

CITY OF CONCORDIA, KANSAS

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2004

CITY OF CONCORDIA, KANSAS
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Commission
City of Concordia, Kansas

We have audited the accompanying financial statements of the City of Concordia, Kansas as of and for the year ended December 31, 2004, and the individual fund financial statements of the City as of and for the years ended December 31, 2004 and 2003, as listed in the table of contents. These financial statements are the responsibility of the City's 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 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 presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the City of Concordia, Kansas prepares its financial statements on a prescribed 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.

In our opinion, the statutory basis financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balance of the City of Concordia, Kansas as of December 31, 2004, and its cash receipts and expenditures, for the year then ended, on the basis of accounting described in Note 1. Also, in our opinion, the individual fund financial statements as of and for the years ended December 31, 2004 and 2003, present fairly, in all material respects, the cash receipts, expenditures, and unencumbered cash balances, on the basis of accounting described in Note 1.

Mayer Hoffman McCann P.C.

Mayer Hoffman McCann P.C.
Topeka, Kansas
February 17, 2005

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Internal service funds:					
Cafeteria plan	164	-	95,264	93,035	2,393
Employee health care plan	553,572	-	559,215	722,244	390,543
Inventory revolving	-	-	51,053	44,305	13,996
					7,248
Fiduciary type funds:					
Nonexpendable trusts:					
Cemetery endowment	35,831	-	-	-	35,831
Small animal trust	31,524	-	4,769	5,964	30,329
Total primary government	4,475,657	-	8,417,641	9,704,789	3,188,509
					405,523
					3,594,032
Component units:					
Frank Carlson Library:					
General	34,155	-	136,394	134,558	35,991
Special revenue funds:					
Benefits	3,875	-	42,858	40,903	5,830
Memorials	46,346	-	2,298	2,048	46,596
Library building	170,739	-	9,401	20,000	160,140
Community foundation	2,067	-	-	1,000	1,067
Total Frank Carlson Library	257,182	-	190,951	198,509	249,624
Recreation - Playground Commission					
	23,323	-	12,844	18,804	17,363
Total component units	280,505	-	203,795	217,313	266,987
Total reporting entity (excluding agency funds)	\$ 4,756,162	\$ -	\$ 8,621,436	\$ 9,922,102	\$ 3,455,496
					\$ 405,523
					\$ 3,861,019
Composition of cash:					
Checking accounts					
Savings accounts					\$ 637,145
Money market accounts					396,368
Certificates of deposit					2,530,613
Cash on hand					65,831
Separate component units accounts					600
					249,625
Total cash					3,880,182
Less agency funds per statement 4					(19,163)
Total reporting entity (excluding agency funds)					\$ 3,861,019

The accompanying notes are an integral part of the financial statements.

CITY OF CONCORDIA, KANSAS
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2004

Funds	Certified budget	Adjustment for qualifying budget credits	Total budget for comparison	Expenditures chargeable to current year	Variance - favorable (unfavorable)
Governmental type funds:					
General	\$ 3,562,874	\$ -	\$ 3,562,874	\$ 3,449,541	\$ 113,333
Special revenue funds:					
Library	114,396	-	114,396	110,543	3,853
Recreation	7,623	-	7,623	7,004	619
Industrial development	45,000	-	45,000	45,000	-
Special highway	142,953	-	142,953	114,246	28,707
Employee benefit	522,519	-	522,519	443,244	79,275
Library employee benefit	44,440	-	44,440	42,760	1,680
Emergency telephone system	122,609	-	122,609	16,611	105,998
Special utility cost	221,030	-	221,030	183,268	37,762
Special park and recreation	14,241	-	14,241	7,291	6,950
Special alcohol programs	226	-	226	179	47
Computer equip. replacement	9,200	-	9,200	9,199	1
Special equipment reserve fund	189,000	-	189,000	388,977	(199,977)
Debt service funds:					
Bond and interest	398,762	-	398,762	394,758	4,004
Tax increment	348,500	-	348,500	311,883	36,617
Water and sewer bond and interest	-	-	-	-	-
Proprietary type funds:					
Enterprise funds:					
Water & sewer operating	2,040,000	-	2,040,000	2,039,446	554
Designated water connect fees	8,266	-	8,266	-	8,266
Fiduciary type funds:					
Nonexpendable trusts:					
Small animal trust	7,715	-	7,715	5,964	1,751
	<u>\$ 7,799,354</u>	<u>\$ -</u>	<u>\$ 7,799,354</u>	<u>\$ 7,569,914</u>	<u>\$ 229,440</u>

The accompanying notes are an integral
part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Taxes and shared revenue:				
Ad valorem tax	\$ 594,730	\$ 592,948	\$ 655,304	\$ (62,356)
Delinquent tax	8,803	10,546	-	10,546
Prepaid special assessment	2,458	1,368	-	1,368
Motor vehicle tax	90,298	113,866	105,806	8,060
Recreational vehicle tax	882	1,338	1,000	338
16/20M truck revenue	806	1,144	1,071	73
Vehicle rental excise tax	139	125	139	(14)
Local alcoholic liquor tax	6,430	6,147	7,483	(1,336)
City and county revenue sharing	21,981	-	-	-
Local retail sales tax	878,583	948,967	1,100,000	(151,033)
1% county sales tax	432,008	476,702	-	476,702
In lieu of tax	4,072	4,051	4,072	(21)
State highway connecting links	44,202	44,232	44,000	232
Total taxes and shared receipts	2,085,392	2,201,434	1,918,875	282,559
Licenses, permits and fees:				
Utilities franchise tax	421,441	445,211	400,000	45,211
Airport aviation fuel	-	2,600	-	2,600
Liquor and cereal malt beverage licenses	2,510	3,235	2,500	735
Business licenses and permits	2,845	2,425	2,600	(175)
Dog licenses	2,204	1,729	1,500	229
Zoning permits	4,611	3,738	7,000	(3,262)
Rezoning applications	225	75	-	75
Sponsor/tournament fees	900	750	1,000	(250)
Site plan/building permits	1,215	1,115	-	1,115
Fire burning permit	250	200	-	200
Total licenses, permits and franchises	436,201	461,078	414,600	46,478
Fines and penalties:				
Court fines and fees	46,515	43,418	55,000	(11,582)
Parking fines	660	520	600	(80)
Dog fines and adoptions	2,031	1,475	1,400	75
Total fines and penalties	49,206	45,413	57,000	(11,587)

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part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts (cont.):				
Charges for services:				
Ambulance services	\$ 127,462	\$ 142,621	\$ 125,000	\$ 17,621
Inter-local ambulance agreement	30,390	42,013	44,900	(2,887)
Cemetery grave services	9,100	7,650	7,500	150
Paving and curb cuts	3,134	2,664	2,500	164
Inspections	1,750	4,217	-	4,217
Dispatch interlocal agreement	80,000	80,000	80,000	-
Total charges for services	251,836	279,165	259,900	19,265
Use of money and property:				
Interest on investments	17,708	23,457	20,000	3,457
Airport rental	6,000	2,500	6,000	(3,500)
Hangar rental	2,960	3,640	3,000	640
Total use of money and property	26,668	29,597	29,000	597
Miscellaneous revenue:				
Swimming pool sales	18,795	18,838	20,000	(1,162)
Concession stand sales	1,200	1,200	1,200	-
Sale of crops	261	273	270	3
Sale of cemetery lots	3,100	3,643	3,000	643
Court restitution	398	48	500	(452)
Diversions	1,100	1,400	1,000	400
Reimbursements	4,596	2,577	3,000	(423)
Other	53,519	47,434	6,000	41,434
Total miscellaneous revenue	82,969	75,413	34,970	40,443
Operating transfers in:				
Employee health care	2,533	-	-	-
Small animal trust	5,935	5,964	7,715	(1,751)
Total operating transfers in	8,468	5,964	7,715	(1,751)
Total cash receipts	2,940,740	3,098,064	\$ 2,722,060	\$ 376,004

The accompanying notes are an integral
part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Expenditures:				
Finance and administration:				
Personal services	\$ 124,801	\$ 130,510	\$ 127,904	\$ (2,606)
Contractual services	95,184	145,639	110,750	(34,889)
Commodities	6,254	2,149	7,350	5,201
Operating transfers out:				
Special equipment reserve	5,000	-	15,000	15,000
Total finance and administration	231,239	278,298	261,004	(17,294)
Law/municipal court:				
Personal services	36,523	37,723	38,032	309
Contractual services	48,324	53,109	57,000	3,891
Commodities	424	367	400	33
Total law/municipal court	85,271	91,199	95,432	4,233
Election expense:				
County election cost	-	1,764	2,000	236
Total election expense	-	1,764	2,000	236
Special projects:				
Contractual services	66,388	38,658	62,750	24,092
Commodities	3,314	4,627	4,050	(577)
Capital outlay	77,322	6,883	63,300	56,417
Operating transfers out:				
Street projects	-	18,000	-	(18,000)
Storm water projects	-	300,000	300,000	-
Special equipment reserve	-	92,000	-	(92,000)
Downtown revitalization grant	15,537	11,380	-	(11,380)
Computer replacement reserve	-	2,000	2,000	-
Curb and gutter projects	-	2,411	-	(2,411)
Capital improvement	163,000	255,526	267,900	12,374
Total special projects	325,561	731,485	700,000	(31,485)

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Expenditures (cont.):				
Law enforcement:				
Personal services	\$ 397,421	\$ 430,338	\$ 455,432	\$ 25,094
Contractual services	14,458	8,539	9,000	461
Commodities	27,215	36,401	30,750	(5,651)
Capital outlay	7,206	5,263	11,300	6,037
Operating transfers out:				
Special equipment reserve	12,000	24,000	24,000	-
Total law enforcement	458,300	504,541	530,482	25,941
Police communications/records:				
Personal services	174,286	178,085	171,244	(6,841)
Contractual services	11,282	12,531	11,550	(981)
Commodities	4,350	3,438	4,500	1,062
Capital outlay	3,517	2,332	2,700	368
Total police communications/records	193,435	196,386	189,994	(6,392)
Fire protection:				
Personal services	221,050	232,872	225,194	(7,678)
Contractual services	16,390	14,284	22,800	8,516
Commodities	20,490	26,086	32,800	6,714
Capital outlay	6,986	16,281	17,800	1,519
Debt service	123,442	141,226	141,227	1
Operating transfers out:				
Special equipment reserve	45,000	45,000	45,000	-
Total fire protection	433,358	475,749	484,821	9,072
Ambulance service:				
Personal services	120,865	133,681	151,647	17,966
Contractual services	4,435	6,296	17,050	10,754
Commodities	23,340	30,614	34,150	3,536
Capital outlay	4,705	18,337	30,500	12,163
Operating transfers out:				
Special equipment reserve	21,000	21,000	21,000	-
Total ambulance service	174,345	209,928	254,347	44,419

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Expenditures (cont.):				
Animal shelter/control:				
Personal services	\$ 37,660	\$ 28,347	\$ 37,742	\$ 9,395
Contractual services	3,027	3,025	3,800	775
Commodities	2,756	3,172	3,025	(147)
Capital outlay	140	-	-	-
Operating transfers out:				
Special equipment reserve	2,000	2,000	2,000	-
Total animal shelter/control	45,583	36,544	46,567	10,023
Planning/zoning/code enforcement				
Personal services	64,171	54,021	86,837	32,816
Contractual services	11,963	31,740	25,400	(6,340)
Commodities	1,468	1,906	5,000	3,094
Operating transfers out:				
Special equipment reserve	5,000	2,000	2,000	-
Total planning/zoning/code enforcement	82,602	89,667	119,237	29,570
Public works:				
Personal services	224,548	261,145	284,602	23,457
Contractual services	9,823	10,036	8,500	(1,536)
Commodities	49,502	58,092	53,850	(4,242)
Operating transfers out:				
Special equipment reserve	-	15,000	15,000	-
Total public works	283,873	344,273	361,952	17,679
Airport operations and maintenance:				
Personal services	33,748	34,331	33,812	(519)
Contractual services	24,293	22,700	26,500	3,800
Commodities	8,401	16,692	5,875	(10,817)
Operating transfers out:				
Special equipment reserve	3,000	3,000	3,000	-
Total airport operations and maintenance	69,442	76,723	69,187	(7,536)

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Expenditures (cont.):				
Park operations:				
Personal services	\$ 133,181	\$ 102,318	\$ 148,450	\$ 46,132
Contractual services	8,207	40,455	11,200	(29,255)
Commodities	25,777	28,042	22,100	(5,942)
Capital outlay	8,412	-	-	-
Operating transfers out:				
Vehicle-special equipment reserve	5,000	5,000	5,000	-
Total park operations	180,577	175,815	186,750	10,935
Cemetery operations:				
Personal services	34,056	37,739	40,708	2,969
Contractual services	1,909	1,991	2,950	959
Commodities	8,906	7,255	8,450	1,195
Operating transfers out:				
Special equipment reserve	3,000	18,000	18,000	-
Total cemetery operations	47,871	64,985	70,108	5,123
Swimming pool operations:				
Personal services	44,342	38,086	46,500	8,414
Contractual services	9,296	4,514	6,200	1,686
Commodities	15,801	27,902	16,750	(11,152)
Capital outlay	3,196	25,961	7,500	(18,461)
Operating transfers out:				
Special equipment reserve	-	-	17,208	17,208
Total swimming pool operations	72,635	96,463	94,158	(2,305)
Ball complex programs:				
Personal services	37,494	36,279	44,885	8,606
Contractual services	21,674	13,654	17,150	3,496
Commodities	19,861	20,788	19,800	(988)
Capital outlay	-	-	10,000	10,000
Operating transfers out:				
Special equipment reserve	5,000	5,000	5,000	-
Total ball complex programs	84,029	75,721	96,835	21,114
Total expenditures	2,768,121	3,449,541	\$ 3,562,874	\$ 113,333
Receipts over/(under) expenditures	172,619	(351,477)		
Prior year cancelled encumbrances	-	-		
Unencumbered cash, beginning of year	937,573	1,110,192		
Unencumbered cash, end of year	\$ 1,110,192	\$ 758,715		

The accompanying notes are an integral
part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 LIBRARY FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 91,750	\$ 87,288	\$ 96,481	\$ (9,193)
Delinquent tax	1,663	1,774	-	1,774
Motor vehicle tax	15,369	17,605	16,325	1,280
Recreational vehicle tax	150	207	155	52
16/20M truck revenue	165	226	187	39
In lieu of tax	628	596	628	(32)
Vehicle rental excise tax	22	-	-	-
Total cash receipts	109,747	107,696	\$ 113,776	\$ (6,080)
Expenditures:				
Appropriation to Frank Carlson Library	106,900	110,543	\$ 114,396	\$ 3,853
Total expenditures	106,900	110,543	\$ 114,396	\$ 3,853
Receipts over/(under) expenditures	2,847	(2,847)		
Unencumbered cash, beginning of year	-	2,847		
Unencumbered cash, end of year	\$ 2,847	\$ -		

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 RECREATION FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ -	\$ 6,069	\$ 6,742	\$ (673)
Delinquent tax	355	327	-	327
Motor vehicle tax	4,290	115	-	115
Recreational vehicle tax	42	-	-	-
16/20M truck revenue	38	41	-	41
In lieu of tax	-	42	-	42
Vehicle rental excise tax	-	1	-	1
Total cash receipts	<u>4,725</u>	<u>6,595</u>	<u>\$ 6,742</u>	<u>\$ (147)</u>
Expenditures:				
Appropriation to Playground-Recreation Commission	<u>4,316</u>	<u>7,004</u>	<u>\$ 7,623</u>	<u>\$ 619</u>
Total expenditures	<u>4,316</u>	<u>7,004</u>	<u>\$ 7,623</u>	<u>\$ 619</u>
Receipts over/(under) expenditures	409	(409)		
Unencumbered cash, beginning of year	<u>-</u>	<u>409</u>		
Unencumbered cash, end of year	<u>\$ 409</u>	<u>\$ -</u>		

The accompanying notes are an integral
part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 INDUSTRIAL DEVELOPMENT FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 27,906	\$ 24,342	\$ 26,891	\$ (2,549)
Delinquent tax	334	411	-	411
Motor vehicle tax	2,963	5,307	4,964	343
Recreational vehicle tax	29	63	47	16
16/20M truck revenue	33	38	50	(12)
In lieu of tax	191	166	191	(25)
Vehicle rental excise tax	7	5	7	(2)
Operating transfer in:				
Water and sewer general operating	2,000	2,000	2,000	-
Total cash receipts	33,463	32,332	\$ 34,150	\$ (1,818)
Expenditures:				
Contractual services	27,368	45,000	\$ 45,000	\$ -
Total expenditures	27,368	45,000	\$ 45,000	\$ -
Receipts over/(under) expenditures	6,095	(12,668)		
Unencumbered cash, beginning of year	10,615	16,710		
Unencumbered cash, end of year	\$ 16,710	\$ 4,042		

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 SPECIAL HIGHWAY FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
State of Kansas gas tax	\$ 153,215	\$ 154,784	\$ 168,360	\$ (13,576)
Total cash receipts	153,215	154,784	\$ 168,360	\$ (13,576)
Expenditures:				
Personal services	11,573	12,804	\$ 11,953	\$ (851)
Contractual services	13,771	14,098	27,000	12,902
Commodities	54,729	47,344	64,000	16,656
Operating transfers out:				
Vehicle-special equipment reserve	42,000	40,000	40,000	-
Total expenditures	122,073	114,246	\$ 142,953	\$ 28,707
Receipts over expenditures	31,142	40,538		
Unencumbered cash, beginning of year	25,938	57,080		
Unencumbered cash, end of year	\$ 57,080	\$ 97,618		

The accompanying notes are an integral
part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 EMPLOYEE BENEFIT FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 249,661	\$ 141,708	\$ 156,495	\$ (14,787)
Delinquent tax	3,383	3,069	-	3,069
Motor vehicle tax	5,441	46,869	44,383	2,486
Recreational vehicle tax	54	561	420	141
16/20M truck revenue	431	58	449	(391)
In lieu of tax	1,708	967	1,708	(741)
Vehicle rental excise tax	58	30	58	(28)
Employee contributions	190,054	195,298	175,000	20,298
Employer contributions	56,304	43,932	47,000	(3,068)
Reimbursements	-	5,259	-	5,259
Total cash receipts	507,094	437,751	\$ 425,513	\$ 12,238
Expenditures:				
Employee benefits	434,091	443,244	\$ 522,519	\$ 79,275
Total expenditures	434,091	443,244	\$ 522,519	\$ 79,275
Receipts over/(under) expenditures	73,003	(5,493)		
Unencumbered cash, beginning of year	99,193	172,196		
Unencumbered cash, end of year	\$ 172,196	\$ 166,703		

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 LIBRARY EMPLOYEE BENEFIT FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 27,027	\$ 35,645	\$ 39,376	\$ (3,731)
Delinquent tax	455	515	-	515
Motor vehicle tax	4,713	5,192	4,810	382
Recreational vehicle tax	46	61	46	15
16/20M truck revenue	41	60	49	11
In lieu of tax	185	243	185	58
Vehicle rental excise tax	6	8	6	2
Total cash receipts	32,473	41,724	\$ 44,472	\$ (2,748)
Expenditures:				
Appropriation to Frank Carlson Library	31,237	42,760	\$ 44,440	\$ 1,680
Total expenditures	31,237	42,760	\$ 44,440	\$ 1,680
Receipts over/(under) expenditures	1,236	(1,036)		
Unencumbered cash, beginning of year	-	1,236		
Unencumbered cash, end of year	\$ 1,236	\$ 200		

The accompanying notes are an integral
part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 EMERGENCY TELEPHONE SYSTEM
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Service tax	\$ 39,214	\$ 44,255	\$ 40,000	\$ 4,255
Total cash receipts	39,214	44,255	40,000	4,255
Expenditures:				
Contractual services	16,557	14,488	\$ 14,300	\$ (188)
Commodities	-	-	2,000	2,000
Capital outlay	-	2,123	106,309	104,186
Total expenditures	16,557	16,611	122,609	105,998
Receipts over expenditures	22,657	27,644		
Prior year cancelled encumbrances	-	-		
Unencumbered cash, beginning of year	56,509	79,166		
Unencumbered cash, end of year	\$ 79,166	\$ 106,810		

The accompanying notes are an integral
part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 SPECIAL UTILITY COST FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 92,817	\$ 169,534	\$ 187,405	\$ (17,871)
Delinquent tax	2,501	2,868	-	2,868
Motor vehicle tax	34,061	18,335	16,535	1,800
Recreational vehicle tax	333	209	157	52
16/20M truck revenue	191	435	167	268
In lieu of tax	636	1,158	636	522
Vehicle rental excise tax	22	36	22	14
Other	-	13	-	13
Total cash receipts	130,561	192,588	\$ 204,922	\$ (12,334)
Expenditures:				
Contractual services	174,804	183,268	\$ 221,030	\$ 37,762
Total expenditures	174,804	183,268	\$ 221,030	\$ 37,762
Receipts (under)/over expenditures	(44,243)	9,320		
Unencumbered cash, beginning of year	92,431	48,188		
Unencumbered cash, end of year	\$ 48,188	\$ 57,508		

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 SPECIAL PARK AND RECREATION FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Local alcoholic liquor tax	\$ 6,430	\$ 6,147	\$ 7,483	\$ (1,336)
Total cash receipts	6,430	6,147	7,483	(1,336)
Expenditures:				
Capital outlay	5,000	7,291	14,241	6,950
Total expenditures	5,000	7,291	14,241	6,950
Receipts over/(under) expenditures	1,430	(1,144)		
Unencumbered cash, beginning of year	9,358	10,788		
Unencumbered cash, end of year	\$ 10,788	\$ 9,644		

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 SPECIAL ALCOHOL PROGRAMS FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts	\$ -	\$ -	\$ -	\$ -
Expenditures	-	179	\$ 226	\$ 47
Receipts under expenditures	-	(179)		
Unencumbered cash, beginning of year	226	226		
Unencumbered cash, end of year	\$ 226	\$ 47		

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 COMPUTER EQUIPMENT REPLACEMENT FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Operating transfers in:				
Water and sewer operating	\$ 20,000	\$ -	\$ -	\$ -
General	-	2,000	2,000	-
Total cash receipts	20,000	2,000	\$ 2,000	\$ -
Expenditures:				
Contractual services	-	6,185	\$ 2,200	\$ (3,985)
Commodities	16,076	3,014	7,000	3,986
Total expenditures	16,076	9,199	\$ 9,200	\$ 1
Receipts over/(under) expenditures	3,924	(7,199)		
Unencumbered cash, beginning of year	12,865	16,789		
Unencumbered cash, end of year	\$ 16,789	\$ 9,590		

The accompanying notes are an integral
part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 SPECIAL EQUIPMENT RESERVE FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year Actual
Cash receipts:		
Interest on investments	\$ 5,503	\$ 5,028
Miscellaneous revenue	19,000	-
Operating transfers in:		
General fund	106,000	232,000
Special highway fund	42,000	40,000
Water and sewer operating	60,000	-
Total cash receipts	<u>232,503</u>	<u>277,028</u>
Expenditures:		
Capital outlay	<u>190,653</u>	<u>388,977</u>
Total expenditures	<u>190,653</u>	<u>388,977</u>
Receipts over/(under) expenditures	41,850	(111,949)
Unencumbered cash, beginning of year	<u>409,833</u>	<u>451,683</u>
Unencumbered cash, end of year	<u>\$ 451,683</u>	<u>\$ 339,734</u>

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 B.A.T. EQUIPMENT RESERVE FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts	\$ -	\$ -
Expenditures	-	-
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	3,791	3,791
Unencumbered cash, end of year	\$ 3,791	\$ 3,791

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 CIVIL ASSET FORFEITURE FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts	\$ -	\$ -
Expenditures	-	-
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	3,877	3,877
Unencumbered cash, end of year	\$ 3,877	\$ 3,877

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 CONTINUING ECONOMIC DEVELOPMENT GRANT FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Repayment of federal grant loans	\$ 101,001	\$ 49,305
Interest on investments	834	5,191
Total cash receipts	<u>101,835</u>	<u>54,496</u>
Expenditures:		
Contractual services	39	22
Revolving loan distributions	<u>39,000</u>	<u>100,000</u>
Total expenditures	<u>39,039</u>	<u>100,022</u>
Receipts over (under) expenditures	62,796	(45,526)
Unencumbered cash, beginning of year	<u>50,050</u>	<u>112,846</u>
Unencumbered cash, end of year	<u>\$ 112,846</u>	<u>\$ 67,320</u>

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 CITY OF CONCORDIA MEMORIAL FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Donations	\$ 6,065	\$ 955
Interest on investments	35	19
Total cash receipts	<u>6,100</u>	<u>974</u>
Expenditures		
Commodities	2,316	-
Park operations	1,327	4,165
Total expenditures	<u>3,643</u>	<u>4,165</u>
Receipts over/(under) expenditures	2,457	(3,191)
Unencumbered cash, beginning of year	<u>3,108</u>	<u>5,565</u>
Unencumbered cash, end of year	<u>\$ 5,565</u>	<u>\$ 2,374</u>

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 DOWNTOWN REVITALIZATION GRANT *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Grant proceeds	\$ -	\$ 88,851
Operating transfers in:		
General fund	15,537	11,380
Total cash receipts	15,537	100,231
Expenditures		
Contractual services	17,414	136,319
Total expenditures	17,414	136,319
Receipts (under)/over expenditures	(1,877)	(36,088)
Unencumbered cash, beginning of year	1,956	79
Unencumbered cash, end of year	\$ 79	\$ (36,009)

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 BOND AND INTEREST FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Ad valorem tax	\$ 35,669	\$ 65,322	\$ 72,582	\$ (7,260)
Delinquent tax	3,709	3,641	-	3,641
Motor vehicle tax	53,796	8,192	6,396	1,796
Recreational vehicle tax	525	81	61	20
16/20M truck revenue	283	687	65	622
Vehicle rental excise tax	8	14	8	6
Special assessment	99,483	93,607	70,000	23,607
Interest on investments	6,583	3,061	1,800	1,261
Miscellaneous income	-	2,050	-	2,050
In lieu of tax	246	449	246	203
Operating transfers in:				
Tax increment	93,299	-	-	-
T.I.F. projects	-	144,711	144,812	(101)
Street projects	4,619	-	-	-
Total cash receipts	298,220	321,815	\$ 295,970	\$ 25,845
Expenditures:				
Contractual services	8	-	-	-
Debt service	479,981	394,758	398,762	4,004
Total expenditures	479,989	394,758	\$ 398,762	\$ 4,004
Receipts under expenditures	(181,769)	(72,943)		
Unencumbered cash, beginning of year	333,384	151,615		
Unencumbered cash, end of year	\$ 151,615	\$ 78,672		

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 TAX INCREMENT FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Current year actual	Budget	
Cash receipts:				
Ad valorem property tax	\$ 281,495	\$ 250,222	\$ 348,500	\$ (98,278)
Total cash receipts	<u>281,495</u>	<u>250,222</u>	<u>348,500</u>	<u>(98,278)</u>
Expenditures:				
Operating transfers out:				
Bond and interest	93,299	144,711	144,811	100
T.I.F. projects	<u>96,354</u>	<u>167,172</u>	<u>203,689</u>	<u>36,517</u>
Total expenditures	<u>189,653</u>	<u>311,883</u>	<u>\$ 348,500</u>	<u>\$ 36,617</u>
Receipts over/(under) expenditures	91,842	(61,661)		
Unencumbered cash, beginning of year	<u>38,004</u>	<u>129,846</u>		
Unencumbered cash, end of year	<u>\$ 129,846</u>	<u>\$ 68,185</u>		

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 WATER AND SEWER BOND AND INTEREST FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Operating transfer out:				
Water and sewer operating	72,862	-	\$ -	-
Total expenditures	72,862	-	\$ -	\$ -
Receipts under expenditures	(72,862)	-		
Unencumbered cash, beginning of year	72,862	-		
Unencumbered cash, end of year	\$ -	\$ -		

The accompanying notes are an integral
part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 STREET PROJECTS FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Reimbursements	\$ -	\$ 103,144
Miscellaneous revenue	107,157	110,000
Operating transfers in:		
General	-	18,000
Capital improvement	63,824	52,851
Total cash receipts	170,981	283,995
Expenditures:		
Contractual services	176,653	284,518
Operating transfers out:		
Bond and interest	4,619	-
Total expenditures	181,272	284,518
Receipts under expenditures	(10,291)	(523)
Unencumbered cash, beginning of year	10,291	-
Unencumbered cash, end of year	\$ -	\$ (523)

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 T.I.F. PROJECTS FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Miscellaneous revenue	\$ 30,426	\$ -
Operating transfers in:		
Storm water projects	-	10,414
Tax increment	96,354	167,172
Total cash receipts	126,780	177,586
Expenditures:		
Contractual services	39,580	177,586
Total expenditures	39,580	177,586
Receipts over expenditures	87,200	-
Unencumbered cash, beginning of year	(87,200)	-
Unencumbered cash, end of year	\$ -	\$ -

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 STORM WATER PROJECTS FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Miscellaneous revenue	\$ -	\$ 10,000
Operating transfers in:		
General	-	300,000
Water and sewer operating	-	300,000
Total cash receipts	-	610,000
Expenditures:		
Economic development	-	500,000
Contractual services	-	6,382
Operating transfers out:		
T.I.F. projects	-	10,414
Total expenditures	-	516,796
Receipts over expenditures	-	93,204
Unencumbered cash, beginning of year	-	-
Unencumbered cash, end of year	\$ -	\$ 93,204

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 CURB & GUTTER PROJECTS *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year Actual
Cash receipts:		
Prepaid special assessments	\$ 2,689	\$ 623
Operating transfers in:		
General	-	2,411
Total cash receipts	<u>2,689</u>	<u>3,034</u>
Expenditures:		
Contractual services	<u>2,689</u>	<u>3,034</u>
Total expenditures	<u>2,689</u>	<u>3,034</u>
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	-	-
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ -</u>

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 CAPITAL IMPROVEMENT FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Operating transfers in:		
General fund	\$ 163,000	\$ 255,526
Total cash receipts	<u>163,000</u>	<u>255,526</u>
Expenditures		
Operating transfer out:		
Street projects	<u>63,824</u>	<u>52,851</u>
Total expenditures	<u>63,824</u>	<u>52,851</u>
Receipts over expenditures	99,176	202,675
Unencumbered cash, beginning of year	<u>-</u>	<u>99,176</u>
Unencumbered cash, end of year	<u>\$ 99,176</u>	<u>\$ 301,851</u>

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 WATER AND SEWER GENERAL OPERATING FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Water sales receipts	\$ 833,984	\$ 791,338	\$ 800,000	\$ (8,662)
Sewer charge receipts	421,190	419,016	430,000	(10,984)
Bulk waste water disposal	1,170	1,460	1,460	-
Bulk tank sales	916	434	500	(66)
Water taps, labor & materials	6,419	660	500	160
Sewer tap inspection fees	40	30	-	30
Water line inspection fees	180	170	100	70
Sewer line inspection fees	-	10	100	(90)
Tower rental	1,308	1,308	1,310	(2)
Interest on investments	26,614	15,418	10,260	5,158
Sales tax	101	10	-	10
Other	1,784	7,139	3,100	4,039
Reimbursements	183	3,087	9,200	(6,113)
Operating transfers in:				
Water and sewer bond and interest	72,862	-	-	-
Total cash receipts	1,366,751	1,240,080	\$ 1,256,530	\$ (16,450)
Expenditures:				
Administration:				
Personal services	307,139	308,742	\$ 320,479	\$ 11,737
Contractual services	138,829	74,059	160,200	86,141
Commodities	8,069	4,415	7,550	3,135
Capital outlay	8,486	-	-	-
Debt service	71,002	68,078	68,078	-
Operating transfer out:				
Industrial	2,000	2,000	2,000	-
Computer replacement	20,000	-	-	-
Total administration	555,525	457,294	558,307	101,013
Water production:				
Personal services	34,016	37,825	35,313	(2,512)
Contractual services	42,666	44,118	60,800	16,682
Commodities	33,132	35,652	48,775	13,123
Capital outlay	3,568	3,678	40,000	36,322
Total water production	113,382	121,273	184,888	63,615
Water distribution:				
Personal services	67,635	68,129	71,333	3,204
Contractual services	2,450	2,839	8,900	6,061
Commodities	62,090	66,568	68,050	1,482
Capital outlay	6,465	13,323	41,000	27,677
Total water distribution	138,640	150,859	189,283	38,424

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 WATER AND SEWER GENERAL OPERATING FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Expenditures (cont.):				
Sewer treatment:				
Personal services	\$ 103,962	\$ 104,722	\$ 116,841	\$ 12,119
Contractual services	105,243	95,322	100,400	5,078
Commodities	24,926	29,523	38,200	8,677
Total sewer treatment	234,131	229,567	255,441	25,874
Sewer system construction/maintenance:				
Personal services	35,051	35,039	36,486	1,447
Contractual services	10,640	110	6,200	6,090
Commodities	2,392	6,418	5,200	(1,218)
Capital outlay	3,262	775	4,500	3,725
Operating transfer out:				
Special equipment reserve	60,000	-	-	-
Total sewer system construction/ maintenance	111,345	42,342	52,386	10,044
Special projects:				
Capital outlay	85,864	738,111	500,000	(238,111)
Operating transfer out:				
Storm water projects	-	300,000	299,695	(305)
Total special projects	85,864	1,038,111	799,695	(238,416)
Adjustment for qualifying budget credits - reimbursements	-	-	-	-
Total expenditures	1,238,887	2,039,446	\$ 2,040,000	\$ 554
Receipts over/(under) expenditures	127,864	(799,366)		
Unencumbered cash, beginning of year	1,215,779	1,343,643		
Unencumbered cash, end of year	\$ 1,343,643	\$ 544,277		

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 WATER AND SEWER BOND RESERVE *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts	\$ -	\$ -
Expenditures	-	-
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	26,521	26,521
Unencumbered cash, end of year	\$ 26,521	\$ 26,521

* This fund is not required to be budgeted

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 DESIGNATED WATER CONNECT FEES FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Water connect fees	\$ 8,281	\$ 7,917	\$ 6,500	\$ 1,417
Total cash receipts	<u>8,281</u>	<u>7,917</u>	<u>\$ 6,500</u>	<u>\$ 1,417</u>
Expenditures:				
Debt service	84,422	-	\$ 8,266	\$ 8,266
Total expenditures	<u>84,422</u>	<u>-</u>	<u>\$ 8,266</u>	<u>\$ 8,266</u>
Receipts (under)/over expenditures	(76,141)	7,917		
Unencumbered cash, beginning of year	<u>77,885</u>	<u>1,744</u>		
Unencumbered cash, end of year	<u>\$ 1,744</u>	<u>\$ 9,661</u>		

The accompanying notes are an integral
part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 CAFETERIA PLAN FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Employee contributions	\$ 67,678	\$ 95,264
Total cash receipts	<u>67,678</u>	<u>95,264</u>
Expenditures:		
Contractual services	<u>70,902</u>	<u>93,035</u>
Total expenditures	<u>70,902</u>	<u>93,035</u>
Receipts (under)/over expenditures	(3,224)	2,229
Unencumbered cash, beginning of year	<u>3,388</u>	<u>164</u>
Unencumbered cash, end of year	<u>\$ 164</u>	<u>\$ 2,393</u>

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 EMPLOYEE HEALTH CARE PLAN FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Employer contributions	\$ 504,750	\$ 503,400
Interest on investments	4,410	1,547
Employee contributions	42,316	54,268
	<u>551,476</u>	<u>559,215</u>
Total cash receipts		
Expenditures:		
Benefits paid	339,380	443,415
Health insurance premiums	284,519	275,972
Life insurance premiums	2,002	2,857
Operating transfer out:		
General	2,533	-
	<u>628,434</u>	<u>722,244</u>
Total expenditures		
Receipts under expenditures	(76,958)	(163,029)
Unencumbered cash, beginning of year	630,530	553,572
Unencumbered cash, end of year	<u>\$ 553,572</u>	<u>\$ 390,543</u>

* This fund is not required to be budgeted

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 INVENTORY REVOLVING FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Reimbursements	\$ 34,597	\$ 51,053
Total cash receipts	<u>34,597</u>	<u>51,053</u>
Expenditures:		
Commodities	<u>34,597</u>	<u>44,305</u>
Total expenditures	<u>34,597</u>	<u>44,305</u>
Receipts over expenditures	-	6,748
Unencumbered cash, beginning of year	<u>-</u>	<u>-</u>
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 6,748</u>

* This fund is not required to be budgeted

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 CEMETERY ENDOWMENT FUND *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts	\$ -	\$ -
Expenditures	-	-
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	35,831	35,831
Unencumbered cash, end of year	\$ 35,831	\$ 35,831

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
 SMALL ANIMAL TRUST FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year		Variance - favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Bequests and gifts	\$ 6,140	\$ 4,440	\$ 6,000	\$ (1,560)
Interest on investments	509	329	350	(21)
Total cash receipts	<u>6,649</u>	<u>4,769</u>	<u>\$ 6,350</u>	<u>\$ (1,581)</u>
Expenditures:				
Operating transfers out:				
General	<u>5,935</u>	<u>5,964</u>	<u>\$ 7,715</u>	<u>\$ 1,751</u>
Total expenditures	<u>5,935</u>	<u>5,964</u>	<u>\$ 7,715</u>	<u>\$ 1,751</u>
Receipts over/(under) expenditures	714	(1,195)		
Unencumbered cash, beginning of year	<u>30,810</u>	<u>31,524</u>		
Unencumbered cash, end of year	<u>\$ 31,524</u>	<u>\$ 30,329</u>		

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 CITY HALL COMMUNITY ROOM *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year Actual
Cash receipts:		
Other	\$ 1,000	\$ 500
Total cash receipts	<u>1,000</u>	<u>500</u>
Expenditures:	<u>-</u>	<u>-</u>
Receipts over expenditures	1,000	500
Unencumbered cash, beginning of year	<u>1,692</u>	<u>2,692</u>
Unencumbered cash, end of year	<u>\$ 2,692</u>	<u>\$ 3,192</u>

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 RECREATION GRANT & DONATIONS *
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year Actual
Cash receipts:		
Donations	\$ -	\$ -
Total cash receipts	-	-
Expenditures	-	-
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	5,661	5,661
Unencumbered cash, end of year	\$ 5,661	\$ 5,661

* This fund is not required to be budgeted.

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS - ACTUAL
 AGENCY FUNDS
 YEAR ENDED DECEMBER 31, 2004

<u>Fund</u>	<u>Beginning cash balance</u>	<u>Cash receipts</u>	<u>Cash disbursements</u>	<u>Ending cash balance</u>
Animal adoptions	\$ 2,060	\$ 685	\$ -	\$ 2,745
Cloud County solid waste landfill	-	203,620	203,620	-
Central garage	-	47,737	47,737	-
D.A.R.E.	4,695	838	2,264	3,269
Fire safety program	1,645	10	1,513	142
Fire Lien John Hood	-	6,602	-	6,602
Judge training	-	3,818	3,818	-
FEMA Grant	-	-	-	-
Sports complex concessions	1,507	50	-	1,557
Sports complex improvements	4,127	-	-	4,127
Tree planting program	721	-	-	721
Water protection	-	7,461	7,461	-
	<u>\$ 14,755</u>	<u>\$ 270,821</u>	<u>\$ 266,413</u>	<u>\$ 19,163</u>

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
STATEMENT OF CHANGES IN LONG-TERM DEBT
YEAR ENDED DECEMBER 31, 2004

Issue	Interest rates	Date of issue	Amount of issue	Date of final maturity	Balance beginning of year	Additions	Reductions/ payments	Net change	Balance end of year
General obligation bonds:									
Water/sewer Highway 81 series 1997	4.6% - 6.0%	1997	\$ 595,000	2012	\$ 480,000	\$ -	\$ 45,000		\$ 435,000
Improvements series 2000	4.7% - 6.5%	2000	\$ 1,170,000	2015	1,005,000	-	60,000		945,000
Series 2002A	2.0% - 5.0%	2002	\$ 775,000	2016	685,000	-	40,000		645,000
Water/sewer series 2002B	2.0% - 4.7%	2002	\$ 655,000	2013	565,000	-	45,000		520,000
Tax increment series 2002-C	3.0% - 4.3%	2002	\$ 1,850,000	2020	1,780,000	-	80,000		1,700,000
Total general obligation bonds:									
					4,515,000	-	270,000		4,245,000
Temporary notes:									
Temporary note 2004-1	N/A	2004	\$ 600,000	2005	-	600,000	-		600,000
Capital leases:									
Emergency one pumper	4.90%	2002	\$ 267,386	2012	205,422	-	59,257		146,165
Emergency one aerial	4.90%	2002	\$ 549,484	2012	513,358	-	46,749		466,609
Total capital leases:									
					718,780	-	106,006		612,774
Total bonds, notes and leases:									
					5,233,780	600,000	376,006		5,457,774
Compensated absences									
	N/A	N/A	N/A	N/A	73,684	-	-	4,364	78,048
Total long-term debt									
					\$ 5,307,464	\$ 600,000	\$ 376,006	\$ 4,364	\$ 5,535,822

The accompanying notes are an integral part of the financial statements.

CITY OF CONCORDIA, KANSAS
SCHEDULE OF MATURITY OF LONG-TERM DEBT

	Year ended December 31,					Thereafter	Total
	2005	2006	2007	2008	2009		
Principal:							
General obligation bonds:							
Water/sewer Highway 81 series 1997	\$ 45,000	\$ 45,000	\$ 50,000	\$ 55,000	\$ 55,000	\$ 185,000	\$ 435,000
Improvement series 2000	65,000	70,000	70,000	75,000	80,000	585,000	945,000
Series 2002A	45,000	45,000	45,000	45,000	50,000	415,000	645,000
Water/sewer series 2002B	50,000	50,000	50,000	55,000	55,000	260,000	520,000
Tax increment series 2002-C	80,000	80,000	85,000	85,000	90,000	1,280,000	1,700,000
Temporary notes:							
Temporary note 2004-1	600,000	-	-	-	-	-	600,000
Capital leases:							
Emergency one pumper	25,446	28,408	29,800	31,260	31,251	-	146,165
Emergency one aerial	49,040	51,442	53,963	56,607	59,380	196,177	466,609
Total principal	959,486	369,850	383,763	402,867	420,631	2,921,177	5,457,774
Interest:							
General obligation bonds:							
Water/sewer Highway 81 series 1997	21,222	19,130	17,015	14,640	11,972	18,750	102,729
Improvement series 2000	48,460	44,722	41,432	38,076	34,398	112,372	319,460
Series 2002A	28,423	26,960	25,340	23,585	21,740	84,029	210,077
Water/sewer series 2002B	21,840	20,215	18,415	16,465	14,210	30,619	121,764
Tax increment series 2002-C	62,312	59,912	57,512	54,962	52,412	333,832	620,942
Temporary notes:							
Temporary note 2004-1	10,091	-	-	-	-	-	10,091
Capital leases:							
Emergency one pumper	8,877	5,915	4,523	3,063	1,531	-	23,909
Emergency one aerial	22,864	20,461	17,940	15,296	12,522	19,531	108,614
Total interest	224,089	197,315	182,177	166,087	148,785	599,133	1,517,586
Total principal and interest	\$ 1,183,575	\$ 567,165	\$ 565,940	\$ 568,954	\$ 569,416	\$ 3,520,310	\$ 6,975,360

The accompanying notes are an integral part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 FRANK CARLSON LIBRARY
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Appropriation from the City	\$ 106,900	\$ 110,543
Central Kansas Library System grants	10,460	11,560
Copies, books, fines, etc.	7,054	7,806
State aid grants	5,509	3,878
Miscellaneous	361	389
Reimbursed expenses	681	407
Book sales/auction	757	1,127
Interest on investments	361	372
E-rate funding	233	312
Total cash receipts	<u>132,316</u>	<u>136,394</u>
Expenditures:		
Salaries and wages	75,782	74,340
Books, periodicals, and subscriptions	17,976	22,695
Supplies and postage	5,399	7,186
Insurance and bonds	5,778	6,253
Building and grounds maintenance	3,912	2,663
Transfer to library building fund	6,000	6,000
Furniture and equipment	8,983	1,530
Miscellaneous	2,248	2,335
Utilities and phone	1,822	802
Computers	-	4,526
Employee insurance	-	2,874
Records, tapes, videos, and compact disks	2,532	3,354
Total expenditures	<u>130,432</u>	<u>134,558</u>
Receipts over expenditures	1,884	1,836
Unencumbered cash, beginning of year	<u>32,271</u>	<u>34,155</u>
Unencumbered cash, end of year	<u>\$ 34,155</u>	<u>\$ 35,991</u>

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 FRANK CARLSON LIBRARY
 BENEFITS FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Appropriation from the City	\$ 31,237	\$ 42,760
Interest on investments	97	98
Total cash receipts	<u>31,334</u>	<u>42,858</u>
Expenditures:		
Employee benefits	30,023	33,235
Payroll taxes and KPERS	7,642	7,668
Total expenditures	<u>37,665</u>	<u>40,903</u>
Receipts (under)/over expenditures	(6,331)	1,955
Unencumbered cash, beginning of year	<u>10,206</u>	<u>3,875</u>
Unencumbered cash, end of year	<u>\$ 3,875</u>	<u>\$ 5,830</u>

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 FRANK CARLSON LIBRARY
 MEMORIALS FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Memorials and donations	\$ 3,241	\$ 2,110
Interest on investments	1,147	188
Total cash receipts	<u>4,388</u>	<u>2,298</u>
Expenditures:		
Book purchases	2,018	1,036
Miscellaneous	1,097	-
Other materials	797	1,012
Transfer to community foundation	2,000	-
Total expenditures	<u>5,912</u>	<u>2,048</u>
Receipts (under)/over expenditures	(1,524)	250
Unencumbered cash, beginning of year	<u>47,870</u>	<u>46,346</u>
Unencumbered cash, end of year	<u>\$ 46,346</u>	<u>\$ 46,596</u>

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 FRANK CARLSON LIBRARY
 LIBRARY BUILDING FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Interest on investments	\$ 4,613	\$ 3,401
Transfer from general fund	6,000	6,000
	<u>10,613</u>	<u>9,401</u>
Total cash receipts		
Expenditures:		
Miscellaneous	534	-
Carpet projects	-	20,000
	<u>534</u>	<u>20,000</u>
Total expenditures		
Receipts over/(under) expenditures	10,079	(10,599)
Unencumbered cash, beginning of year	160,660	170,739
Unencumbered cash, end of year	<u>\$ 170,739</u>	<u>\$ 160,140</u>

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 FRANK CARLSON LIBRARY
 COMMUNITY FOUNDATION
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Transfer from memorials fund	\$ 2,000	\$ -
Interest on investments	67	-
Total cash receipts	<u>2,067</u>	<u>-</u>
Expenditures:		
Miscellaneous	-	1,000
Total expenditures	<u>-</u>	<u>1,000</u>
Receipts over/(under) expenditures	2,067	(1,000)
Unencumbered cash, beginning of year	-	2,067
Unencumbered cash, end of year	<u>\$ 2,067</u>	<u>\$ 1,067</u>

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
 STATEMENT OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
 RECREATION - PLAYGROUND COMMISSION
 GENERAL FUND
 YEAR ENDED DECEMBER 31, 2004

	Prior year actual	Current year actual
Cash receipts:		
Appropriation from City	\$ 4,316	\$ 7,004
Fees and tournaments	7,850	5,522
Interest on investments	483	318
Total cash receipts	<u>12,649</u>	<u>12,844</u>
Expenditures:		
Playground	12,838	14,388
Tennis	206	582
Swim team	-	750
New program	966	-
Volleyball	758	200
Basketball	513	500
Kid's basketball	500	-
Soccer	3,642	1,455
Flag football	1,922	-
T-ball	33	929
Arts & crafts	110	-
Administration	4,649	-
Total expenditures	<u>26,137</u>	<u>18,804</u>
Receipts under expenditures	(13,488)	(5,960)
Unencumbered cash, beginning of year	<u>36,811</u>	<u>23,323</u>
Unencumbered cash, end of year	<u>\$ 23,323</u>	<u>\$ 17,363</u>

The accompanying notes are an integral
 part of the financial statements.

CITY OF CONCORDIA, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2004

1. Summary of significant accounting policies

a. Reporting entity

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

1. Discretely presented component units

The component unit sections of the financial statements include 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 City appoints the governing bodies of the component units.

- a. Frank Carlson Library – The Frank Carlson Library consists of an appointed six-member board. The Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City.
- b. Recreation-Playground Commission – The Recreation-Playground Commission consists of an appointed five-member board. The Commission operates the recreational programs of the City.

The following component unit is not included in these financial statements:
Concordia Housing Authority.

b. Basis of accounting

1. 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 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 is charged in the fund from which the transfer is made.

The City has obtained a waiver from accounting principles generally accepted in the United States of America, which allows the City to revert to the statutory basis of accounting.

2. Departure from accounting principles generally accepted in the United States of America

The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash 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. General fixed assets that account for the land, buildings, and equipment owned by the city are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements.

c. Fund accounting

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

The following types of funds comprise the financial activities of the City for the year ended December 31, 2004:

1. Governmental type funds:

- a. General fund – to account for all unrestricted resources except those required to be accounted for in another fund.
- b. Special revenue funds – to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted by law or administrative action to expenditure for specified purposes.
- c. Debt service funds – to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs and the financing of special assessments which are general obligations of the City.
- d. Capital projects funds – to account for the acquisition of fixed assets or the construction of major capital projects of the City.

2. Proprietary type funds:

- a. Enterprise funds – to account for operations that are financed and operated in a manner similar to private business enterprises – where the stated intent is that the cost of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges – or where periodic determination of revenue earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

- b. Internal service funds – to account for goods or services provided to other departments, agencies, or component units of the governmental unit, usually on a cost reimbursement basis.

3. Fiduciary funds:

- a. Nonexpendable trust funds – these fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. Nonexpendable trust funds are assets held under the terms of a formal trust agreement. The City is under obligation to maintain the trust principal.
- b. Agency funds – these funds are custodial in nature and do not involve measurement of results of operations. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

d. Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. These reimbursements qualify for budget adjustments; thus, they are classified as "adjustments for qualifying budget credits" in the budget column of budgeted funds.

2. Stewardship, compliance and accountability

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. The budget was amended on December 15, 2004.

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 present for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrances method of accounting. Revenues are recognized when cash is received. Expenditures include 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. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds (K.S.A. 12-6a16), proprietary reserve funds (K.S.A. 12-825d), non-expendable trust funds (K.S.A. 79-2925), and the following special revenue funds:

- Computer equipment replacement (K.S.A. 12-1,117)
- Vehicle-special equipment reserve (K.S.A. 12-1,117)
- B.A.T. equipment reserve (K.S.A. 12-1,117)
- Civil asset forfeiture (K.S.A. 60-4117)
- Continuing economic development grant (K.S.A. 12-1663)
- City of Concordia memorial (K.S.A. 79-2925)
- City hall community room (K.S.A. 79-2925)
- Recreation grant and donation (K.S.A. 79-2925)

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

b. Compliance with Kansas statutes

At December 31, 2004, the City temporarily had two project funds with negative cash balances, Downtown revitalization grant \$(36,009) and Street projects \$(523). The Downtown revitalization grant fund received a reimbursement of \$38,109 on February 14, 2005, reinstating the fund balance. In addition, the Street project fund is awaiting reimbursement from Kansas Department of Transportation in order to reinstate the fund's balance.

During the year, 2004, the City overspent the budget in the Special Equipment Reserve fund. However, in accordance with Kansas statute 12-1, 117, this fund is not legally required to have a budget due to the fact that transfers to this fund originate from other legally budgeted funds. This is not considered a violation of the Kansas budget law.

Management is not aware of any other statutory violations for the period covered by the audit.

3. Deposits and investments

At December 31, 2004, the carrying amount of the City's deposits, including certificates of deposit, was \$3,630,557. The bank balance was \$3,607,652. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$200,000 was covered by FDIC insurance and the remaining \$3,407,652 was collateralized by pledged securities held under joint custody receipts issued by a third-party in the City's name. The third-party bank and pledged securities is independent of the pledging bank. The pledged securities are held under a tri-party custodial agreement signed by all three parties: the City, the pledging bank, and the independent third-party bank holding the pledged securities.

The City had no investments at December 31, 2004.

The Frank Carlson Library maintains its own bank accounts. At December 31, 2004, the carrying amount of the Library's deposits, including certificates of deposit, was \$248,558. The bank balance was \$250,191. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$178,624 was covered by FDIC insurance and the remaining \$71,567 was collateralized by pledged securities held under joint custody receipts issued by a third-party in the Library's name. The third-party bank and pledged securities is independent of the pledging bank. The pledged securities are held under a tri-party custodial agreement signed by all three parties: the Library, the pledging bank, and the independent third-party bank holding the pledged securities.

The Library held funds with the Community Foundation for \$1,067 at December 31, 2004.

4. Notes receivable

In connection with the continuing economic development grant, the City has loaned local businesses monies. Principal and interest received from borrowers may be reloaned to additional borrowers as funds become available.

The outstanding notes receivable balance at December 31, 2004 was \$410,694. The cash balance of the continuing economic development grant fund at December 31, 2004 was \$67,320.

5. Interfund transfers

Recurring annual transfers between budgetary funds for the purpose of shifting resources from the fund legally required to receive the revenue, to the fund authorized to expend the revenue, have been segregated from normal revenues and expenditures for reporting purposes.

<u>From</u>	<u>To</u>	<u>Amount</u>
General	Capital improvement	\$ 255,526
General	Special equipment reserve	232,000
General	Storm water projects	300,000
General	Curb and gutter projects	2,411
General	Street projects	18,000
General	Downtown revitalization	11,380
General	Computer replacement reserve	2,000
Recreation tax	Recreation	7,004
Special highway	Special equipment reserve	40,000
Capital improvement	Street projects	52,851
Water & sewer operating	Industrial development	2,000
Water & sewer operating	Storm water projects	300,000
Tax increment	Bond and interest	144,711
Tax increment	T.I.F. projects	167,172
Storm water projects	T.I.F. projects	10,414
Small animal trust	General	5,964
Total		<u>\$1,551,433</u>

The above transfers are included in the expenditures of the disbursing fund and included in the revenue of the receiving fund as required by the cash basis and budget laws of Kansas and for budget comparison purposes.

6. Capital projects

Capital projects often extend over two or more fiscal years. The following is a schedule that compares the project authorization to total project expenditures from project inception to December 31, 2004:

<u>Project name</u>	<u>Project authorization</u>	<u>Total project expenditures</u>
Street Projects:		
Geometric Improvement - 6 th & Lincoln		\$ 5,423
KLINK - 5 th to 6 th on Broadway/ 6 th Broadway to Lincoln		\$ 2,700
KLINK - K-9 Broadway to Lincoln		\$ 22,015
KLINK - K-9 Cedar East to Broadway		\$150,826
11 th Street West		\$ 14,470
1 st Street		\$128,023

Project name	Project authorization	Total project expenditures
Curb & Gutter Projects:		
Haist – 711 W 5 th Street	\$ 3,248	\$ 630
Haist – 604 E 7 th Street	\$ 9,176	\$ 1,782
Barmwell – 1610 Cedar	\$ 3,813	\$ 623
Downtown Revitalization Projects:		
6 th & Lincoln	\$ 57,298	
Brown Grand Parking		\$ 41,209
ADA Mid-Block Crossings		\$ 21,870
NCK Carpet - Sidewalk		\$ 23,403
Lowery - Demo		\$ 400
Brown Grand Fire Escapes		\$ 4,930
TIF Projects:		
Concordia Automart		\$ 24,288
Mid-America Auto Center		\$ 74,088
21 st Street	\$135,000	\$109,504
US 81 & College Drive Signal		\$130,367
Flood Control Project	\$ 34,600	\$ 62,484
Storm water drainage		\$516,795
Theater Project		\$ 2,276
Womack Project		\$ 1,100
Airport Projects:		
Airport Improvements		\$ 850

7. Defined benefit pension plan

1. 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 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. That report may be obtained by writing to KPERS (611 S. Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

2. Funding policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. 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 rate 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 for January-June, 2004 was 3.22%, and for July-December, 2004 it was 3.82%. The City employer contributions to KPERS for the years ending December 31, 2004, 2003, and 2002 were \$45,083, \$39,289 and \$37,769 respectively, equal to the required contributions for each year. The KP&F employer rate established for fiscal years beginning in 2003 is 6.86% and 2004 is 9.47%. Employers participating in KP&F also make 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, 2004, 2003, and 2002 were \$38,291, \$35,496, and \$30,953, respectively, equal to the required contributions for each year.

8. Compensated absences

The City provides all full-time employees up to one and one-half days of vacation per month depending upon years of service and one day of sick leave per month. The maximum carryover of vacation days is 160 hours for up to 15 years of service and 200 hours for 15+ years of service. The maximum accumulated sick leave allowed is one hundred thirty days. An employee who discontinues employment is paid for any unused vacation, but not for accumulated sick leave. The cost of accumulated vacation is not recorded as an expenditure in the financial statements at the time the benefits are earned by an employee. The cost of the accumulated vacation is shown on Statement 5.1 and will be recorded as an expenditure at the time the vacation is utilized as normal personnel expenditures.

9. Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. Insurance claims for the year ended December 31, 2004 did not exceed insurance coverage.

The City has established a program to pay health and dental claims of covered current and former City employees and additional health insurance premiums. The City is liable for eligible health and dental claims up to \$15,000 per employee per year. As of November 2004, the liability increased to \$20,000 per employee per year. A third party administrator covers claims in excess of the stop loss. Claims are recorded as an expense at the time the claim is paid. The unencumbered cash balance of the employee health care fund at December 31, 2004 was \$390,543.

10. Litigation

The City is the defendant in a small number of lawsuits arising principally in the normal course of operation. In the opinion of the administration, the outcome of these lawsuits will not have a material adverse effect on the accompanying financial statements and, accordingly, no provision for losses have been recorded.



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INDEPENDENT AUDITORS' REPORT ON ADDITIONAL INFORMATION

Honorable Mayor and Members of the City Commission
City of Concordia, Kansas

Our report on our audits of the basic financial statements of the City of Concordia, Kansas for the year ended December 31, 2004 and 2003 appears on page 1. Those audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The additional information on pages 63-67 is presented for purposes of additional analysis and is not a required part of the basic financial statements. We did not audit the information (with the exception of the current indebtedness section) and do not express an opinion on it.

Mayer Hoffman McCann P.C.

Mayer Hoffman McCann P.C.
Topeka, Kansas
February 17, 2005

GENERAL INFORMATION ON CONCERNING THE CITY

Government and Organization of the City

The City was established in 1870 and is a city of the second class. The City operates under a commission/manager form of government. The five members of the City Commission are elected to three-year terms. The City Manager is appointed by the Commission and is charged with the efficient and effective administration of the City.

Elected Officials

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Art Slaughter	Commissioner	April 2006
Joseph Strecker	Commissioner	April 2007
Joe Jindra	Commissioner	April 2007
Darrel Hosie	Mayor	April 2005
Robert Baumann	Commissioner	April 2005

Appointed Officials

<u>Name</u>	<u>Title</u>
Lawrence Paine	City Manager
Cheryl Lanoue	City Clerk
Philip H. Deneault	City Treasurer
Larry Uri	City Attorney

ECONOMIC INFORMATION CONCERNING THE CITY

Major Employers

Listed below are the major employers of the area and the number of employed by each;

<u>Major Employers</u>	<u>Product/Service</u>	<u>Number of Employees</u>
1. Alstrom Power	Metal Fabrication	214
2. USD #333	Education	197
3. Walmart Super Center	Retail Sales	195
4. Cloud County Health Ctr	Medical Services	167
5. Cloud County	Local Government	143
5. Cloud County Comm. Coll.	Educational Institute	143
6. F & A Food Sales	Food Distribution	95
7. Mount Joseph	Elder Life Care	94
8. Nazareth Convent	Religious Institution	81
9. Sunset Home	Elder Life Care	69
10. Scott Specialties	Therapeutic Software	56
11. Cloud Ceramics	Face Brick	54
12. City of Concordia	Local Government	52
13. COR Industries	Machine Shop/Sub Contract	41
14. Champlin Tire Recycle	Tire Recycling	34
15. Alco	Retail Sales	30

Source: Chamber of Commerce of Concordia

Building Permits

The following table indicates the number of building permits and total valuation of these permits issued within the City for the years indicated. These numbers reflect permits issued either for new construction or for major renovation.

<u>Year</u>	<u>Permits Issued</u>		<u>Total Valuation of Permits Issued</u>	
	<u>Residential</u>	<u>Non-Residential</u>	<u>Residential</u>	<u>Non-Residential</u>
1997	34	5	666,250	111,400
1998	42	17	253,106	1,453,000
1999	28	10	355,108	8,629,379
2000	69	46	343,101	2,259,550
2001	64	11	296,391	478,500
2002	65	23	600,813	1,217,750
2003	66	16	1,191,092	975,600
2004	50	11	312,703	3,532,000

** Values of some permits were not reported to the City.

Population Trend

The following table shows the approximate population of the City of Concordia for the years indicated:

<u>Year</u>	<u>City of Concordia</u>
1997	5,706
1998	5,594
1999	5,594
2000	5,714
2001	5,714
2002	5,714
2003	5,714
2004	5,714

DEBT STRUCTURE OF THE CITY

Current Indebtedness of the City

The following table sets forth as of the date of issuance of the Bonds all of the outstanding general obligation, temporary note and revenue obligation indebtedness of the city, including the Bonds:

<u>General Obligation Bonds</u>			
<u>Project</u>	<u>Date Issued</u>	<u>Original Amount</u>	<u>Balance Due</u>
GO Bond series 1997	7-1-1997	\$ 595,000	\$ 435,000
GO Bond series 2000	11-1-2000	\$1,170,000	\$ 945,000
GO Bond series 2002 Series A & B	2-1-2002	\$1,430,000	\$1,165,000

General Obligation-Tax Increment Bond

<u>Project</u>	<u>Date Issued</u>	<u>Original Amount</u>	<u>Balance Due</u>
GO Tax Inc Bond Bond 2002-C	9-18-02	\$1,850,000	\$1,700,000

Leases

<u>Equipment</u>	<u>Original Amount</u>	<u>Balance Due</u>
Pumper	\$267,386	\$146,164.19
Aerial	\$549,484	<u>\$466,609.10</u>
		<u>\$612,773.29</u>

Overlapping Indebtedness

The following table sets forth estimated overlapping indebtedness as of December 31, 2004 and the percent attributable (on the basis of assessed valuation) to the City:

<u>Taxing Jurisdiction</u>	<u>2004 Assessed Valuation</u>	<u>Estimated Outstanding GO Indebtedness</u>	<u>Estimated Percent Applicable to City</u>	<u>Estimated Amount Applicable to City</u>
USD No. 333	\$43,093,195	\$3,750,000	63.48%	\$2,380,500
CCCC	\$66,849,994	\$1,915,000	40.92%	<u>783,618</u>
				<u>\$3,164,118</u>

FINANCIAL INFORMATION CONCERNING THE CITY

Sources of Revenue

The City finances its general operations through the local property tax levy, various other taxes, a variety of license and permit fees, and other miscellaneous sources as indicated below for the 2004 calendar year:

<u>Source</u>	<u>Percentage of Revenue</u>
Local Property Tax	24.0%
Franchise Fees	14.5%
Sales Tax	46.0%
License & Permits	0.4%
Fines & Penalties	1.4%
Miscellaneous	2.4%
State Highway Commission	1.3%
Charges for Services	9.0%
Use of Property	0.2%
Grants	0.0%
Interest	<u>0.8%</u>
Total	<u>100%</u>

Current Assessed Valuations

The following table shows the total assessed valuation of the taxable tangible property within the City for the years indicated:

<u>Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>Motor Utilities</u>	<u>Vehicles</u>	<u>16/20 Trucks</u>	<u>Total Valuation</u>
1997	\$13,592,338	\$1,871,182	\$2,393,906	\$4,396,910		\$22,254,336
1998	\$14,417,714	\$1,778,525	\$2,642,893	\$4,452,625		\$23,317,455
1999	\$15,058,566	\$1,679,259	\$2,446,210	\$4,532,348		\$23,716,383
2000	\$15,967,817	\$1,858,846	\$2,537,812	\$4,217,661	\$31,882	\$24,614,018
2001	\$16,175,925	\$1,924,682	\$2,774,347	\$4,438,140	\$39,274	\$25,352,368
2002	\$17,779,204	\$2,000,542	\$2,538,458	\$4,502,783	\$44,601	\$26,865,588
2003	\$17,933,559	\$1,896,008	\$2,547,007	\$4,651,885	\$60,211	\$27,088,670
2004	\$18,143,423	\$1,785,952	\$2,507,673	\$4,854,934	\$63,719	\$27,355,701

Source: County Clerk

Property Tax Levies and Collections

The following table shows the City's Mill Levy by fund (per \$1,000 of assessed valuation) for each of the years shown:

<u>Year</u>	<u>Bond & Employee Fund</u>	<u>Special Fund</u>	<u>General Fund</u>	<u>Interest Fund</u>	<u>Utility Fund</u>	<u>Misc. Total</u>
1997-1998	21.523	9.040	6.397	6.945	6.627	50.532
1998-1999	18.772	12.617	6.344	6.952	5.189	49.874
1999-2000	26.638	6.732	8.711	6.986	6.783	56.050
2000-2001	22.831	8.019	12.215	5.404	7.854	56.323
2001-2002	25.145	15.104	1.275	9.556	7.591	58.671
2002-2003	29.439	1.779	12.349	4.600	7.261	55.428
2003-2004	29.285	3.244	6.994	8.375	7.575	55.473
2004-2005	28.345	5.476	4.665	6.089	7.762	52.337

Source: County Clerk

Aggregate Tax Levies

The aggregate tax levies (per \$1,000 assessed valuation) of the city and overlapping jurisdictions for the years as follows:

<u>Year</u>	<u>Concordia</u>	<u>City of Cloud County</u>	<u>USD #333</u>	<u>CCCC</u>	<u>State of Kansas</u>	<u>Total</u>
1997-1998	50.532	54.436	42.814	29.956	1.500	179.238
1998-1999	49.874	53.788	37.485	28.301	1.500	170.948
1999-2000	56.050	52.567	40.448	28.374	1.500	178.939
2000-2001	56.323	52.878	45.856	27.238	1.500	183.795
2001-2002	58.671	48.327	45.154	27.639	1.500	181.291
2002-2003	55.428	52.522	46.361	27.771	1.500	183.582
2003-2004	55.473	54.728	42.297	28.114	1.500	182.112
2004-2005	52.337	53.039	42.265	28.144	1.50	177.285

Source: County Clerk

Tax Collection Record

The following table sets forth tax collection information for city for the years indicated (taxes levied in one year are collected in the following year):

<u>Year</u>	<u>Total Taxes Levied</u>	<u>Taxes Collected</u>	<u>% of Taxes Collected</u>	<u>Delinquent Taxes Collected</u>	<u>% of Total Taxes Collected</u>
1996-1997	\$855,745	\$843,570	98.57%	\$8,363	99.55%
1997-1998	\$903,538	\$890,328	98.53%	\$7,513	99.36%
1998-1999	\$940,510	\$924,810	98.65%	\$1,248	98.78%
1999-2000	\$1,077,803	\$1,052,913	97.69%	-0-	97.69%
2000-2001	\$1,152,858	\$1,088,939	94.45%	\$7,387	95.09%
2001-2002	\$1,195,469	\$1,149,071	96.12%	\$13,936	97.28%
2002-2003	\$1,145,159	\$1,115,660	97.42%	\$21,215	99.28%
2003-2004	\$1,148,597	\$1,126,531	98.08%	\$17,796	99.63%

Source: County Clerk

Major Taxpayers

The following table sets forth what is believed to be the ten largest taxpayers in the city:

<u>Taxpayer</u>	<u>2003 Assessed Valuation</u>	<u>Taxes Levied to be Paid in 2004</u>
1. Wal-Mart	\$1,449,874	\$262,840.40
2. Southwestern Bell	1,161,927	\$210,639.96
3. SBC Advanced Solutions	535,351	\$97,051.12
4. Aquila	424,869	\$77,022.40
5. F & A Food Sales	358,092	\$64,916.74
6. Kansas Gas Service	310,230	\$56,240.04
7. APCH, Inc.	281,456	\$51,023.76
8. Super 8 Motel	179,097	\$32,329.62
9. Alstom Power Inc.	176,998	\$32,087.08
10. Concordia Plaza	173,241	\$31,406.00

Source: County Clerk