,600,523	(219,874)
Wastewater Utility	1,992,094	-	1,992,094	1,360,612	(631,482)
Equipment Reserve - Water	-	-	-	55,650	55,650
Equipment Reserve - Sewer	-	-	-	-	-
Recycling Fund	387,550	-	387,550	106,358	(281,192)
Storm Drain	396,497	-	396,497	8,398	(388,099)

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

CITY OF ABILENE, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

<u>GENERAL FUND</u>	2008	2009		Variance - Over (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts:				
Taxes and Shared Revenue				
Ad Valorem Property Tax	\$ 1,042,974	1,094,177	1,105,487	(11,310)
Delinquent Tax	11,504	12,589	15,000	(2,411)
Motor Vehicle Tax	169,022	149,356	149,722	(366)
LAVTR	-	-	50,000	(50,000)
Intergovernmental Revenue				
Local Sales Tax	1,262,938	1,199,404	1,150,000	49,404
Franchise Tax	519,380	534,144	455,000	79,144
KLINK - Highway Maintenance	30,771	30,729	30,750	(21)
Liquor Control Tax	15,690	16,372	12,000	4,372
Federal/State/County Aid	24,296	35,639	570,000	(534,361)
Licenses and Fees				
Licenses and Permits	31,771	27,835	52,650	(24,815)
Fines and Penalties	204,405	191,279	202,200	(10,921)
Charges for Services	15,461	9,724	-	9,724
Use of Money and Property				
Interest Income	129,057	65,180	60,000	5,180
Rent	17,225	47,025	38,443	8,582
Other Receipts				
Grants	33,583	32,333	38,637	(6,304)
Reimbursed Expenditures	168,469	44,641	12,500	32,141
Insurance Proceeds	245,643	43,674	-	43,674
Miscellaneous	17,911	51,738	40,500	11,238
Transfer from	143,500	170,700	170,700	-
Slider	-	-	6,177	(6,177)
Total Cash Receipts	<u>4,083,600</u>	<u>3,756,539</u>	<u>4,159,766</u>	<u>(403,227)</u>

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

CITY OF ABILENE, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

<b>GENERAL FUND</b>	2008	2009		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Departmental Expenditures				
Administrative				
Salaries and Benefits	194,265	203,587	225,433	(21,846)
Contractual Services	20,571	6,929	11,000	(4,071)
Services and Supplies	139,737	121,267	160,725	(39,458)
Capital Outlay	513,875	277,997	1,875,000	(1,597,003)
Total	<u>868,448</u>	<u>609,780</u>	<u>2,272,158</u>	<u>(1,662,378)</u>
Police				
Salaries and Benefits	827,205	859,629	898,338	(38,709)
Services and Supplies	125,635	123,085	136,050	(12,965)
Capital Outlay	8,977	6,417	6,200	217
Total	<u>961,817</u>	<u>989,131</u>	<u>1,040,588</u>	<u>(51,457)</u>
Fire				
Salaries and Benefits	528,688	520,455	575,884	(55,429)
Services and Supplies	65,122	53,637	74,675	(21,038)
Capital Outlay	38,932	8,343	13,500	(5,157)
Total	<u>632,742</u>	<u>582,435</u>	<u>664,059</u>	<u>(81,624)</u>
Street				
Salaries and Benefits	258,937	291,078	313,247	(22,169)
Contractual Services	1,745	-	2,500	(2,500)
Services and Supplies	248,467	254,998	229,300	25,698
Capital Outlay	29,749	20,479	20,500	(21)
Total	<u>538,898</u>	<u>566,555</u>	<u>565,547</u>	<u>1,008</u>
Bindweed and Flood Maintenance				
Salaries and Benefits	50,704	59,374	72,799	(13,425)
Services and Supplies	39,107	40,434	42,575	(2,141)
Capital Outlay	3,421	-	-	-
Total	<u>93,232</u>	<u>99,808</u>	<u>115,374</u>	<u>(15,566)</u>
Parks and Recreation				
Salaries and Benefits	119,365	129,652	136,880	(7,228)
Contractual Services	-	-	1,000	(1,000)
Services and Supplies	54,494	57,895	55,700	2,195
Capital Outlay	46,962	-	42,500	(42,500)
Total	<u>220,821</u>	<u>187,547</u>	<u>236,080</u>	<u>(48,533)</u>
Pool				
Services and Supplies	5,136	14,148	9,250	4,898
Capital Outlay	11,974	-	-	-
Total	<u>17,110</u>	<u>14,148</u>	<u>9,250</u>	<u>4,898</u>

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

CITY OF ABILENE, KANSAS

STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

<b>GENERAL FUND</b>	2008	2009		Variance - Over (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Departmental Expenditures				
Community Development				
Salaries and Benefits	\$ 136,688	149,175	146,762	2,413
Contractual Services	3,230	-	5,000	(5,000)
Services and Supplies	10,169	20,558	11,500	9,058
Capital Outlay	594	-	-	-
Total	<u>150,681</u>	<u>169,733</u>	<u>163,262</u>	<u>6,471</u>
Inspection				
Salaries and Benefits	63,225	60,481	71,332	(10,851)
Contractual Services	8,500	2,475	7,000	(4,525)
Services and Supplies	38,464	16,514	27,450	(10,936)
Capital Outlay	642	-	-	-
Total	<u>110,831</u>	<u>79,470</u>	<u>105,782</u>	<u>(26,312)</u>
Municipal Court				
Salaries and Benefits	72,798	74,730	78,101	(3,371)
Contractual Services	1,245	4,299	4,000	299
Services and Supplies	60,399	57,552	67,125	(9,573)
Capital Outlay	6,509	-	-	-
Total	<u>140,951</u>	<u>136,581</u>	<u>149,226</u>	<u>(12,645)</u>
Senior Center and Transportation				
Salaries and Benefits	26,063	28,459	31,646	(3,187)
Contractual Services	7,200	7,200	8,000	(800)
Services and Supplies	38,169	46,387	58,450	(12,063)
Capital Outlay	(177,614)	-	-	-
Total	<u>(106,182)</u>	<u>82,046</u>	<u>98,096</u>	<u>(16,050)</u>
Civic Center				
Services and Supplies	27,744	27,876	35,300	(7,424)
Capital Outlay	-	10,550	-	10,550
Total	<u>27,744</u>	<u>38,426</u>	<u>35,300</u>	<u>3,126</u>
Other Expenditures				
Transfer to	<u>740,600</u>	<u>314,000</u>	<u>314,000</u>	-
Total Expenditures	<u>4,397,693</u>	<u>3,869,660</u>	<u>5,768,722</u>	<u>(1,899,062)</u>
Receipts Over (Under) Expenditures	(314,093)	(113,121)		
Unencumbered Cash, January 1	2,532,828	2,218,735		
Prior Year Cancelled Encumbrances	-	58,048		
Unencumbered Cash, December 31	<u>\$ 2,218,735</u>	<u>2,163,662</u>		

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

## CITY OF ABILENE, KANSAS

SPECIAL REVENUE FUNDS  
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

<b><u>AIRPORT</u></b>	2008	2009		Variance - Over (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts:				
Taxes and Shared Revenue				
Ad Valorem Property Tax	\$ 23,614	23,454	24,000	(546)
Delinquent Tax	278	294	100	194
Motor Vehicle Tax	4,128	3,438	3,445	(7)
Intergovernmental Revenue				
Federal Aviation Administration	115,183	61,529	-	61,529
Other Receipts				
Contract Payments	10,975	14,594	13,840	754
Reimbursed Expenses	322	2,044	-	2,044
Interest Income	1,498	479	1,500	(1,021)
Transfers	-	20,600	-	20,600
Total Cash Receipts	<u>155,998</u>	<u>126,432</u>	<u>42,885</u>	<u>83,547</u>
Expenditures:				
Contractual Services	2,620	-	1,000	(1,000)
Services and Supplies	24,064	18,773	24,740	(5,967)
Capital Outlay	4,145	108,617	20,600	88,017
Total Expenditures	<u>30,829</u>	<u>127,390</u>	<u>46,340</u>	<u>81,050</u>
Receipts Over (Under) Expenditures	125,169	(958)		
Unencumbered Cash, January 1	(64,319)	60,850		
Prior Year Cancelled Encumbrances	-	23,585		
Unencumbered Cash, December 31	<u>\$ 60,850</u>	<u>83,477</u>		

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

## CITY OF ABILENE, KANSAS

SPECIAL REVENUE FUNDS  
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 FOR THE YEAR ENDED DECEMBER 31, 2009  
 (WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

	2008	2009		Variance - Over (Under)
	Actual	Actual	Budget	
<b><u>FIRE APPARATUS</u></b>				
Cash Receipts:				
Ad Valorem Property Tax	\$ 29,868	29,331	30,000	(669)
Delinquent Tax	344	365	300	65
Motor Vehicle Tax	5,010	4,299	4,307	(8)
Lease Purchase - Fire Truck	-	13,700	-	13,700
Interest Income	303	63	100	(37)
Slider	-	-	178	(178)
Total Cash Receipts	<u>35,525</u>	<u>47,758</u>	<u>34,885</u>	<u>12,873</u>
Expenditures:				
Capital Outlay	<u>44,893</u>	<u>30,002</u>	<u>53,857</u>	<u>(23,855)</u>
Receipts Over (Under) Expenditures	(9,368)	17,756		
Unencumbered Cash, January 1	<u>17,430</u>	<u>8,062</u>		
Unencumbered Cash, December 31	<u>\$ 8,062</u>	<u>25,818</u>		
<b><u>SPECIAL PARK AND RECREATION</u></b>				
Cash Receipts:				
Alcohol Tax	\$ 15,690	16,372	14,909	1,463
Interest Income	626	229	600	(371)
Refunds	610	-	-	-
Gifts and Donations	-	3,742	-	3,742
Total Cash Receipts	<u>16,926</u>	<u>20,343</u>	<u>15,509</u>	<u>4,834</u>
Expenditures:				
Capital Outlay	<u>4,285</u>	<u>36,670</u>	<u>48,087</u>	<u>(11,417)</u>
Receipts Over (Under) Expenditures	12,641	(16,327)		
Unencumbered Cash, January 1	<u>32,378</u>	<u>45,019</u>		
Unencumbered Cash, December 31	<u>\$ 45,019</u>	<u>28,692</u>		

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

## CITY OF ABILENE, KANSAS

**SPECIAL REVENUE FUNDS**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)**

	<u>2008</u>	<u>2009</u>		Variance -
<b><u>SPECIAL ALCOHOL AND DRUG</u></b>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u> <u>(Under)</u>
Cash Receipts:				
Alcohol Tax	\$ 15,690	16,372	14,909	1,463
Interest Income	410	170	600	(430)
Total Cash Receipts	<u>16,100</u>	<u>16,542</u>	<u>15,509</u>	<u>1,033</u>
Expenditures:				
Awards and Contributions	4,500	4,500	10,000	(5,500)
D.A.R.E. Activities	610	472	9,000	(8,528)
Capital Outlay	-	36,422	22,422	14,000
Total Expenditures	<u>5,110</u>	<u>41,394</u>	<u>41,422</u>	<u>(28)</u>
Receipts Over (Under) Expenditures	10,990	(24,852)		
Unencumbered Cash, January 1	<u>28,426</u>	<u>39,416</u>		
Unencumbered Cash, December 31	<u>\$ 39,416</u>	<u>14,564</u>		
<b><u>LIBRARY</u></b>				
Cash Receipts:				
Ad Valorem Property Tax	\$ 242,684	235,485	240,752	(5,267)
Delinquent Tax	2,424	2,800	1,500	1,300
Motor Vehicle Tax	35,242	33,782	35,182	(1,400)
Slider	-	-	1,452	(1,452)
Total Cash Receipts	<u>280,350</u>	<u>272,067</u>	<u>278,886</u>	<u>(6,819)</u>
Expenditures:				
Transfer to component units	<u>280,744</u>	<u>274,521</u>	<u>281,733</u>	<u>(7,212)</u>
Receipts Over (Under) Expenditures	(394)	(2,454)		
Unencumbered Cash, January 1	<u>2,848</u>	<u>2,454</u>		
Unencumbered Cash, December 31	<u>\$ 2,454</u>	<u>-</u>		

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

## CITY OF ABILENE, KANSAS

**SPECIAL REVENUE FUNDS**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)**

<b><u>TOURISM AND CONVENTION</u></b>	2008	2009		Variance - Over (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
<b>Cash Receipts:</b>				
Transient Guest Tax	\$ 134,274	137,843	140,000	(2,157)
Charges for Services	11,044	18,284	23,000	(4,716)
Gifts and Donations	60	131	200	(69)
Interest Income	217	60	300	(240)
Reimbursed Expenses	22,918	34,445	20,000	14,445
Miscellaneous Revenue	-	-	4,000	(4,000)
Transfer from	20,000	25,000	25,000	-
<b>Total Cash Receipts</b>	<u>188,513</u>	<u>215,763</u>	<u>212,500</u>	<u>3,263</u>
<b>Expenditures:</b>				
Salaries and Benefits	96,984	98,936	115,525	(16,589)
Services and Supplies	81,510	102,709	84,118	18,591
Capital Outlay	1,137	802	-	802
Trolley Expenses	9,805	8,750	10,000	(1,250)
<b>Total Expenditures</b>	<u>189,436</u>	<u>211,197</u>	<u>209,643</u>	<u>1,554</u>
Receipts Over (Under) Expenditures	(923)	4,566		
Unencumbered Cash, January 1	9,095	8,172		
Unencumbered Cash, December 31	<u>\$ 8,172</u>	<u>12,738</u>		
 <b><u>SPECIAL STREET</u></b>				
<b>Cash Receipts:</b>				
Fuel Tax	\$ 183,326	160,316	191,550	(31,234)
ASVRR Funds	14,579	8,691	136,000	(127,309)
Interest Income	10,008	5,598	9,000	(3,402)
Transfer from	200,000	200,000	200,000	-
<b>Total Cash Receipts</b>	<u>407,913</u>	<u>374,605</u>	<u>536,550</u>	<u>(161,945)</u>
<b>Expenditures:</b>				
Contractual Services	1,436	14,545	8,000	6,545
Services and Supplies	9,912	14,362	14,500	(138)
Capital Outlay	314,204	386,871	511,000	(124,129)
<b>Total Expenditures</b>	<u>325,552</u>	<u>415,778</u>	<u>533,500</u>	<u>(117,722)</u>
Receipts Over (Under) Expenditures	82,361	(41,173)		
Unencumbered Cash, January 1	14,534	96,895		
Unencumbered Cash, December 31	<u>\$ 96,895</u>	<u>55,722</u>		

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

## CITY OF ABILENE, KANSAS

SPECIAL REVENUE FUNDS  
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

<b><u>RECREATION COMMISSION</u></b>	2008	2009		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Cash Receipts:				
Contract Payments	\$ 168,166	202,540	202,518	22
Fees	166,034	181,272	182,650	(1,378)
Interest Income	3,947	1,631	5,505	(3,874)
Grants	-	1,500	-	1,500
Total Cash Receipts	<u>338,147</u>	<u>386,943</u>	<u>390,673</u>	<u>(3,730)</u>
Expenditures:				
Administration				
Salaries and Benefits	147,591	156,231	175,422	(19,191)
Contractual Services	2,500	2,500	1,000	1,500
Services and Supplies	38,301	32,044	40,870	(8,826)
Capital Outlay	6,888	-	500	(500)
Aquatics				
Salaries and Benefits	31,881	46,260	40,710	5,550
Services and Supplies	14,034	20,834	17,350	3,484
Athletics				
Salaries and Benefits	22,507	25,135	40,494	(15,359)
Services and Supplies	39,419	35,063	42,165	(7,102)
Capital Outlay	4,377	48	-	48
Community Education				
Salaries and Benefits	3,291	4,089	8,338	(4,249)
Services and Supplies	2,800	4,421	3,114	1,307
Capital Outlay	1	-	-	-
Community Center				
Salaries and Benefits	29,525	39,865	33,408	6,457
Contractual Services	-	-	1,000	(1,000)
Services and Supplies	44,375	41,378	45,200	(3,822)
Capital Outlay	1,704	-	-	-
Special Projects	<u>7,250</u>	<u>25,000</u>	<u>73,550</u>	<u>(48,550)</u>
Total Expenditures	<u>396,444</u>	<u>432,868</u>	<u>523,121</u>	<u>(90,253)</u>
Receipts Over (Under) Expenditures	(58,297)	(45,925)		
Recreation Commission Funds Returned to City of Abilene	469,531			
Unencumbered Cash, January 1	(205,023)	206,211		
Unencumbered Cash, December 31	<u>\$ 206,211</u>	<u>160,286</u>		

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

## CITY OF ABILENE, KANSAS

SPECIAL REVENUE FUNDS  
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

<b><u>SPECIAL LIABILITY</u></b>	2008	2009		Variance - Over (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts:				
Interest Income	\$ 47	-	50	(50)
Expenditures:				
Insurance Claims	-	-	15,500	(15,500)
Receipts Over (Under) Expenditures	47	-		
Unencumbered Cash, January 1	16,020	16,067		
Unencumbered Cash, December 31	<u>\$ 16,067</u>	<u>16,067</u>		
 <b><u>CAPITAL IMPROVEMENT</u></b>				
Cash Receipts:				
Ad Valorem Property Tax	\$ 24,890	24,450	25,000	(550)
Delinquent Tax	284	303	500	(197)
Motor Vehicle Tax	4,171	3,581	3,589	(8)
Interest Income	3,097	1,581	1,500	81
Slider	-	-	148	(148)
Total Cash Receipts	<u>32,442</u>	<u>29,915</u>	<u>30,737</u>	<u>(822)</u>
Expenditures:				
Special Projects	-	-	-	-
Receipts Over (Under) Expenditures	32,442	29,915		
Unencumbered Cash, January 1	205,429	237,871		
Unencumbered Cash, December 31	<u>\$ 237,871</u>	<u>267,786</u>		

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

## CITY OF ABILENE, KANSAS

SPECIAL REVENUE FUNDS  
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

	2008	2009		Variance - Over (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Under)</u>
<b><u>EQUIPMENT RESERVE</u></b>				
Cash Receipts:				
Interest Income	\$ 2,305	955	2,000	(1,045)
Lease Purchase	-	30,000	-	30,000
Transfers	120,600	89,000	89,000	-
Total Cash Receipts	<u>122,905</u>	<u>119,955</u>	<u>91,000</u>	<u>28,955</u>
Expenditures:				
Capital Outlay	<u>82,311</u>	<u>132,013</u>	<u>181,779</u>	<u>(49,766)</u>
Receipts Over (Under) Expenditures	40,594	(12,058)		
Unencumbered Cash, January 1	126,994	167,588		
Unencumbered Cash, December 31	<u>\$ 167,588</u>	<u>155,530</u>		
<b><u>COMMUNITY CENTER</u></b>				
Cash Receipts:				
Interest Income	<u>\$ 2,074</u>	946	<u>800</u>	<u>146</u>
Expenditures:				
Capital Outlay	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>(150,000)</u>
Receipts Over (Under) Expenditures	2,074	946		
Unencumbered Cash, January 1	150,145	152,219		
Unencumbered Cash, December 31	<u>\$ 152,219</u>	<u>153,165</u>		
<b><u>LIBRARY / POOL RENOVATION</u></b>				
Cash Receipts:				
Sales Tax Distribution	\$ -	455,293	437,500	17,793
Interest Income	-	13,307	-	13,307
Bond and Interest Reimbursement	-	7,505	-	7,505
Total Cash Receipts	<u>-</u>	<u>476,105</u>	<u>437,500</u>	<u>31,100</u>
Expenditures:				
Bond Principal	-	320,000	275,000	45,000
Bond Interest	-	156,105	153,000	3,105
Total Expenditures	<u>-</u>	<u>476,105</u>	<u>428,000</u>	<u>48,105</u>
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, January 1	-	-		
Unencumbered Cash, December 31	<u>\$ -</u>	<u>-</u>		

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

## CITY OF ABILENE, KANSAS

DEBT SERVICE FUNDS  
STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

	2008	2009		Variance - Over (Under)
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
<b><u>BOND AND INTEREST</u></b>				
Cash Receipts:				
Ad Valorem Property Tax	\$ 7,795	17,259	17,638	(379)
Delinquent Tax	225	188	1,000	(812)
Motor Vehicle Tax	1,308	1,121	1,126	(5)
Special Assessments	172,292	161,539	157,750	3,789
Impact Fees	31,650	-	-	-
Reimbursed Expenses	-	29,792	-	29,792
Interest Income	10,491	8,897	15,000	(6,103)
Slider	-	-	46	(46)
Total Cash Receipts	<u>223,761</u>	<u>218,796</u>	<u>192,560</u>	<u>26,236</u>
Expenditures:				
Bond Principal	225,000	240,000	240,000	-
Bond Interest	63,433	44,870	44,870	-
Commission and Postage	1	-	500	(500)
Total Expenditures	<u>288,434</u>	<u>284,870</u>	<u>285,370</u>	<u>(500)</u>
Receipts Over (Under) Expenditures	(64,673)	(66,074)		
Unencumbered Cash, January 1	<u>209,539</u>	<u>144,866</u>		
Unencumbered Cash, December 31	<u>\$ 144,866</u>	<u>78,792</u>		

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

## CITY OF ABILENE, KANSAS

CAPITAL PROJECT FUNDS  
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET  
 FOR THE YEAR ENDED DECEMBER 31, 2009  
 (WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

	2008	2009		Variance -
	Actual	Actual	Budget	Over (Under)
<b><u>LIBRARY RENOVATION</u></b>				
Cash Receipts:				
Bond Proceeds	\$ 1,953,095	-	-	-
Sales Tax	144,239	-	-	-
Interest Income	2,877	-	-	-
Miscellaneous	1,200	-	-	-
Transfer from	200,000	-	-	-
Total Cash Receipts	<u>2,301,411</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Capital Outlay	205,320	1,790,262	1,300,000	490,262
Administrative Fees	9,844	100	100	-
Bond and Interest Reimbursement	-	7,505	-	7,505
Total Expenditures	<u>215,164</u>	<u>1,797,867</u>	<u>1,300,100</u>	<u>497,767</u>
Receipts Over (Under) Expenditures	2,086,247	(1,797,867)		
Unencumbered Cash, January 1	-	2,086,247		
Unencumbered Cash, December 31	<u>\$ 2,086,247</u>	<u>288,380</u>		
<b><u>POOL RENOVATION</u></b>				
Cash Receipts:				
Bond Proceeds	\$ 1,750,000	-	-	-
Sales Tax	144,239	-	-	-
Interest Income	2,423	-	500	(500)
Donations and Tax Credit	100	99,382	25,000	74,382
Transfer from	200,000	-	-	-
Transfer from General to Close	-	48,863	-	48,863
Total Cash Receipts	<u>2,096,762</u>	<u>148,245</u>	<u>25,500</u>	<u>122,745</u>
Expenditures:				
Capital Outlay	826,413	1,408,011	900,000	508,011
Administrative Fees	9,667	916	100	816
Total Expenditures	<u>836,080</u>	<u>1,408,927</u>	<u>900,100</u>	<u>508,827</u>
Receipts Over (Under) Expenditures	1,260,682	(1,260,682)		
Unencumbered Cash, January 1	-	1,260,682		
Unencumbered Cash, December 31	<u>\$ 1,260,682</u>	<u>-</u>		

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

## CITY OF ABILENE, KANSAS

CAPITAL PROJECT FUNDS  
STATEMENT OF CASH RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

	<u>2008</u>	<u>2009</u>
<b><u>CEDAR RIDGE ESTATES*</u></b>		
Cash Receipts:		
Temporary Note Proceeds	\$ 180,000	160,000
Sale of G.O. Bonds	-	857,816
Interest Income	1,442	134
Total Cash Receipts	<u>181,442</u>	<u>1,017,950</u>
Expenditures:		
Pay Off/Reissue Temporary Note	-	1,016,880
Capital Outlay	101,854	42,000
Administrative Fees	2,543	12,365
Interest Expense	25,721	28,714
Total Expenditures	<u>130,118</u>	<u>1,099,959</u>
Receipts Over (Under) Expenditures	51,324	(82,009)
Unencumbered Cash, January 1	30,685	82,009
Unencumbered Cash, December 31	<u>\$ 82,009</u>	<u>-</u>
<b><u>EASTRIDGE ESTATES*</u></b>		
Cash Receipts:		
Sale of G.O. Bonds	\$ -	478,450
Special Assessments	-	18,507
Reimbursements	-	18,799
Interest Income	201	-
Total Cash Receipts	<u>201</u>	<u>515,756</u>
Expenditures:		
Redeem Temporary Notes	-	460,000
Construction Costs	-	22,263
Contractual Services	13,571	751
Capital Outlay	198,970	-
Administrative Fees	-	10,244
Interest Payment on Loan	8,372	16,093
Total Expenditures	<u>220,913</u>	<u>509,351</u>
Receipts Over (Under) Expenditures	(220,712)	6,405
Unencumbered Cash, January 1	214,307	(6,405)
Unencumbered Cash, December 31	<u>\$ (6,405)</u>	<u>-</u>

\* Not Budgeted

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

## CITY OF ABILENE, KANSAS

CAPITAL PROJECT FUNDS  
STATEMENT OF CASH RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

	<u>2008</u>	<u>2009</u>
<b><u>THE HIGHLANDS ADDITION*</u></b>		
Cash Receipts:		
Temporary Note Proceeds	\$ 4,000,200	-
Special Assessments	262,869	-
Interest Income	18,112	6,182
Total Cash Receipts	<u>4,281,181</u>	<u>6,182</u>
Expenditures:		
Contractual Services	178,853	62,412
Services and Supplies	47	-
Construction Costs	2,877,600	351,300
Interest Payment on Loan	47,000	94,000
Administrative Fees	8,144	-
Total Expenditures	<u>3,111,644</u>	<u>507,712</u>
Receipts Over (Under) Expenditures	1,169,537	(501,530)
Unencumbered Cash, January 1	(10,846)	1,158,691
Unencumbered Cash, December 31	<u>\$ 1,158,691</u>	<u>657,161</u>
<b><u>DAWSON 4*</u></b>		
Cash Receipts:		
Sale of G.O. Bonds	\$ -	399,030
Interest Income	2,316	102
Total Cash Receipts	<u>2,316</u>	<u>399,132</u>
Expenditures:		
Redeem Temporary Notes	-	405,000
Contractual Services	19,852	-
Capital Outlay	255,330	-
Administrative Fees	-	10,243
Interest Payment on Loan	13,973	9,936
Total Expenditures	<u>289,155</u>	<u>425,179</u>
Receipts Over (Under) Expenditures	(286,839)	(26,047)
Unencumbered Cash, January 1	312,886	26,047
Unencumbered Cash, December 31	<u>\$ 26,047</u>	<u>-</u>

\* Not Budgeted

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

## CITY OF ABILENE, KANSAS

CAPITAL PROJECTS  
STATEMENT OF CASH RECEIPTS AND EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)

	<u>2008</u>	<u>2009</u>
<b><u>WASTEWATER TREATMENT PLANT PROJECT*</u></b>		
Cash Receipts:		
Loan - KDHE	\$ 1,583,697	374,805
Interest Income	-	9,459
Total Cash Receipts	<u>1,583,697</u>	<u>384,264</u>
Expenditures:		
Contractual	123,943	15,493
Capital Outlay	1,458,714	359,312
Total Expenditures	<u>1,582,657</u>	<u>374,805</u>
Receipts Over (Under) Expenditures	1,040	9,459
Unencumbered Cash, January 1	(10,499)	(9,459)
Unencumbered Cash, December 31	<u>\$ (9,459)</u>	<u>-</u>
<b><u>AUTOMATED METER READER SYSTEM*</u></b>		
Cash Receipts:		
Interest Income	\$ -	-
Expenditures:		
Capital Outlay	-	-
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, January 1	8,412	8,412
Unencumbered Cash, December 31	<u>\$ 8,412</u>	<u>8,412</u>

\* Not Budgeted

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

## CITY OF ABILENE, KANSAS

**ENTERPRISE FUNDS**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)**

	2008		2009		Variance - Over (Under)
	Actual		Actual	Budget	
<b><u>WATER UTILITY</u></b>					
Cash Receipts:					
Charges for Services	\$ 1,246,248		1,227,755	1,366,500	(138,745)
Sales Tax	16,497		250	15,000	(14,750)
Fines and Penalties	20,996		23,083	14,000	9,083
Reimbursed Expenses	15,020		9,218	1,800	7,418
Interest Income	33,832		20,214	22,000	(1,786)
Miscellaneous Income	6,996		19,395	9,750	9,645
Total Cash Receipts	<u>1,339,589</u>		<u>1,299,915</u>	<u>1,429,050</u>	<u>(129,135)</u>
Expenditures:					
Water Production					
Salaries and Benefits	26,932		29,153	30,918	(1,765)
Contractual Services	-		8	20,000	(19,992)
Services and Supplies	62,546		53,666	90,655	(36,989)
Capital Outlay	57,769		28,004	103,000	(74,996)
Water Distribution					
Salaries and Benefits	106,847		116,536	136,694	(20,158)
Contractual Services	2,190		-	5,000	(5,000)
Services and Supplies	124,471		93,327	119,750	(26,423)
Capital Outlay	57,916		66,187	60,000	6,187
Commercial					
Salaries and Benefits	109,415		122,307	124,736	(2,429)
Contractual Services	6,171		5,217	6,500	(1,283)
Services and Supplies	70,550		64,795	82,900	(18,105)
Capital Outlay	41,447		412	5,956	(5,544)
Water Treatment Plant					
Salaries and Benefits	81,991		94,200	89,619	4,581
Contractual Services	-		-	2,500	(2,500)
Services and Supplies	126,772		125,708	145,450	(19,742)
Capital Outlay	12,118		41,995	37,610	4,385
Debt Service					
Principal Payments	277,649		322,259	322,259	-
Interest Payments	74,057		80,463	80,463	-
Commissions	1,558		2,943	3,043	(100)
Lease Purchase	121,469		138,343	138,344	(1)
Transfers	209,500		215,000	215,000	-
Total Expenditures	<u>1,571,368</u>		<u>1,600,523</u>	<u>1,820,397</u>	<u>(219,874)</u>
Receipts Over (Under) Expenditures	(231,779)		(300,608)		
Unencumbered Cash, January 1	701,969		470,190		
Prior Year Cancelled Encumbrances	-		19,714		
Unencumbered Cash, December 31	<u>\$ 470,190</u>		<u>189,296</u>		

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

## CITY OF ABILENE, KANSAS

**ENTERPRISE FUNDS**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)**

<b>WASTERWATER UTILITY</b>	2008	2009		Variance -
	Actual	Actual	Budget	Over (Under)
<b>Cash Receipts:</b>				
Charges for Services	\$ 1,448,254	1,585,681	1,488,000	97,681
Interest Income	31,572	17,784	20,000	(2,216)
Reimbursed Expenses	47,583	8,658	1,000	7,658
Refunds	-	2,924	-	2,924
<b>Total Cash Receipts</b>	<b>1,527,409</b>	<b>1,615,047</b>	<b>1,509,000</b>	<b>106,047</b>
<b>Expenditures:</b>				
<b>Collection</b>				
Salary and Benefits	47,425	48,490	55,016	(6,526)
Contractual Services	90	-	5,000	(5,000)
Services and Supplies	24,164	21,291	41,000	(19,709)
Capital Outlay	59,401	36,043	130,000	(93,957)
<b>Wastewater Treatment Plant</b>				
Salary and Benefits	109,672	120,436	145,780	(25,344)
Contractual Services	-	-	5,000	(5,000)
Services and Supplies	206,149	245,244	189,150	56,094
Capital Outlay	14,539	2,400	6,000	(3,600)
<b>Commercial</b>				
Salary and Benefits	108,316	122,311	126,202	(3,891)
Contractual Services	8,671	5,217	6,500	(1,283)
Services and Supplies	35,774	39,106	49,900	(10,794)
Capital Outlay	61,252	10,710	610,482	(599,772)
<b>Debt Service</b>				
Principal Payments	211,125	381,549	372,259	9,290
Interest Payments	170,017	197,783	118,873	78,910
Commissions	18,035	21,032	21,932	(900)
<b>Transfers</b>	<b>92,500</b>	<b>109,000</b>	<b>109,000</b>	<b>-</b>
<b>Total Expenditures</b>	<b>1,167,130</b>	<b>1,360,612</b>	<b>1,992,094</b>	<b>(631,482)</b>
Receipts Over (Under) Expenditures	360,279	254,435		
Unencumbered Cash, January 1	1,146,677	1,506,956		
Unencumbered Cash, December 31	<b>\$ 1,506,956</b>	<b>1,761,391</b>		

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

## CITY OF ABILENE, KANSAS

**ENTERPRISE FUNDS**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)**

	2008	2009		Variance - Over (Under)
	Actual	Actual	Budget	
<b><u>EQUIPMENT RESERVE - WATER</u></b>				
Cash Receipts:				
Interest Income	\$ 10,376	5,400	8,000	(2,600)
Transfers	137,000	137,000	137,000	
Total Cash Receipts	<u>147,376</u>	<u>142,400</u>	<u>145,000</u>	<u>(2,600)</u>
Expenditures	<u>-</u>	<u>55,650</u>	<u>-</u>	<u>55,650</u>
Receipts Over (Under) Expenditures	147,376	86,750		
Unencumbered Cash, January 1	673,778	821,154		
Unencumbered Cash, December 31	<u>\$ 821,154</u>	<u>907,904</u>		
<b><u>EQUIPMENT RESERVE - SEWER</u></b>				
Cash Receipts:				
Interest Income	\$ 2,021	1,041	2,000	(959)
Transfers	25,000	25,000	25,000	
Total Cash Receipts	<u>27,021</u>	<u>26,041</u>	<u>27,000</u>	<u>(959)</u>
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	27,021	26,041		
Unencumbered Cash, January 1	124,757	151,778		
Unencumbered Cash, December 31	<u>\$ 151,778</u>	<u>177,819</u>		

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

## CITY OF ABILENE, KANSAS

**ENTERPRISE FUNDS**  
**STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**(WITH COMPARATIVE TOTALS FOR THE PRIOR YEAR ENDED DECEMBER 31, 2008)**

	2008	2009		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
<b><u>RECYCLING</u></b>				
Cash Receipts:				
Charges for Services	\$ 57,143	57,075	56,000	1,075
Interest Income	4,639	2,143	1,000	1,143
Reimbursed Expenses	12,764	70	-	70
Miscellaneous Income	23,405	24,477	22,000	2,477
Total Cash Receipts	<u>97,951</u>	<u>83,765</u>	<u>79,000</u>	<u>4,765</u>
Expenditures:				
Salaries and Benefits	61,530	44,851	70,045	(25,194)
Contractual Services	-	19,500	-	19,500
Services and Supplies	15,722	19,631	23,870	(4,239)
Capital Outlay	2,879	17,696	288,955	(271,259)
Transfers	-	4,680	4,680	-
Total Expenditures	<u>80,131</u>	<u>106,358</u>	<u>387,550</u>	<u>(281,192)</u>
Receipts Over (Under) Expenditures	17,820	(22,593)		
Unencumbered Cash, January 1	334,105	351,925		
Unencumbered Cash, December 31	<u>\$ 351,925</u>	<u>329,332</u>		
<b><u>STORM DRAIN</u></b>				
Cash Receipts:				
Charges for Services	\$ 69,433	66,052	67,000	(948)
Interest Income	4,928	2,524	4,000	(1,476)
Total Cash Receipts	<u>74,361</u>	<u>68,576</u>	<u>71,000</u>	<u>(2,424)</u>
Expenditures:				
Contractual Services	90	-	10,000	(10,000)
Capital Outlay	15,417	4,378	382,477	(378,099)
Transfers	3,500	4,020	4,020	-
Total Expenditures	<u>19,007</u>	<u>8,398</u>	<u>396,497</u>	<u>(388,099)</u>
Receipts Over (Under) Expenditures	55,354	60,178		
Unencumbered Cash, January 1	336,322	391,676		
Unencumbered Cash, December 31	<u>\$ 391,676</u>	<u>451,854</u>		

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

## CITY OF ABILENE, KANSAS

AGENCY FUNDS  
SUMMARY OF CASH RECEIPTS AND CASH DISBURSEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

<u>FUND</u>	Beginning Cash <u>Balance</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Ending Cash <u>Balance</u>
<u>AGENCY FUND</u> Landfill	<u>\$ 4,754</u>	<u>33,413</u>	<u>32,814</u>	<u>\$ 5,353</u>

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

CITY OF ABILENE, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. **General Statement**

The City of Abilene, Kansas (City) was chartered March 16, 1868 and operates under a Commissioner-Manager form of government and provides the following services as authorized by its charter: public works, public safety, recreation and waterworks.

The accounting and reporting policies of the City relating to the funds and account groups included in the accompanying financial statements conform to the cash basis and budget laws of the State of Kansas (statutory basis). The more significant accounting policies of the City are described below.

B. **Financial Reporting Entity**

The City of Abilene, Kansas is a municipal corporation governed by an elected five-member council and mayor. These financial statements present The City of Abilene, Kansas, the primary government only. A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate units are referred to as component units. The primary government financial statements do not include the financial data of component units of The City of Abilene, Kansas.

C. **Fund Accounting**

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific regulations, restrictions, or limitations. Certain funds contain restricted cash because their use is limited by debt covenants, statutory requirements, grant requirements or are held in a fiduciary or agency capacity.

The following types of funds comprise the financial activities of the City for the year of 2009:

Governmental Funds:

**General Fund** – The General Fund is the main operating fund of the City. This Fund is used to account for all financial resources not accounted for in other funds.

**Special Revenue Funds** – The Special Revenue Funds are used to account for the proceeds of specific revenue resources (other than special assessments, expendable trusts or major capital projects) that are restricted by law to expend for specified purposes.

**Debt Service Funds** – Debt Service funds are used to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt, and the financing of special assessments which are general obligations of the City.

**Capital Project Funds** –The Capital Project Funds are used to account for financial resources segregated for the acquisition of major capital facilities (other than those financed by Enterprise Funds).

CITY OF ABILENE, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009

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

C. Fund Accounting (Continued)

Proprietary Funds:

Enterprise Funds – The Enterprise Funds are used for activities which are financed and operated in a manner similar to private business enterprise where the intent of the governing body is that the costs (expenditures) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges, or where the governing body has decided that periodic determination of revenues earned, expenses incurred, or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. These funds include: Water Utility, Equipment Reserve – Water, Equipment Reserve – Sewer, Recycling, Wastewater Utility, and Storm Drain.

Fiduciary Funds:

Trust and Agency Funds – The Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These include Expendable Trust Funds and Agency Funds.

D. 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, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and 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 City to use the statutory basis of accounting.

E. Departure from Generally Accepted Accounting Principles

The basis of accounting described above results in financial statement presentation which shows cash receipts, expenditures, 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 the fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital Assets that account for the land, buildings and equipment

CITY OF ABILENE, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009

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

E. Departure from Generally Accepted Accounting Principles (Continued)

owned by the City 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.

F. Budgetary Information

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

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

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. There were no such budget amendments for this year.

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

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

A legal operating budget is not required for fiduciary funds, capital project funds, and permanent funds, and the following special revenue funds and enterprise funds.

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

CITY OF ABILENE, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009

2. **DEPOSITS AND INVESTMENTS**

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

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

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

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated 'peak periods' when required coverage is 50%. The City has no designated 'peak periods.' All deposits were legally secured at December 31, 2009.

At December 31, 2009 the carrying amount of the City's deposits, including certificates of deposit, was \$8,440,178 and the bank balance was \$8,505,588. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$750,000 was covered by federal depository insurance; \$7,755,588 was collateralized with securities held by the pledging financial institution's agents in the City's name.

The City had no investments in 2009.

3. **SPECIAL ASSESSMENTS**

Projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the Bond and Interest Fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the Bond and Interest Fund.

4. **LEASE COMMITMENTS**

During 2009, the City entered into a non-cancelable operating lease for a copier for the Convention and Visitors Bureau. For the year ended December 31, 2009, lease expenditures for the copier approximated \$1,350. The future minimum lease payments are as follows:

2010	\$ 2,967
2011	2,967
2012	1,731

CITY OF ABILENE, KANSAS  
 NOTES TO THE FINANCIAL STATEMENTS  
 DECEMBER 31, 2009

4. **LEASE COMMITMENTS (CONTINUED)**

In 2006, the City entered into a non-cancelable operating lease for a copier for the City offices. For the year ended December 31, 2009, lease expenditures approximated \$7,326. The future minimum lease payments are as follows:

2010	\$ 7,188
2011	3,774

5. **CAPITAL PROJECTS**

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	Project Authorization	Cash Disbursements and Accounts Payable To Date
Cedar Ridge Estates	\$ 856,880	\$ 816,415
Wastewater Treatment Plant	9,624,200	9,593,064
Eastridge Estates	498,022	489,457
Dawson 4	435,127	379,660
The Highlands Addition	4,571,276	4,082,347
Library Renovation	2,194,325	1,995,582
Pool Renovation	2,276,838	2,234,424
<b>Total at December 31, 2009</b>	<b>20,456,668</b>	<b>19,590,949</b>

6. **DEFINED BENEFIT PENSION PLAN**

*Plan Description.* The City contributes to the Kansas Public Employees Retirement System (KPERs) and the Kansas Police and Firemen's Retirement System (KP&F). Both are cost-sharing multiple-employer defined benefit pension plans 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, KS 66603-3869) or by calling 1-888-275-5737.

*Funding Policy.* K.S.A. 74-4919 establishes the KPERs member-employee contribution rate at 4% of covered salary for employees hired prior to July 1, 2009 and 6% of covered salary for employees hired on or after July 1, 2009. K.S.A. 74-4975 establishes 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 contribution rates. The KPERs employer rate established for calendar year 2009 is 6.54%. The City's employer contributions to KPERs for the years ending December 31, 2009, 2008 and 2007 were \$88,004, \$59,195 and \$59,237 respectively, equal to the required contributions for each year. The KP&F employer rate established for fiscal years beginning in 2009 is 13.51%. Employers participating in KP&F also make

CITY OF ABILENE, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009

6. **DEFINED BENEFIT PENSION PLAN (CONTINUED)**

contributions to amortize the liability for past service costs, if any, which is determined separately for each participating employer. The City contributions to KP&F for the years ending December 31, 2009, 2008 and 2007 were \$121,411, \$123,978, and \$115,678 respectively, equal to the required contributions for each year.

7. **OTHER POST-EMPLOYMENT BENEFITS**

As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. The City pays 50% of the premium until age 62 to retirees with 10 or more years of service and each retiree is responsible for the balance. During the year ended December 31, 2009, approximately three retirees participated in this plan and the local government paid \$6,074 in premiums for these retirees. Any remaining subsidy to retirees due to the plan's level premium structure has not been quantified in these financial statements.

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

8. **STATUTORY COMPLIANCE**

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Director of Accounts and Reports and interpretation by the City Attorney.

Budget Law Compliance:

K.S.A. 79-2935 provides that it shall be unlawful for the governing body to create indebtedness in any fund in excess of the adopted budget of expenditures of such fund.

For the year ended December 31, 2009, the following special revenue funds were in violation of this statute: Tourism and Convention and Library / Pool Renovation.

9. **LONG-TERM DEBT**

Upon authorization for the issuance of general obligation bonds for certain improvements, Kansas law permits the temporary financing of such improvements by the issuance of temporary notes. Temporary notes issued may not exceed the aggregate amount of bonds authorized, must be interest bearing and have a maturity date not later than four years from the date of issuance of such temporary notes. Temporary notes outstanding are usually retired from the proceeds of the sale of general obligation bonds.

The City issued general obligation bonds in 2009 to redeem the temporary notes outstanding at December 31, 2008.

10. **CONDUIT DEBT**

From time to time, the City has issued industrial revenue bonds to provide financial assistance to the private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are generally payable from and secured by the project financed and if needed, additional assets or revenues of the private-sector entity serviced by the bond issuance. Upon repayment of the bonds,

CITY OF ABILENE, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009

10. **CONDUIT DEBT (CONTINUED)**

ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the city, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2009, there was one industrial revenue bond outstanding. The principal amount payable at December 31, 2009 could not be determined, however, the original issue of the bond was \$1,750,000.

11. **DEVELOPMENT SURETY DEPOSITS**

Under City statutes, the developers of certain subdivisions are required to provide security bonds from a surety bonding company payable to the City until the improvements are completed. In lieu of the surety bond, the developer may provide a surety deposit to the City to be held until the improvements are completed and deemed acceptable. The City entered into one such deposit agreement with the developer of the Highlands Addition. In 2008, the developer provided a deposit in the amount of \$262,869 and paid up front engineering costs of \$361,865 for the project. The City will be obligated to return the deposit and reimburse the developer for the engineering costs when a specified percentage of lots are occupied or 5 years from the issuance date of the surety.

12. **COMMITMENTS AND CONTINGENCIES**

**Construction Contracts:**

At December 31, 2009, the City had pending construction project contracts. Commitments related to significant contracts include contracts for the City's capital improvements.

**Risk Management**

The City of Abilene, Kansas is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To insure against risk of these types of losses, the City has purchased commercial insurance coverage. Settled claims resulting from these risks have not exceeded commercial coverage in the past three fiscal years.

13. **LITIGATION**

As of September 21, 2010, the City has no claims of which are expected to have a material effect on the entity.

14. **INSURANCE PROCEEDS**

The City received proceeds from insurance totaling approximately \$240,000 relating to a fire in November 2007 which damaged property at the City Shop. The City received the funds based on estimated costs of repairs that were performed in 2008 and 2009. The proceeds are included as cash receipts in the general fund.

CITY OF ABILENE, KANSAS  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2009

15. **LONG TERM DEBT**

Changes in long-term liabilities for the City of Abilene, Kansas, for the year ended December 31, 2009, were as follows:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Net Change</u>	<u>Balance End of Year</u>	<u>2009 Interest Paid</u>
General Obligation Bonds:										
1999 Fitzsimmons #1	Var - 4.3%	4/1/1999	270,000	3/1/2009	\$ 40,000	\$ -	\$ 40,000	\$ (40,000)	\$ -	\$ 860
2002 - Enterprise Refunding Bonds	Var - 4.0%	8/1/2002	2,685,000	9/1/2013	1,335,000	-	255,000	(255,000)	1,080,000	49,935
2003 - 21st & Brady	Var - 3.25%	7/1/2003	1,300,000	9/1/2013	715,000	-	130,000	(130,000)	585,000	21,000
2005 Series A	Var - 4.1%	6/15/2005	460,000	9/1/2015	345,000	-	45,000	(45,000)	300,000	11,440
2006 Series	Var - 4.5%	9/1/2006	30,000	9/1/2017	290,000	-	25,000	(25,000)	265,000	11,570
2008 Series B	Var - 4.0%	6/1/2008	3,700,000	6/1/2018	3,700,000	-	320,000	(320,000)	3,380,000	156,105
2009 Series	Var - 4.3%	7/23/2009	1,780,000	9/1/2026	-	1,780,000	-	1,780,000	1,780,000	-
<b>Total General Obligation Bonds</b>					<u>6,425,000</u>	<u>1,780,000</u>	<u>815,000</u>	<u>965,000</u>	<u>7,390,000</u>	<u>250,910</u>
Revolving Loans										
KDHE Project C20 1480 Sewer	3.07%	03/25/98	850,000	03/01/18	369,824	-	32,121	(32,121)	337,703	11,109
KDHE Project 2001 Water	3.98%	12/07/98	1,400,000	02/01/19	857,640	-	67,259	(67,259)	790,381	33,471
KDHE Waste Water Treatment Plant	2.58%	09/01/06	8,662,000	09/01/28	8,065,644	-	349,428	(349,428)	7,716,216	207,706
<b>Total Revolving Loans</b>					<u>9,293,108</u>	<u>-</u>	<u>448,808</u>	<u>(448,808)</u>	<u>8,844,300</u>	<u>252,286</u>
Lease Purchase:										
Quick Attack Fire Truck	4.75%	06/01/09	43,700	06/01/12	-	43,700	-	43,700	43,700	-
Street Sweeper	3.75%	09/01/04	65,869	09/01/09	14,175	-	14,175	(14,175)	-	539
Meter Reader System	3.50%	06/20/04	1,160,433	05/20/14	737,167	-	112,542	(112,542)	624,625	25,801
<b>Total Lease Purchase</b>					<u>751,342</u>	<u>43,700</u>	<u>126,717</u>	<u>(83,017)</u>	<u>668,325</u>	<u>26,340</u>
Temporary Notes										
Cedar Ridge Estates - Series A 2006	3.80%	09/11/06	676,880	09/15/10	676,880	-	676,880	(676,880)	-	22,703
Eastridge - Series A 2007	3.63%	02/15/07	460,000	02/15/11	460,000	-	460,000	(460,000)	-	16,093
Dawson 4	3.45%	11/15/07	405,000	11/15/09	405,000	-	405,000	(405,000)	-	9,936
Cedar Ridge Estates - Series A 2008	2.50%	02/15/08	180,000	02/15/09	180,000	-	180,000	(180,000)	-	4,500
Cedar Ridge Estates - Series A 2009	2.00%	02/04/09	160,000	09/01/10	-	160,000	160,000	-	-	1,511
The Highlands Addition	2.33%	05/15/08	4,000,000	05/15/10	4,000,000	-	-	-	4,000,000	94,000
<b>Total Temporary Notes</b>					<u>5,721,880</u>	<u>160,000</u>	<u>1,881,880</u>	<u>(1,721,880)</u>	<u>4,000,000</u>	<u>148,743</u>
<b>Total Contractual Indebtedness</b>					<u>22,191,330</u>	<u>1,983,700</u>	<u>3,272,405</u>	<u>(1,288,705)</u>	<u>20,902,625</u>	<u>678,279</u>
Compensated Absences										
Vacation Pay					101,500	5,877	-	5,877	107,377	-
Sick Pay					21,600	4,129	-	4,129	25,729	-
<b>Total Compensated Absences</b>					<u>123,100</u>	<u>10,006</u>	<u>-</u>	<u>10,006</u>	<u>133,106</u>	<u>-</u>
<b>Total long-term debt</b>					<u>\$ 22,314,430</u>	<u>\$ 1,993,706</u>	<u>\$ 3,272,405</u>	<u>\$ (1,278,699)</u>	<u>\$ 21,035,731</u>	<u>\$ 678,279</u>

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15. **LONG TERM DEBT (CONTINUED)**

Current maturities of long-term debt and interest through maturity are as follows:

	Year							Total	
	2010	2011	2012	2013	2014	2015-2019	2020-2024		2025-2029
<b>Principal</b>									
General Obligation Bonds:									
2002 - Enterprise Refunding Bonds	\$ 265,000	\$ 280,000	\$ 290,000	\$ 245,000	\$ -	\$ -	\$ -	\$ -	\$ 1,080,000
2003 - 21st & Brady	135,000	145,000	150,000	155,000	-	-	-	-	585,000
2005 Series A	45,000	45,000	50,000	50,000	55,000	55,000	-	-	300,000
2006 Series	30,000	30,000	30,000	30,000	35,000	110,000	-	-	265,000
2008 Series B	290,000	310,000	330,000	350,000	370,000	1,730,000	-	-	3,380,000
2009 Series	60,000	70,000	70,000	80,000	80,000	430,000	530,000	460,000	1,780,000
Total General Obligation Bonds	<u>825,000</u>	<u>880,000</u>	<u>920,000</u>	<u>910,000</u>	<u>540,000</u>	<u>2,325,000</u>	<u>530,000</u>	<u>460,000</u>	<u>7,390,000</u>
Revolving Loans									
KDHE Project C20 1480 Sewer	33,115	34,139	35,195	36,284	37,407	161,563	-	-	337,703
KDHE Project 2001 Water	69,963	72,775	75,700	78,743	81,908	411,292	-	-	790,381
KDHE Waste Water Treatment Plant	348,970	358,032	367,329	376,867	386,653	2,089,181	2,374,880	1,414,304	7,716,216
Total Revolving Loans	<u>452,048</u>	<u>464,946</u>	<u>478,224</u>	<u>491,894</u>	<u>505,968</u>	<u>2,662,036</u>	<u>2,374,880</u>	<u>1,414,304</u>	<u>8,844,300</u>
Lease Purchase:									
Quick Attack Fire Truck	13,896	14,556	15,248	-	-	-	-	-	43,700
Meter Reader System	110,806	117,455	124,502	131,972	139,890	-	-	-	624,625
Total Lease Purchase	<u>124,702</u>	<u>132,011</u>	<u>139,750</u>	<u>131,972</u>	<u>139,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>668,325</u>
Temporary Notes									
The Highlands Addition	4,000,000	-	-	-	-	-	-	-	4,000,000
Total Temporary Notes	<u>4,000,000</u>	<u>-</u>	<u>4,000,000</u>						
<b>Total Principal</b>	<u>\$ 5,401,750</u>	<u>\$ 1,476,957</u>	<u>\$ 1,537,974</u>	<u>\$ 1,533,866</u>	<u>\$ 1,185,858</u>	<u>\$ 4,987,036</u>	<u>\$ 2,904,880</u>	<u>\$ 1,874,304</u>	<u>\$ 20,902,625</u>

CITY OF ABILENE, KANSAS  
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15. **LONG TERM DEBT (CONTINUED)**

Current maturities of long-term debt and interest through maturity are as follows:

	Year								Total
	2010	2011	2012	2013	2014	2015-2019	2020-2024	2025-2029	
<b>Interest</b>									
<b>General Obligation Bonds</b>									
2002 - Enterprise Refunding Bonds	\$ 41,138	\$ 31,465	\$ 20,965	\$ 9,800	\$ -	\$ -	\$ -	\$ -	\$ 103,368
2003 - 21st & Brady	17,750	14,037	9,688	5,037	-	-	-	-	46,512
2005 Series A	10,090	8,695	7,255	5,605	3,905	1,953	-	-	37,503
2006 Series	10,558	9,343	8,128	6,912	5,728	8,888	-	-	49,557
2008 Series B	120,690	108,690	96,303	84,515	72,625	140,237	-	-	623,060
2009 Series	74,487	63,647	60,847	58,047	55,648	242,718	161,595	35,523	752,512
Total General Obligation Bonds	<u>274,713</u>	<u>235,877</u>	<u>203,186</u>	<u>169,916</u>	<u>137,906</u>	<u>393,796</u>	<u>161,595</u>	<u>35,523</u>	<u>1,612,512</u>
<b>Revolving Loans</b>									
KDHE Project C20 1480 Sewer	10,115	9,091	8,035	6,946	5,823	11,358	-	-	51,368
KDHE Project 2001 Water	30,768	27,956	25,030	21,988	18,822	41,998	-	-	166,562
KDHE Waste Water Treatment Plant	208,163	199,102	189,805	180,267	170,481	696,489	410,789	111,674	2,166,770
Total Revolving Loans	<u>249,046</u>	<u>236,149</u>	<u>222,870</u>	<u>209,201</u>	<u>195,126</u>	<u>749,845</u>	<u>410,789</u>	<u>111,674</u>	<u>2,384,700</u>
<b>Lease Purchase:</b>									
Quick Attack Fire Truck	2,076	1,416	724	-	-	-	-	-	4,216
Meter Reader System	37,478	30,829	23,782	16,312	8,393	-	-	-	116,794
Total Lease Purchase	<u>39,554</u>	<u>32,245</u>	<u>24,506</u>	<u>16,312</u>	<u>8,393</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>121,010</u>
<b>Temporary Notes</b>									
The Highlands Addition	47,000	-	-	-	-	-	-	-	47,000
Total Temporary Notes	<u>47,000</u>	<u>-</u>	<u>47,000</u>						
Total Interest	<u>610,313</u>	<u>504,271</u>	<u>450,562</u>	<u>395,429</u>	<u>341,425</u>	<u>1,143,641</u>	<u>572,384</u>	<u>147,197</u>	<u>4,165,222</u>
Total Principal and Interest Payments	<u>\$ 6,012,063</u>	<u>\$ 1,981,228</u>	<u>\$ 1,988,536</u>	<u>\$ 1,929,295</u>	<u>\$ 1,527,283</u>	<u>\$ 6,130,677</u>	<u>\$ 3,477,264</u>	<u>\$ 2,021,501</u>	<u>\$ 25,067,847</u>

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**16. INTERFUND TRANSACTIONS**

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	Tourism and Convention	K.S.A. 12-1696	25,000
General Fund	Special Street	K.S.A. 68-590	200,000
General Fund	Equipment Reserve	K.S.A. 12-1,117	89,000
Water – Production	Equipment Reserve – Water	K.S.A. 12-6310	50,000
Water – Distribution	Equipment Reserve – Water	K.S.A. 12-6310	16,000
Water – Commercial	General Fund	K.S.A. 18,825d	78,000
Water – Water Treatment Plant	Equipment Reserve – Water	K.S.A. 12-6310	71,000
Recycling	General Fund	K.S.A. 12-825d	4,680
Sewer Fund	Equipment Reserve – Sewer	K.S.A. 12-6310	25,000
Sewer Fund	General Fund	K.S.A. 12-825d	84,000
Storm Drainage	General Fund	K.S.A. 12-825d	4,020

**17. COMPENSATED ABSENCES**

The City's policy regarding vacation and leave allows employees to accumulate vacation and sick leave based on years of continuous service as follows:

Vacation Time:

Vacation leave is earned by the month. If an employee leaves the City, they are entitled to a payment of all accrued vacation pay earned prior to termination or resignation.

<u>Years of Continuous Service</u>	<u>Vacation Days Accrued (hours / year)</u>	
	<u>Regular</u>	<u>Fire Department</u>
0 – 10	80	74
10 – 20	120	111
20+	160	148

The dollar amount of accrued vacation at December 31, 2009 was \$107,377.

Sick Leave:

Sick leave is accrued at a rate of 8.0 hours per month for all employees, up to a maximum of 120 days (960 hours). Sick leave accumulated is not paid to employees except upon retirement or separation after twenty or more years of regular service, in which the employee shall receive payment for 25% of the unused sick leave – up to a maximum of one calendar month's salary.

The dollar amount of accrued sick leave at December 31, 2009 was \$25,729.

**18. ABILENE RECREATION COMMISSION**

The Abilene Recreation Commission amended its inter-local agreement with the City of Abilene, effective December 19, 2007. Under this agreement, the City of Abilene collects funds on the Commission's behalf and administers the funds to benefit the Abilene Parks and Recreation department recreation funds.

As of August 18, 2008, all Recreation Commission funds are being held by the City of Abilene.

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19. **2008 FINANCIAL DATA**

The amounts shown for 2008 in the financial statements are included where practicable, only to provide a basis for comparison with 2009, and are not intended to present all information necessary for a fair presentation in accordance with generally accepted accounting principles.

Rounding variances may also exist between amounts reported for the 2008 calendar year in these financial statements and the amounts reported in the 2008 audited financial statements. In addition, certain amounts presented in the prior year data have been reclassified in order to be consistent with current year's presentation.