

CITY OF CONCORDIA, KANSAS

Statutory Basis Financial Statements
and
Independent Auditors' Report

For the Year Ended December 31, 2008

CITY OF CONCORDIA, KANSAS

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Jarred, Gilmore & Phillips, PA
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Commissioners
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, 2008, as listed in the table of contents. These financial statements are the responsibility of the City of Concordia, 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 guidance in 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 opinion.

As described more fully in Note 1, the City has prepared these financial statements in conformity with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effect on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

The financial statements, referred to above, do not include financial data of the Housing Authority of the City of Concordia, Kansas, a component unit, which should be included in order to conform with accounting principles generally accepted in the United States of America. The effect on the financial statements for the omission of the component unit, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matters discussed in the preceding paragraphs, the 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 Concordia, Kansas, as of December 31, 2008, or where applicable, its cash flows for the year then ended.

Also, in our opinion, the financial statements referred above present fairly, in all material respects, the cash and unencumbered cash balances of the City of Concordia, Kansas, as of December 31, 2008, and its cash receipts and expenditures, and budget to actual comparisons for the year then ended, taken as a whole, on the basis of accounting described in Note 1.

Jarred, Gilmore & Phillips, PA

JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

August 3, 2009
Chanute, Kansas

CITY OF CONCORDIA, KANSAS

Summary of Cash Receipts, Expenditures, and Unencumbered Cash
For the Year Ended December 31, 2008

Funds	Beginning Unencumbered Cash Balances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balances	Add	
					Encumbrances and Accounts Payable	Cash Balance December 31, 2008
General Fund	\$ 716,837.35	\$ 3,942,792.90	\$ 4,223,764.60	\$ 435,865.65	\$ 112,914.44	\$ 548,780.09
Special Revenue Funds:						
Library	-	122,802.31	122,802.31	-	-	-
911 Wireless	51,588.48	17,756.57	55,764.70	13,580.35	54,997.50	68,577.85
Industrial Development	2,331.27	49,606.99	45,000.00	6,938.26	-	6,938.26
Special Highway	113,778.30	152,836.28	175,225.29	91,389.29	5,755.76	97,145.05
Employee Benefits	977.16	-	977.16	-	-	-
Library Employee Benefits	-	32,637.14	32,637.14	-	-	-
Emergency Telephone System	96,591.83	38,220.76	23,879.88	110,932.71	1,832.34	112,765.05
Special Park and Recreation	35,544.18	10,916.12	283.30	46,177.00	-	46,177.00
Computer Equipment Replacement	18,168.03	20,000.00	14,230.56	23,937.47	-	23,937.47
Special Equipment Reserve	588,391.31	321,547.88	170,477.77	739,461.42	-	739,461.42
B.A.T. Equipment Reserve	3,859.70	-	-	3,859.70	-	3,859.70
Civil Asset Forfeiture	4,140.21	58.66	2,000.00	2,198.87	-	2,198.87
Continuing Economic Development Grant	245,865.98	47,185.00	7.00	293,043.98	-	293,043.98
Fire Department Grants	3,634.27	8,606.40	11,218.04	1,022.63	1,111.00	2,133.63
City of Concordia Memorial	5,355.77	825.60	4,212.74	1,968.63	1,359.00	3,327.63
Downtown Revitalization Grant	2,406.37	564.29	-	2,970.66	-	2,970.66
City Hall Community Room	25.00	-	25.00	-	-	-
KS W E911 Grant	(79,177.28)	79,377.00	63,000.00	(62,800.28)	63,000.00	199.72
Recreation Grant and Donations	7,349.74	201.46	-	7,551.20	-	7,551.20
Capital Improvement Reserve	812,482.17	416,751.67	617,062.66	612,171.18	-	612,171.18
Airport	55,319.12	9,946.45	27,505.13	37,760.44	-	37,760.44
Debt Service Funds:						
Bond and Interest	175,747.63	371,729.75	488,592.51	58,884.87	-	58,884.87
Tax Increment	187,701.23	412,822.71	237,279.00	363,244.94	-	363,244.94
Capital Projects Funds:						
Street Project	24,131.64	-	24,131.64	-	-	-
T.I.F Project	34,908.61	956.86	-	35,865.47	-	35,865.47
Storm Water Drainage Project	-	10,000.00	10,000.00	-	-	-
Curb and Gutter Project	1,092.08	-	1,092.08	-	-	-
Capital Improvement Project	-	709,025.09	624,122.97	84,902.12	184.60	85,086.72
Demo and Miscellaneous Projects	17,038.48	-	17,038.48	-	-	-
Orphan Train Restoration	(3,253.09)	3,253.09	-	-	-	-
Enterprise Funds:						
Water and Sewer General Operating	578,177.62	1,156,476.80	1,186,890.08	547,764.34	126,588.23	674,352.57
Designated Water Connect Fees	36,603.04	16,811.44	-	53,414.48	-	53,414.48
Water/Sewer Projects	26,051.97	-	-	26,051.97	-	26,051.97

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

CITY OF CONCORDIA, KANSAS

Summary of Cash Receipts, Expenditures, and Unencumbered Cash
For the Year Ended December 31, 2008

Funds	Beginning Unencumbered Cash Balances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balances	Encumbrances and Accounts Payable	Cash Balance December 31, 2008
Internal Service Funds:						
Cafeteria Plan	\$ 10,248.64	\$ 21,515.69	\$ 21,532.11	\$ 10,232.22	\$ -	\$ 10,232.22
Employee Health Care Plan	112,026.95	657,131.27	615,499.40	153,658.82	45,816.35	199,475.17
Inventory Revolving	14,079.68	-	14,079.68	-	-	-
Trust Funds:						
Cemetery Endowment	37,231.99	1,372.52	-	38,604.51	-	38,604.51
Small Animal Trust	33,346.26	7,606.93	5,000.00	35,953.19	-	35,953.19
Total Primary Government (Excluding Agency Funds)	3,970,601.69	8,641,335.63	8,835,331.23	3,776,606.09	413,559.22	4,190,165.31
Component Unit:						
Frank Carlson Library	283,498.57	198,151.35	315,871.49	165,778.43	17,575.11	183,353.54
Total Reporting Entity (Excluding Agency Funds)	\$ 4,254,100.26	\$ 8,839,486.98	\$ 9,151,202.72	\$ 3,942,384.52	\$ 431,134.33	\$ 4,373,518.85
Composition of Cash:						
Cash on Hand						\$ 400.00
Checking Accounts:						
Now Checking Account.....						476,208.28
Cafeteria Account 7100652.....						4,379.48
CNB Checking.....						22,696.41
Airport Escrow Account.....						26,024.17
Frat Ord of Police.....						68.23
Investments:						
Money Markets and Savings Accounts						1,610,420.81
Certificates of Deposit						2,131,074.64
Total Primary Government						4,271,272.02
Total Component Units						183,353.54
Total Cash						4,454,625.56
Agency Funds Per Statement 4						(81,106.71)
Total Reporting Entity (Excluding Agency Funds)						\$ 4,373,518.85

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

CITY OF CONCORDIA, KANSAS
Summary of Expenditures - Actual and Budget
(Budgeted Funds Only)
For the Year Ended December 31, 2008

Funds	Certified Budget	Adjustments for		Total Budget for Comparison	Expenditures		Variance - Over (Under)
		Budget Credits	Qualifying Budget Credits		Charged to Current Year Budget		
General Fund	\$ 4,659,892.00	\$	9,693.37	\$ 4,669,585.37	\$ 4,223,764.60	\$	(445,820.77)
Special Revenue Funds:							
Library	136,284.00	-	-	136,284.00	122,802.31		(13,481.69)
911 Wireless	58,455.00	-	-	58,455.00	55,764.70		(2,690.30)
Industrial Development	59,149.00	-	-	59,149.00	45,000.00		(14,149.00)
Special Highway	188,102.00	-	-	188,102.00	175,225.29		(12,876.71)
Employee Benefit	15,000.00	-	-	15,000.00	977.16		(14,022.84)
Library Employee Benefit	35,039.00	-	-	35,039.00	32,637.14		(2,401.86)
Emergency Telephone System	157,382.00	-	-	157,382.00	23,879.88		(133,502.12)
Special Park and Recreation	38,459.00	-	-	38,459.00	283.30		(38,175.70)
Computer Equipment Replacement	20,000.00	-	-	20,000.00	14,230.56		(5,769.44)
Debt Service Funds:							
Bond and Interest	507,149.00	-	-	507,149.00	488,592.51		(18,556.49)
Tax Increment	301,433.00	-	-	301,433.00	237,279.00		(64,154.00)
Enterprise Funds:							
Water & Sewer Operating	1,951,028.00	-	-	1,951,028.00	1,186,890.08		(764,137.92)
Trust Funds:							
Small Animal Trust	5,000.00	-	-	5,000.00	5,000.00		-

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

CITY OF CONCORDIA, KANSAS
GENERAL FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenue			
Ad Valorem Property Tax	\$ 772,601.82	\$ 874,446.00	\$ (101,844.18)
Delinquent Tax	17,726.32	-	17,726.32
Motor Vehicle Tax	129,106.65	108,524.00	20,582.65
Recreational Vehicle Tax	1,278.82	1,184.00	94.82
16-20M Truck Tax	2,348.10	1,938.00	410.10
Vehicle Rental Tax	93.74	47.00	46.74
Commercial Equipment	-	-	-
Sales Tax	1,760,383.44	1,660,000.00	100,383.44
Franchise Taxes	478,575.62	538,000.00	(59,424.38)
In Lieu of Taxes	5,116.00	3,753.00	1,363.00
Special Assessments	-	200.00	(200.00)
Intergovernmental			
Local Alcoholic Liquor Tax	9,818.59	8,078.00	1,740.59
Highway Connection Links	44,232.43	45,000.00	(767.57)
State Grants	7,508.05	-	7,508.05
Federal Grants - FEMA	63,904.47	-	63,904.47
Federal Grants - FAA	61,797.00	-	61,797.00
Licenses and Permits			
Rent, Licenses, Permits & Fees	31,684.47	25,850.00	5,834.47
Charges for Services			
Cemetery Permits/Deeds	14,025.00	8,000.00	6,025.00
Ambulance Service	235,767.32	130,000.00	105,767.32
Inter-Local Ambulance Agreement	49,457.91	50,000.00	(542.09)
Dispatch Inter-Local Agreement	40,000.00	80,000.00	(40,000.00)
Pool Operations/Concession Sales	23,960.20	19,200.00	4,760.20
Airport Fuel Sales	30,783.05	32,000.00	(1,216.95)
SRO Program Fees	35,000.00	-	35,000.00
Paving & Curb Cuts	-	5,000.00	(5,000.00)
Fines, Forfeitures and Penalties	60,341.60	62,400.00	(2,058.40)
Use of Money and Property			
Rental Income	511.00	-	511.00
Interest Income	21,315.90	115,000.00	(93,684.10)
Sale of Assets	13,196.75	4,250.00	8,946.75
Other Revenues			
Donations	8,200.67	6,000.00	2,200.67
Miscellaneous	8,387.45	22,025.00	(13,637.55)
Reimbursed Expense	9,693.37	38,000.00	(28,306.63)

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

CITY OF CONCORDIA, KANSAS
GENERAL FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts (Continued)			
Operating Transfers from:			
Small Animal Trust Fund	\$ 5,000.00	\$ 5,000.00	\$ -
Employee Benefit Fund	977.16	15,000.00	(14,022.84)
Total Cash Receipts	3,942,792.90	\$ 3,858,895.00	\$ 83,897.90
Expenditures and Transfers			
Subject to Budget			
General Administrative Services 100-401			
Personal Services	711.001 - 717.000 ✓ 123,069.69	\$ 162,226.00	\$ (39,156.31)
Contractual Services	721.000 - 729.000 ✓ 102,666.14	141,800.00	(39,133.86)
Commodities	731.000 - 737.000 ✓ 9,712.49	4,750.00	4,962.49
Capital Outlay	743.000 ✓ 2,349.39	2,500.00	(150.61)
Law/Municipal Courts 100-402			
Personal Services	711.001 - 716.000 ✓ 40,991.01	38,197.00	2,794.01
Contractual Services	721.000 - 729.000 ✓ 48,779.12	58,750.00	(9,970.88)
Commodities	731.000 ✓ 86.95	150.00	(63.05)
Capital Outlay	743.000 ✓ 437.54	500.00	(62.46)
Elections 100-410			
Contractual Services	751.000 ✓ 2,923.05	8,000.00	(5,076.95)
Special Projects 100-410			
Contractual Services	720.002 - 729.000 ✓ 327,563.15	335,000.00	(7,436.85)
Commodities	731.000 - 737.000 ✓ 4,463.16	-	4,463.16
Capital Outlay	741.000 - 742.000 ✓ 9,765.55	27,250.00	(17,484.45)
Law Enforcement 100-421			
Personal Services	711.001 - 716.000 ✓ 583,353.12	599,877.00	(16,523.88)
Contractual Services	721.000 - 729.000 ✓ 7,206.69	12,968.00	(5,761.31)
Commodities	731.000 - 737.000 ✓ 37,670.78	37,700.00	(29.22)
Capital Outlay	743.000 - 745.000 ✓ 6,945.70	7,450.00	(504.30)
Police Communications/Records 100-422			
Personal Services	711.001 - 716.000 ✓ 194,729.87	203,012.00	(8,282.13)
Contractual Services	721.000 - 729.000 ✓ 18,791.83	15,400.00	3,391.83
Commodities	731.000 - 737.000 ✓ 3,963.67	4,250.00	(286.33)
Capital Outlay	743.000 ✓ 446.00	1,800.00	(1,354.00)
Fire Department 100-424			
Personal Services	711.001 - 716.000 ✓ 234,476.82	260,738.00	(26,261.18)
Contractual Services	721.000 - 729.000 ✓ 14,338.10	19,000.00	(4,661.90)
Commodities	731.000 - 737.000 ✓ 29,069.23	30,500.00	(1,430.77)
Capital Outlay	745.000 ✓ 9,092.43	10,000.00	(907.57)

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

CITY OF CONCORDIA, KANSAS
GENERAL FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

		Current Year		Variance -
		Actual	Budget	Over (Under)
Expenditures and Transfers				
Subject to Budget (Continued)				
Ambulance Service 100-425				
Personal Services	711.001 - 716.000	\$ 230,806.17	\$ 228,327.00	\$ 2,479.17
Contractual Services	721.000 - 729.002	24,211.58	13,900.00	10,311.58
Commodities	731.000 - 737.001	32,463.44	34,000.00	(1,536.56)
Capital Outlay	742.000 - 745.000	20,304.77	21,500.00	(1,195.23)
Animal Control 100-423				
Personal Services	711.001 - 716.000	40,537.51 ⁰	47,158.00	(6,620.49)
Contractual Services	721.000 - 729.000	6,251.85	4,050.00	2,201.85
Commodities	731.000 - 737.000	6,388.51	3,050.00	3,338.51
Capital Outlay		-	1,000.00	(1,000.00)
Community Development 100-422				
Personal Services	711.001 - 716.000	69,473.90	67,583.00	1,890.90
Contractual Services	721.000 - 729.000	23,182.69	37,000.00	(13,817.31)
Commodities	731.000 - 737.000	1,377.33	4,200.00	(2,822.67)
Capital Outlay		-	1,000.00	(1,000.00)
Public Works-Streets 100-441				
Personal Services	711.001 - 716.000	313,278.57 ²	321,648.00	(8,369.43)
Contractual Services	721.000 - 729.000	23,778.26	36,500.00	(12,721.74)
Commodities	731.000 - 736.000	78,283.06	71,250.00	7,033.06
Public Grounds-Airport 100-442				
Personal Services	711.001 - 716.000	5,364.70	4,760.00	604.70
Contractual Services	721.000 - 729.000	24,895.90	34,200.00	(9,304.10)
Commodities	731.000 - 737.000	41,984.95	11,300.00	30,684.95
Capital Outlay	741.000 - 742.000	33,473.81	14,000.00	19,473.81
Public Grounds-Parks 100-441				
Personal Services	711.001 - 716.000	132,550.96	138,361.00	(5,810.04)
Contractual Services	721.000 - 729.000	10,233.45	21,700.00	(11,466.55)
Commodities	731.000 - 737.000	33,690.40	28,400.00	5,290.40
Capital Outlay	741.000 - 742.000	16,994.85	24,500.00	(7,505.15)
Public Grounds-Parks-Cemetery 100-442				
Personal Services	711.001 - 716.000	42,226.72 ¹	44,387.00	(2,160.28)
Contractual Services	721.000 - 729.000	6,633.55	5,000.00	1,633.55
Commodities	731.000 - 739.000	12,012.96	13,350.00	(1,337.04)
Capital Outlay	742.000	2,320.50	8,500.00	(6,179.50)

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

CITY OF CONCORDIA, KANSAS
GENERAL FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Expenditures and Transfers			
Subject to Budget (Continued)			
Public Grounds-Pool 100-483			
Personal Services 711.001-716.000	\$ 55,103.47	\$ 55,350.00	\$ (246.53)
Contractual Services 721.000-729.003	21,284.29	31,000.00	(9,715.71)
Commodities 731.000-737.000	30,112.56	27,550.00	2,562.56
Capital Outlay 741.000	31,153.50	30,000.00	1,153.50
Public Grounds Sports Complex Recreation 100-522			
Personal Services 711.001-719.000	52,138.48	60,250.00	(8,111.52)
Contractual Services 721.000-729.000	17,223.69	17,900.00	(676.31)
Commodities 730.000-737.000	13,928.02	22,000.00	(8,071.98)
Recreation Sports Complex 100-525			
Personal Services 711.001-716.000	54,481.13	60,493.00	(6,011.87)
Contractual Services 721.000-729.000	15,718.35	36,000.00	(20,281.65)
Commodities 731.000-737.000	20,306.21	2,090.00	18,216.21
Debt Service 100-424			
Capital Lease Payments 761.000	121,903.05	121,903.00	0.05
Operating Transfers to:			
T.I.F. Project Fund	-	100,030.00	(100,030.00)
Capital Improvement Reserve Fund 771.000	400,000.00	669,584.00	(269,584.00)
Computer Equipment Replacement Fund	10,000.00	10,000.00	-
Employee Health Care Plan Fund	141,500.00	141,500.00	-
Special Equipment Reserve Fund	193,300.00	193,300.00	-
Total Certified Budget		4,659,892.00	(436,127.40)
Adjustments for Qualifying			
Budget Credits		9,693.37	(9,693.37)
Total Expenditures and Transfers			
Subject to Budget	4,223,764.60	\$ 4,669,585.37	\$ (445,820.77)
Receipts Over(Under) Expenditures	(280,971.70)		
Unencumbered Cash, Beginning	716,837.35		
Unencumbered Cash, Ending	\$ 435,865.65		

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

CITY OF CONCORDIA, KANSAS
LIBRARY FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenue			
Ad Valorem Property Tax	\$ 97,726.97	\$ 110,883.00	\$ (13,156.03)
Delinquent Tax	2,410.57	-	2,410.57
Motor Vehicle Tax	19,949.78	19,231.00	718.78
Recreational Vehicle Tax	198.86	210.00	(11.14)
16-20M Truck Tax	335.67	343.00	(7.33)
Rental Vehicle Tax	13.98	8.00	5.98
In Lieu of Taxes	648.85	665.00	(16.15)
Machinery and Equipment	1,517.63	-	1,517.63
Total Cash Receipts	122,802.31	\$ 131,340.00	\$ (8,537.69)
Expenditures and Transfers Subject to Budget			
Culture and Recreation			
Appropriations	122,802.31	\$ 125,840.00	\$ (3,037.69)
Operating Transfer to T.I.F. Project Fund	-	10,444.00	(10,444.00)
Total Expenditures and Transfers Subject to Budget	122,802.31	\$ 136,284.00	\$ (13,481.69)
Receipts Over(Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	\$ -		

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

CITY OF CONCORDIA, KANSAS
911 WIRELESS FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Charges for Services			
Wireless 911 Fees	\$ 15,931.66	\$ 14,000.00	\$ 1,931.66
Use of Money and Property			
Interest Income	1,824.91	-	1,824.91
Total Cash Receipts	17,756.57	\$ 14,000.00	\$ 3,756.57
Expenditures and Transfers			
Subject to Budget			
General Government			
Contractual Services	4,267.20	\$ -	\$ 4,267.20
Capital Outlay	51,497.50	58,455.00	(6,957.50)
Total Expenditures and Transfers			
Subject to Budget	55,764.70	\$ 58,455.00	\$ (2,690.30)
Receipts Over(Under) Expenditures	(38,008.13)		
Unencumbered Cash, Beginning	51,588.48		
Unencumbered Cash, Ending	\$ 13,580.35		

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

CITY OF CONCORDIA, KANSAS
INDUSTRIAL DEVELOPMENT FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenue			
Ad Valorem Property Tax	\$ 38,820.32	\$ 44,041.00	\$ (5,220.68)
Delinquent Tax	857.36	-	857.36
Motor Vehicle Tax	7,237.55	7,043.00	194.55
Recreational Vehicle Tax	72.36	77.00	(4.64)
16-20M Truck Tax	116.83	126.00	(9.17)
Rental Vehicle Tax	4.98	3.00	1.98
In Lieu of Taxes	257.65	244.00	13.65
Machinery and Equipment	54.83	-	54.83
Use of Money and Property			
Interest Income	185.11	-	185.11
Operating Transfers from			
Water and Sewer General Operating Fund	2,000.00	2,000.00	-
Total Cash Receipts	49,606.99	\$ 53,534.00	\$ (3,927.01)
Expenditures and Transfers			
Subject to Budget			
General Government			
Contractual Services	45,000.00	\$ 55,000.00	\$ (10,000.00)
Operating Transfers to			
T.I.F. Project Fund	-	4,149.00	(4,149.00)
Total Expenditures and Transfers			
Subject to Budget	45,000.00	\$ 59,149.00	\$ (14,149.00)
Receipts Over(Under) Expenditures	4,606.99		
Unencumbered Cash, Beginning	2,331.27		
Unencumbered Cash, Ending	\$ 6,938.26		

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

CITY OF CONCORDIA, KANSAS
SPECIAL HIGHWAY FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenue			
Highway Gas Tax	\$ 150,296.29	\$ 162,480.00	\$ (12,183.71)
Use of Money and Property			
Interest Income	2,539.99	-	2,539.99
Total Cash Receipts	152,836.28	\$ 162,480.00	\$ (9,643.72)
Expenditures and Transfers			
Subject to Budget			
Streets and Highways			
Personal Services	10,428.45	\$ 15,302.00	\$ (4,873.55)
Contractual Services	7,229.82	28,800.00	(21,570.18)
Commodities	82,567.02	69,000.00	13,567.02
Operating Transfers to:			
Special Equipment Reserve Fund	75,000.00	75,000.00	-
Total Expenditures and Transfers			
Subject to Budget	175,225.29	\$ 188,102.00	\$ (12,876.71)
Receipts Over(Under) Expenditures	(22,389.01)		
Unencumbered Cash, Beginning	113,778.30		
Unencumbered Cash, Ending	\$ 91,389.29		

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

CITY OF CONCORDIA, KANSAS
EMPLOYEE BENEFITS FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenue			
Motor Vehicle Tax	\$ -	\$ 13,578.00	\$ (13,578.00)
Recreational Vehicle Tax	-	148.00	(148.00)
16-20M Truck Tax	-	242.00	(242.00)
Rental Vehicle Tax	-	6.00	(6.00)
In Lieu of Taxes	-	469.00	(469.00)
Total Cash Receipts	-	\$ 14,443.00	\$ (14,443.00)
Expenditures and Transfers			
Subject to Budget			
Residual Transfer to:			
General Fund	977.16	\$ 15,000.00	\$ (14,022.84)
Total Expenditures and Transfers	977.16	\$ 15,000.00	\$ (14,022.84)
Subject to Budget			
Receipts Over(Under) Expenditures	(977.16)		
Unencumbered Cash, Beginning	977.16		
Unencumbered Cash, Ending	\$ -		

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

CITY OF CONCORDIA, KANSAS
LIBRARY EMPLOYEE BENEFITS FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenue			
Ad Valorem Property Tax	\$ 26,183.64	\$ 29,688.00	\$ (3,504.36)
Delinquent Tax	671.48	-	671.48
Motor Vehicle Tax	4,773.70	4,361.00	412.70
Recreational Vehicle Tax	46.75	48.00	(1.25)
16-20M Truck Tax	98.34	78.00	20.34
Rental Vehicle Tax	3.68	2.00	1.68
In Lieu of Taxes	173.81	151.00	22.81
Machinery and Equipment	685.74	-	685.74
Total Cash Receipts	32,637.14	\$ 34,328.00	\$ (1,690.86)
Expenditures and Transfers			
Subject to Budget			
Culture and Recreation			
Appropriations	32,637.14	\$ 32,243.00	\$ 394.14
Operating Transfers to			
T.I.F. Project Fund	-	2,796.00	(2,796.00)
Total Expenditures and Transfers			
Subject to Budget	32,637.14	\$ 35,039.00	\$ (2,401.86)
Receipts Over(Under) Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	\$ -		

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

CITY OF CONCORDIA, KANSAS
EMERGENCY TELEPHONE SYSTEM FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenue			
Service Tax	\$ 35,254.41	\$ 32,000.00	\$ 3,254.41
Use of Money and Property			
Interest Income	2,966.35	-	2,966.35
Total Cash Receipts	38,220.76	\$ 32,000.00	\$ 6,220.76
Expenditures and Transfers			
Subject to Budget			
General Government			
Contractual Services	22,338.03	\$ 19,912.00	\$ 2,426.03
Commodities	462.85	-	462.85
Capital Outlay	-	137,470.00	(137,470.00)
Finance & Administration			
Commodities	1,079.00	-	1,079.00
Total Expenditures and Transfers			
Subject to Budget	23,879.88	\$ 157,382.00	\$ (133,502.12)
Receipts Over(Under) Expenditures	14,340.88		
Unencumbered Cash, Beginning	96,591.83		
Unencumbered Cash, Ending	\$ 110,932.71		

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

CITY OF CONCORDIA, KANSAS
SPECIAL PARK AND RECREATION FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenue			
Local Alcoholic Liquor Tax	\$ 9,818.59	\$ 8,078.00	\$ 1,740.59
Use of Money and Property			
Interest Income	1,097.53	-	1,097.53
Total Cash Receipts	10,916.12	\$ 8,078.00	\$ 2,838.12
Expenditures and Transfers			
Subject to Budget			
Culture and Recreation			
Capital Outlay	283.30	\$ 38,459.00	\$ (38,175.70)
Total Expenditures and Transfers			
Subject to Budget	283.30	\$ 38,459.00	\$ (38,175.70)
Receipts Over(Under) Expenditures	10,632.82		
Unencumbered Cash, Beginning	35,544.18		
Unencumbered Cash, Ending	\$ 46,177.00		

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

CITY OF CONCORDIA, KANSAS
COMPUTER EQUIPMENT REPLACEMENT FUND
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Operating Transfers from:			
General Fund	\$ 10,000.00	\$ 10,000.00	\$ -
Water and Sewer			
General Operating Fund	10,000.00	10,000.00	-
Total Cash Receipts	10,000.00	\$ 20,000.00	\$ -
Expenditures and Transfers			
Subject to Budget			
General Government			
Contractual Services	14,230.56	\$ 20,000.00	\$ (5,769.44)
Total Expenditures and Transfers	14,230.56	\$ 20,000.00	\$ (5,769.44)
Subject to Budget			
Receipts Over(Under) Expenditures	5,769.44		
Unencumbered Cash, Beginning	18,168.03		
Unencumbered Cash, Ending	\$ 23,937.47		

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

CITY OF CONCORDIA, KANSAS
SPECIAL EQUIPMENT RESERVE FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ 19,728.25
Other Revenues	
Miscellaneous	33,519.63
Operating Transfers from:	
General Fund	193,300.00
Special Highway Fund	75,000.00
Total Cash Receipts	<u>321,547.88</u>
Expenditures and Transfers	
Capital Projects	
Commodities	521.44
Capital Outlay	169,956.33
Total Expenditures and Transfers	<u>170,477.77</u>
Receipts Over(Under) Expenditures	151,070.11
Unencumbered Cash, Beginning	<u>588,391.31</u>
Unencumbered Cash, Ending	<u><u>\$ 739,461.42</u></u>

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

CITY OF CONCORDIA, KANSAS
B.A.T. EQUIPMENT RESERVE FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ -
Total Cash Receipts	-
Expenditures and Transfers	
Capital Projects	
Capital Outlay	-
Total Expenditures and Transfers	-
Receipts Over(Under) Expenditures	-
Unencumbered Cash, Beginning	3,859.70
Unencumbered Cash, Ending	\$ 3,859.70

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

CITY OF CONCORDIA, KANSAS
CIVIL ASSET FORFEITURE FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ 58.66
Total Cash Receipts	58.66
Expenditures and Transfers	
General Government	
Contractual Services	1,000.00
Commodities	1,000.00
Total Expenditures and Transfers	2,000.00
Receipts Over(Under) Expenditures	(1,941.34)
Unencumbered Cash, Beginning	4,140.21
Unencumbered Cash, Ending	\$ 2,198.87

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

CITY OF CONCORDIA, KANSAS
CONTINUING ECONOMIC DEVELOPMENT GRANT FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	<hr/> Current Year Actual <hr/>
Cash Receipts	
Intergovernmental	
Federal Grant Revenues	\$ 34,162.43
Use of Money and Property	
Interest Income	13,022.57
	<hr/>
Total Cash Receipts	47,185.00
	<hr/>
Expenditures and Transfers	
General Government	
Contractual Services	7.00
	<hr/>
Total Expenditures and Transfers	7.00
	<hr/>
Receipts Over(Under) Expenditures	47,178.00
	<hr/>
Unencumbered Cash, Beginning	245,865.98
	<hr/>
Unencumbered Cash, Ending	\$ 293,043.98
	<hr/> <hr/>

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

CITY OF CONCORDIA, KANSAS
FIRE DEPARTMENT GRANTS
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Intergovernmental	
State Grant Revenues	\$ 1,800.00
Use of Money and Property	
Interest Income	27.28
Other Revenues	
Donations	1,650.00
Miscellaneous	5,129.12
Total Cash Receipts	<u>8,606.40</u>
Expenditures and Transfers	
General Government	
Contractual Services	6,059.11
Commodities	2,917.89
Capital Outlay	2,241.04
Total Expenditures and Transfers	<u>11,218.04</u>
Receipts Over(Under) Expenditures	(2,611.64)
Unencumbered Cash, Beginning	<u>3,634.27</u>
Unencumbered Cash, Ending	<u><u>\$ 1,022.63</u></u>

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

CITY OF CONCORDIA, KANSAS
CITY OF CONCORDIA MEMORIAL FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ 14.60
Other Revenues	
Donations	811.00
Total Cash Receipts	825.60
Expenditures and Transfers	
General Government	
Commodities	4,212.74
Total Expenditures and Transfers	4,212.74
Receipts Over(Under) Expenditures	(3,387.14)
Unencumbered Cash, Beginning	5,355.77
Unencumbered Cash, Ending	\$ 1,968.63

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

CITY OF CONCORDIA, KANSAS
DOWNTOWN REVITALIZATION GRANT FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Other Revenues	
Reimbursed Expense	\$ 564.29
Total Cash Receipts	564.29
Expenditures and Transfers	
General Government	
Contractual Services	-
Total Expenditures and Transfers	-
Receipts Over(Under) Expenditures	564.29
Unencumbered Cash, Beginning	2,406.37
Unencumbered Cash, Ending	\$ 2,970.66

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

CITY OF CONCORDIA, KANSAS
CITY HALL COMMUNITY ROOM FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Other Revenues	
Donations	\$ -
Total Cash Receipts	-
Expenditures and Transfers	
General Government	
Contractual Services	25.00
Total Expenditures and Transfers	25.00
Receipts Over(Under) Expenditures	(25.00)
Unencumbered Cash, Beginning	25.00
Unencumbered Cash, Ending	\$ -

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

CITY OF CONCORDIA, KANSAS
KS W E911 GRANT FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Intergovernmental	
State Grant Revenues	\$ 79,377.00
	<u>79,377.00</u>
Total Cash Receipts	
Expenditures and Transfers	
General Government	
Capital Outlay	63,000.00
	<u>63,000.00</u>
Total Expenditures and Transfers	
Receipts Over(Under) Expenditures	16,377.00
Unencumbered Cash, Beginning	<u>(79,177.28)</u>
Unencumbered Cash, Ending	<u><u>\$ (62,800.28)</u></u>

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

CITY OF CONCORDIA, KANSAS
RECREATION GRANT AND DONATIONS FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ 201.46
Total Cash Receipts	201.46
Expenditures and Transfers	
General Government	
Capital Outlay	-
Total Expenditures and Transfers	-
Receipts Over(Under) Expenditures	201.46
Unencumbered Cash, Beginning	7,349.74
Unencumbered Cash, Ending	\$ 7,551.20

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

CITY OF CONCORDIA, KANSAS
CAPITAL IMPROVEMENT RESERVE FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ 16,332.24
Other Revenues	
Miscellaneous	419.43
Operating Transfers from:	
General Fund	400,000.00
Total Cash Receipts	<u>416,751.67</u>
Expenditures and Transfers	
General Government	
Contractual Services	10,142.11
Operating Transfers to	
Capital Improvement Project Fund	596,920.55
Storm Water Drainage Project Fund	10,000.00
Total Expenditures and Transfers	<u>617,062.66</u>
Receipts Over(Under) Expenditures	(200,310.99)
Unencumbered Cash, Beginning	<u>812,482.17</u>
Unencumbered Cash, Ending	<u><u>\$ 612,171.18</u></u>

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

CITY OF CONCORDIA, KANSAS
AIRPORT FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Rental Income	\$ 9,474.00
Interest Income	408.88
Other Revenues	
Donations	63.57
Total Cash Receipts	9,946.45
Expenditures and Transfers	
General Government	
Contractual Services	740.32
Capital Outlay	26,764.81
Total Expenditures and Transfers	27,505.13
Receipts Over(Under) Expenditures	(17,558.68)
Unencumbered Cash, Beginning	55,319.12
Unencumbered Cash, Ending	\$ 37,760.44

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

CITY OF CONCORDIA, KANSAS
BOND AND INTEREST FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenue			
Ad Valorem Property Tax	\$ 19,919.10	\$ 22,624.00	\$ (2,704.90)
Delinquent Tax	3,079.77	-	3,079.77
Motor Vehicle Tax	32,963.47	32,999.00	(35.53)
Recreational Vehicle Tax	332.81	360.00	(27.19)
16-20M Truck Tax	463.10	589.00	(125.90)
Rental Vehicle Tax	21.41	14.00	7.41
In Lieu of Taxes	132.29	1,141.00	(1,008.71)
Machinery and Equipment	13,409.04	-	13,409.04
Special Assessments	62,278.22	80,000.00	(17,721.78)
Uses of Money and Property			
Interest Income	1,851.54	10,700.00	(8,848.46)
Operating Transfers from Tax Increment Fund	237,279.00	237,279.00	-
Total Cash Receipts	371,729.75	\$ 385,706.00	\$ (13,976.25)
Expenditures and Transfers Subject to Budget			
Debt Services			
Principal	320,000.00	\$ 320,000.00	\$ -
Interest	168,576.26	168,577.00	(0.74)
Commissions and Postage	16.25	75.00	(58.75)
Operating Transfers to T.I.F. Projects Fund	-	18,497.00	(18,497.00)
Total Expenditures and Transfers Subject to Budget	488,592.51	\$ 507,149.00	\$ (18,556.49)
Receipts Over(Under) Expenditures	(116,862.76)		
Unencumbered Cash, Beginning	175,747.63		
Unencumbered Cash, Ending	\$ 58,884.87		

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

CITY OF CONCORDIA, KANSAS
TAX INCREMENT FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Taxes and Shared Revenue			
Ad Valorem Property Tax	\$ 403,131.62	\$ 301,433.00	\$ 101,698.62
Use of Money and Property			
Interest Income	9,691.09	-	9,691.09
Total Cash Receipts	412,822.71	\$ 301,433.00	\$ 111,389.71
Expenditures and Transfers			
Subject to Budget			
Operating Transfers to:			
Bond and Interest Fund	237,279.00	\$ 237,279.00	\$ -
T.I.F. Project Fund	-	64,154.00	(64,154.00)
Total Expenditures and Transfers	237,279.00	\$ 301,433.00	\$ (64,154.00)
Subject to Budget			
Receipts Over(Under) Expenditures	175,543.71		
Unencumbered Cash, Beginning	187,701.23		
Unencumbered Cash, Ending	\$ 363,244.94		

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

CITY OF CONCORDIA, KANSAS
STREET PROJECT FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ -
Total Cash Receipts	-
Expenditures and Transfers	
General Government	
Operating Transfers to	
Capital Improvement Project Fund	24,131.64
Total Expenditures and Transfers	24,131.64
Receipts Over(Under) Expenditures	(24,131.64)
Unencumbered Cash, Beginning	24,131.64
Unencumbered Cash, Ending	\$ -

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

CITY OF CONCORDIA, KANSAS
T.I.F. PROJECT FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ 956.86
Total Cash Receipts	956.86
Expenditures and Transfers	
Capital Improvements	
Contractual Services	-
Total Expenditures and Transfers	-
Receipts Over(Under) Expenditures	956.86
Unencumbered Cash, Beginning	34,908.61
Unencumbered Cash, Ending	\$ 35,865.47

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

CITY OF CONCORDIA, KANSAS
STORM WATER DRAINAGE PROJECT FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Operating Transfers from:	
Capital Improvement Reserve Fund	\$ 10,000.00
Total Cash Receipts	10,000.00
Expenditures and Transfers	
Operating Transfers to:	
Womack Escrow Fund	10,000.00
Total Expenditures and Transfers	10,000.00
Receipts Over(Under) Expenditures	-
Unencumbered Cash, Beginning	-
Unencumbered Cash, Ending	\$ -

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

CITY OF CONCORDIA, KANSAS
CURB AND GUTTER PROJECT FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ -
Total Cash Receipts	-
Expenditures and Transfers	
Operating Transfers to	
Capital Improvement Project Fund	1,092.08
Total Expenditures and Transfers	1,092.08
Receipts Over(Under) Expenditures	(1,092.08)
Unencumbered Cash, Beginning	1,092.08
Unencumbered Cash, Ending	\$ -

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

CITY OF CONCORDIA, KANSAS
CAPITAL IMPROVEMENT PROJECT FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Taxes and Shared Revenue	
Special Assessments	\$ 10,528.97
Other Revenues	
Reimbursed Expense	59,313.37
Operating Transfers from:	
Street Project Fund	24,131.64
Demo and Miscellaneous Project Fund	17,038.48
Curb and Gutter Project Fund	1,092.08
Capital Improvement Reserve Fund	596,920.55
Total Cash Receipts	<u>709,025.09</u>
Expenditures and Transfers	
Capital Improvements	
Contractual Services	598,270.55
Commodities	25,852.42
Total Expenditures and Transfers	<u>624,122.97</u>
Receipts Over(Under) Expenditures	84,902.12
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u><u>\$ 84,902.12</u></u>

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

CITY OF CONCORDIA, KANSAS
DEMO AND MISCELLANEOUS PROJECT FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ -
Total Cash Receipts	-
Expenditures and Transfers	
Operating Transfers to	
Capital Improvement Project Fund	17,038.48
Total Expenditures and Transfers	17,038.48
Receipts Over(Under) Expenditures	(17,038.48)
Unencumbered Cash, Beginning	17,038.48
Unencumbered Cash, Ending	\$ -

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

CITY OF CONCORDIA, KANSAS
ORPHAN TRAIN RESTORATION FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Other Revenues	
Donations	\$ 3,253.09
Total Cash Receipts	3,253.09
Expenditures and Transfers	
Capital Improvements	
Contractual Services	-
Total Expenditures and Transfers	-
Receipts Over(Under) Expenditures	3,253.09
Unencumbered Cash, Beginning	(3,253.09)
Unencumbered Cash, Ending	\$ -

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

CITY OF CONCORDIA, KANSAS
WATER AND SEWER GENERAL OPERATING FUND
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Charges for Services			
Water Receipts	\$ 689,518.80	\$ 902,400.00	\$ (212,881.20)
Sewer Receipts	416,148.50	475,000.00	(58,851.50)
Connection Fees	10,763.80	10,000.00	763.80
Other Fees	100.00	2,600.00	(2,500.00)
Use of Money and Property			
Rental Income	8,268.00	8,400.00	(132.00)
Interest Income	16,114.93	36,000.00	(19,885.07)
Bond Proceeds	-	600,000.00	(600,000.00)
Sale of Assets	6,382.00	-	6,382.00
Other Revenues			
Miscellaneous	1,492.66	3,500.00	(2,007.34)
Reimbursed Expense	-	2,000.00	(2,000.00)
State Sales Tax	7,688.11	-	7,688.11
Total Cash Receipts	1,156,476.80	\$ 2,039,900.00	\$ (883,423.20)
Expenditures and Transfers			
Subject to Budget			
Utility Administration			
Personal Services	318,486.00	\$ 343,484.00	\$ (24,998.00)
Contractual Services	126,987.07	148,500.00	(21,512.93)
Commodities	9,038.87	7,400.00	1,638.87
Capital Outlay	1,036.58	7,250.00	(6,213.42)
Utility Water Production			
Personal Services	46,294.57	46,459.00	(164.43)
Contractual Services	55,045.66	67,000.00	(11,954.34)
Commodities	29,307.98	48,525.00	(19,217.02)
Capital Outlay	9,056.07	44,000.00	(34,943.93)
Utility Water Distribution			
Personal Services	87,156.32	88,173.00	(1,016.68)
Contractual Services	4,413.45	8,200.00	(3,786.55)
Commodities	71,893.51	78,000.00	(6,106.49)
Capital Outlay	39,894.59	45,000.00	(5,105.41)

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

CITY OF CONCORDIA, KANSAS
WATER AND SEWER GENERAL OPERATING FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Expenditures and Transfers			
Subject to Budget (Continued)			
Utility Wastewater Treatment			
Personal Services	\$ 133,281.29	\$ 134,647.00	\$ (1,365.71)
Contractual Services	96,949.63	92,100.00	4,849.63
Commodities	30,574.60	40,900.00	(10,325.40)
Utility Wastewater Collection			
Personal Services	39,176.14	40,825.00	(1,648.86)
Contractual Services	132.50	11,700.00	(11,567.50)
Commodities	4,676.89	5,400.00	(723.11)
Capital Outlay	23.36	2,500.00	(2,476.64)
Utility Special Projects			
Capital Outlay	-	600,000.00	(600,000.00)
Water Connection Fee			
Capital Outlay	-	7,500.00	(7,500.00)
Debt Service			
Principal	55,000.00	55,000.00	-
Interest	16,465.00	16,465.00	-
Operating Transfers to:			
Industrial Development Fund	2,000.00	2,000.00	-
Computer Equipment Replacement Fund	10,000.00	10,000.00	-
Total Expenditures and Transfers			
Subject to Budget	1,186,890.08	\$ 1,951,028.00	\$ (764,137.92)
Receipts Over(Under) Expenditures	(30,413.28)		
Unencumbered Cash, Beginning	578,177.62		
Unencumbered Cash, Ending	\$ 547,764.34		

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

CITY OF CONCORDIA, KANSAS
DESIGNATED WATER CONNECT FEES FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	<hr/> Current Year Actual <hr/>
Cash Receipts	
Charges for Services	
Water Connection Fees	\$ 16,811.44
	<hr/>
Total Cash Receipts	16,811.44
Expenditures and Transfers	
General Government	
Contractual Services	-
	<hr/>
Total Expenditures and Transfers	-
	<hr/>
Receipts Over(Under) Expenditures	16,811.44
Unencumbered Cash, Beginning	36,603.04
	<hr/>
Unencumbered Cash, Ending	\$ 53,414.48
	<hr/>

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

CITY OF CONCORDIA, KANSAS
WATER/SEWER PROJECTS FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ -
Total Cash Receipts	-
Expenditures and Transfers	
General Government	
Capital Outlay	-
Total Expenditures and Transfers	-
Receipts Over(Under) Expenditures	-
Unencumbered Cash, Beginning	26,051.97
Unencumbered Cash, Ending	\$ 26,051.97

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

CITY OF CONCORDIA, KANSAS
CAFETERIA PLAN FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	<u>Current</u> <u>Year</u> <u>Actual</u>
Cash Receipts	
Other Revenues	
Employee Contributions	\$ 21,515.69
Total Cash Receipts	<u>21,515.69</u>
Expenditures and Transfers	
Culture and Recreation	
Personal Services	<u>21,532.11</u>
Total Expenditures and Transfers	<u>21,532.11</u>
Receipts Over(Under) Expenditures	(16.42)
Unencumbered Cash, Beginning	<u>10,248.64</u>
Unencumbered Cash, Ending	<u>\$ 10,232.22</u>

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

CITY OF CONCORDIA, KANSAS
EMPLOYEE HEALTH CARE PLAN FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ 450.82
Other Revenues	
Employee Contributions	515,180.45
Operating Transfers from General Fund	141,500.00
Total Cash Receipts	657,131.27
Expenditures and Transfers	
General Government	
Personal Services	615,499.40
Total Expenditures and Transfers	615,499.40
Receipts Over(Under) Expenditures	41,631.87
Unencumbered Cash, Beginning	112,026.95
Unencumbered Cash, Ending	\$ 153,658.82

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

CITY OF CONCORDIA, KANSAS
INVENTORY REVOLVING FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	\$ -
Total Cash Receipts	-
Expenditures and Transfers	
Operating Transfers to	
Central Garage Fund	14,079.68
Total Expenditures and Transfers	14,079.68
Receipts Over(Under) Expenditures	(14,079.68)
Unencumbered Cash, Beginning	14,079.68
Unencumbered Cash, Ending	\$ -

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

CITY OF CONCORDIA, KANSAS
CEMETERY ENDOWMENT FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Use of Money and Property	
Interest Income	1,372.52
Total Cash Receipts	1,372.52
Expenditures and Transfers	
Perpetual Care	
Capital Outlay	-
Total Expenditures and Transfers	-
Receipts Over(Under) Expenditures	1,372.52
Unencumbered Cash, Beginning	37,231.99
Unencumbered Cash, Ending	\$ 38,604.51

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

CITY OF CONCORDIA, KANSAS
SMALL ANIMAL TRUST FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2008

	Current Year		Variance - Over (Under)
	Actual	Budget	
Cash Receipts			
Use of Money and Property			
Interest Income	\$ 7,606.93	\$ -	\$ 7,606.93
Other Reveues			
Bequests and Gifts	-	5,000.00	(5,000.00)
Total Cash Receipts	7,606.93	\$ 5,000.00	\$ 2,606.93
Expenditures and Transfers			
Subject to Budget			
Operating Transfers to			
General Fund	5,000.00	\$ 5,000.00	\$ -
Total Expenditures and Transfers	5,000.00	\$ 5,000.00	\$ -
Subject to Budget			
Receipts Over(Under) Expenditures	2,606.93		
Unencumbered Cash, Beginning	33,346.26		
Unencumbered Cash, Ending	\$ 35,953.19		

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

CITY OF CONCORDIA, KANSAS
AGENCY FUNDS

Statement of Cash Receipts and Cash Disbursements
For the Year Ended December 31, 2008

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Animal Shelter	\$ 3,999.47	\$ 2,301.47	\$ 567.34	\$ 5,733.60
Cloud County Solid Waste Landfill	1,931.22	168,850.07	133,904.52	36,876.77
Central Garage	-	130,284.89	111,169.48	19,115.41
D.A.R.E	1,642.16	1,246.99	2,038.77	850.38
Fire Safety Program	491.45	-	491.45	-
Fraternal Order of Police Lodge 58	-	68.23	-	68.23
Cyber-Crimes	861.72	54.71	739.91	176.52
Judge Training	5,214.49	2,173.97	4,771.00	2,617.46
Salvation Army-Cloud County/Concordia	440.00	-	440.00	-
Sports Complex Improvements	1,860.63	-	1,860.63	-
Tree Planting Program	721.49	-	721.49	-
Post Fire Debris Removal	7,789.66	-	7,761.05	28.61
Water Protection	8,987.74	7,115.33	10,463.34	5,639.73
Womack Escrow Fund	-	10,000.00	-	10,000.00
	<u>\$ 33,940.03</u>	<u>\$ 322,095.66</u>	<u>\$ 274,928.98</u>	<u>\$ 81,106.71</u>

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

CITY OF CONCORDIA, KANSAS
FRANK CARLSON LIBRARY

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2008

	Current Year Actual
Cash Receipts	
Taxes and Shared Revenue	
CKLS Appropriations	\$ 11,710.00
City of Concordia - Appropriations	122,802.31
City of Concordia - Employee Benefits	32,637.14
State Aid	3,585.00
Use of Money and Property	
Interest Income	10,649.00
Other Receipts	
Fines and Fees	7,344.80
Grants	1,068.00
Gifts and Donations	1,979.44
Miscellaneous	4,602.33
Reimbursed Expense	1,773.33
Total Cash Receipts	<u>198,151.35</u>
Expenditures and Transfers	
Culture and Recreation	
Personal Services	113,311.70
Contractual Services	28,043.81
Commodities	38,857.98
Capital Outlay	135,658.00
Total Expenditures and Transfers	<u>315,871.49</u>
Receipts Over(Under) Expenditures	(117,720.14)
Unencumbered Cash, Beginning	<u>283,498.57</u>
Unencumbered Cash, Ending	<u><u>\$ 165,778.43</u></u>

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

CITY OF CONCORDIA, KANSAS

Notes to the Financial Statements For the Year Ended December 31, 2008

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Concordia, Kansas, (the City) is incorporated as a City of the first class, under the provisions of K.S.A. 13-101 *et seq.* The City operates under a Commission-City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, electric, water and sewer, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

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

Reporting Entity

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

Discretely Presented Component Unit

The component unit section of the financial statements includes the financial data of the discretely presented component units. The component units are reported separately to emphasize that they are legally separate from the City. The governing body of these component units are appointed by the City.

Frank Carlson Library

The Frank Carlson Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Separate financial statements are available at the Library.

Concordia Housing Authority

The Housing Authority of the City of Concordia, Kansas operates the City's housing projects with a December 31st year end. The Housing Authority can sue and be sued, and can buy, sell, or lease real property. Bond ordinances must be approved by the City. The Housing Authority's financial statements should be included with the City's financial statements. However, the statements are omitted in an apparent departure from generally accepted accounting principles. A copy of the financial statements can be obtained from the Housing Authority.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting

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

GOVERNMENTAL FUNDS

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

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

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

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

PROPRIETARY FUNDS

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

FIDUCIARY FUNDS

Expendable Trust Funds

These funds account for funds held in trust for others. The funds are accounted for in essentially the same manner as governmental funds.

Non-Expendable Trust Funds

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation – Statutory Basis of Accounting

The statutory basis of accounting, as used in 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 would be charged in the fund from which the transfer is made.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the statutory basis of accounting.

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

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

Pension Plan

Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System, or the State of Kansas Police and Fire Retirement System, both of which are a multi-employer state-wide pension plan. The City's policy is to fund all pension costs accrued. Such costs to be funded are actuarially determined annually by the State of Kansas.

Property Taxes

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reimbursed Expenses

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as cash receipts. In the financial statements and budget comparisons presented in this report, reimbursements and refunds are recorded as cash receipts. The reimbursements are recorded as cash receipts when received by the City Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Special Assessments

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

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

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. During the year ended December 31, 2008 the City had no such amendments.

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. 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.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Budgetary Information (Continued)

A legal operating budget is not required for capital projects funds, fiduciary funds, permanent funds and the following special revenue funds:

- Computer Equipment Replacement (K.S.A. 12-1,117)
- Special Equipment (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 Donations (K.S.A. 79-2925)

In addition, an operating budget is not required for enterprise principal and interest funds and enterprise reserve funds.

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

Compliance with Kansas Statutes

Statements 1 and 2 have been prepared in order to show compliance with the cash basis and budget laws of Kansas. As shown in Statement 1, the City was in apparent violation of K.S.A. 10-1413. The City has obligated expenditures in excess of available monies in the KS W E911 Grant Fund. However, K.S.A. 10-1416 provides that under certain situations, the fund can end the year with a negative unencumbered cash balance and, therefore, exempt from the cash basis laws of the State of Kansas. The KS W E911 Grant Fund met the criteria under the statutes and, therefore, is not deemed to be in violation of the Kansas cash basis law. As shown in Statement 2, the City was in apparent compliance with Kansas budget laws.

3. DEPOSITS AND INVESTMENTS

K.S.A 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main branch or branch bank in the county in which the City is located and the bank 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 Government may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

3. **DEPOSITS AND INVESTMENTS** (Continued)

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, and the Federal Reserve Bank of Kansas City. All deposits were legally secured at December 31, 2008.

Deposits: At year-end, the City's carrying amount of deposits was \$4,270,872.02 and the bank balance was \$4,019,719.00. The bank balance was held by four banks resulting in a concentration of credit risk. Of the bank balance, \$1,062,975.12 was covered by FDIC insurance and \$2,956,743.88 was collateralized with pledged securities held by the pledging financial institutions' agents in the City's.

4. **CAPITAL LEASE OBLIGATIONS**

The City has entered into a capital lease agreement in order to finance the acquisition of a Savin Copier/Finisher. Payments are made monthly, including interest at approximately 9.003%. Final maturity of the lease is December 26, 2012. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2009	\$ 2,073.24
2010	2,073.24
2011	2,073.24
2012	<u>2,073.24</u>
	8,292.96
Less imputed interest	<u>(1,350.69)</u>
Net Present Value of Minimum Lease Payments	6,942.27
Less: Current Maturities	<u>(1,509.49)</u>
Long-Term Capital Lease Obligations	<u>\$ 5,432.78</u>

The City has entered into a capital lease agreement in order to finance the acquisition of a Emergency One Aerial. Payments are made annually, including interest at approximately 4.90%. Final maturity of the lease is May 15, 2010. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2009	\$ 71,903.05
2010	<u>71,903.05</u>
	143,806.10
Less imputed interest	<u>(11,110.73)</u>
Net Present Value of Minimum Lease Payments	132,695.37
Less: Current Maturities	<u>(64,112.63)</u>
Long-Term Capital Lease Obligations	<u>\$ 68,582.74</u>

Changes in long-term liabilities for the City for the year ended December 31, 2008, were as follows:

Issue	Interest Rates	Date of Issue	Original Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General Obligation Bonds										
Paid with Tax Levies										
Water/Sewer Highway 81										
Series 1997	4.6% - 6.0%	July 1, 1997	\$ 595,000.00	November 1, 2012	\$ 295,000.00	-	\$ (55,000.00)		\$ 240,000.00	\$ 14,640.00
Improvements Series 2000	4.7% - 6.5%	November 1, 2000	1,170,000.00	November 1, 2015	740,000.00	-	(75,000.00)		665,000.00	38,072.50
Series 2002-A	2.0% - 5.0%	February 1, 2002	775,000.00	November 1, 2016	510,000.00	-	(45,000.00)		465,000.00	23,585.00
Tax Increment Series 2002-C	3.0% - 4.3%	September 15, 2002	1,850,000.00	November 1, 2020	1,455,000.00	-	(85,000.00)		1,370,000.00	54,961.26
Tax Increment Series 2005	2.45% - 4.125%	May 12, 2005	1,205,000.00	November 1, 2020	1,005,000.00	-	(60,000.00)		945,000.00	37,317.50
Revenue Bonds										
Paid with Utility Profits										
Water/Sewer Series 2002-B	2.0% - 4.7%	February 1, 2002	655,000.00	November 1, 2013	370,000.00	-	(55,000.00)		315,000.00	16,465.00
Capital Leases:										
Emergency One Aerial	4.90%	May 15, 2002	549,484.00	May 15, 2010	242,448.00	-	(109,752.63)		132,695.37	12,150.42
Savin Copier/Finisher	9.003%	December 13, 2007	8,322.25	December 26, 2012	-	8,322.25	(1,379.98)		6,942.27	693.26
Total Contractual Indebtedness					4,617,448.00	8,322.25	(486,132.61)		4,139,637.64	197,884.94
Compensated Absences										
Vacation Benefits	N/A	N/A	N/A	N/A	69,526.00			18,997.11	88,523.11	
Total Long-Term Debt					\$ 4,686,974.00	\$ 8,322.25	\$ (486,132.61)	\$ 18,997.11	\$ 4,228,160.75	\$ 197,884.94

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity is as follows:

Issue	2009	2010	2011	2012	2013	2014-2018	2019-2023	Total
Principal								
General Obligation Bonds								
Paid with Tax Levies								
Water/Sewer Highway 81								
Series 1997	\$ 55,000.00	\$ 60,000.00	\$ 60,000.00	\$ 65,000.00	\$ 100,000.00	\$ -	\$ -	\$ 240,000.00
Improvements Series 2000	80,000.00	85,000.00	90,000.00	95,000.00	100,000.00	-	-	665,000.00
Series 2002-A	50,000.00	50,000.00	55,000.00	55,000.00	60,000.00	-	-	465,000.00
Tax Increment Series 2002-C	90,000.00	95,000.00	95,000.00	100,000.00	105,000.00	285,000.00	1,370,000.00	1,370,000.00
Tax Increment Series 2005	65,000.00	65,000.00	65,000.00	70,000.00	75,000.00	195,000.00	945,000.00	945,000.00
Revenue Bonds								
Paid with Utility Profits								
Water/Sewer Series 2002-B	55,000.00	60,000.00	65,000.00	65,000.00	70,000.00	-	-	315,000.00
Capital Leases:								
Emergency One Aerial	64,112.63	68,582.74	-	-	-	-	-	132,695.37
Savin Copier/Finisher	1,509.49	1,651.13	1,806.09	1,975.56	-	-	-	6,942.27
Total Principal Payments	460,622.12	485,233.87	431,806.09	451,975.56	410,000.00	1,420,000.00	480,000.00	4,139,637.64
Interest								
General Obligation Bonds								
Paid with Tax Levies								
Water/Sewer Highway 81								
Series 1997	11,972.50	9,250.00	6,250.00	3,250.00	-	-	-	30,722.50
Improvements Series 2000	34,397.50	30,437.50	26,187.52	21,597.50	16,705.00	-	-	146,770.02
Series 2002-A	21,740.00	19,590.00	17,390.00	14,915.00	12,385.00	-	-	105,770.00
Tax Increment Series 2002-C	52,411.26	49,486.26	46,398.76	43,263.76	39,863.76	18,490.00	386,241.34	386,241.34
Tax Increment Series 2005	35,487.50	33,440.00	31,327.50	29,150.00	26,700.00	12,145.00	258,350.00	258,350.00
Revenue Bonds								
Paid with Utility Profits								
Water/Sewer Series 2002-B	14,210.00	11,845.00	9,205.00	6,280.00	3,290.00	-	-	44,830.00
Capital Leases:								
Emergency One Aerial	7,790.42	3,320.31	-	-	-	-	-	11,110.73
Savin Copier/Finisher	563.75	422.11	267.15	97.68	-	-	-	1,350.69
Total Interest Payments	178,572.93	157,791.18	137,025.93	118,553.94	98,943.76	263,622.54	30,635.00	985,145.28
Total Principal and Interest	\$ 639,195.05	\$ 643,025.05	\$ 568,832.02	\$ 570,529.50	\$ 508,943.76	\$ 1,683,622.54	\$ 510,635.00	\$ 5,124,782.92

6. OPERATING LEASES

The City has entered into an operating lease for a postage machine which requires monthly payments of \$18.95 for 60 months. Rent expense for the year ended December 31, 2008, was \$170.55. Under the current lease agreement, the future minimum rental payments are as follows:

2009	\$ 227.40
2010	227.40
2011	227.40
2012	227.40
2013	56.85

7. INDUSTRIAL REVENUE BONDS

The City has entered into various agreements to induce businesses to locate or expand operations in Concordia, Kansas. In connection therewith, the City has issued industrial revenue bonds (IRB's), which require the businesses to make lease payments to trust accounts sufficient to pay debt service on the IRB's. The City is under no obligation to pay the IRB debt, which is to be paid from the lease payments made by the related businesses. At December 31, 2008, there were two industrial revenue bond issues with principal balances due totaling \$2,789,713.54.

8. DEFINED BENEFIT PENSION PLAN

Plan Description

The City participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are part of a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A 74-4901, et seq. KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available financial report (only one is issued) that includes financial statements and required supplementary information. Those reports may be obtained by writing to KPERS (611 S. Kansas Ave., Suite 100, Topeka, KS 66603-3803) 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. K.S.A. 74-4985 established KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. State law sets a limitation on annual increases in the employer contribution rates. The KPERS employer rate established by statute for January 1, 2008 to December 31, 2008 was 5.93%. The City's employer contributions to KPERS for the years ending December 31, 2008, 2007, and 2006, were \$81,497.62, \$73,628, and \$61,756, respectively, equal to the statutory required contribution for each year. The KP&F uniform participating employer rate established for fiscal years beginning in 2008 is 18.98%. 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's contributions to KP&F for the years ending December 31, 2008, 2007, and 2006, were \$51,338.95, \$52,954, and \$45,218, respectively, equal to the statutory required contribution for each year.

9. CAPITAL PROJECTS

The following is a summary of capital project authorizations and expenditures to date:

<u>PROJECT NAME</u>	<u>AUTHORIZED</u>	<u>EXPENDED THRU 12/31/08</u>	<u>ESTIMATED COMPLETION</u>
Street Project	\$ 628,718.55	\$ 596,237.55	Complete
Storm Water Project	69,880.00	69,880.00	Complete
Curb and Gutter Project	59,168.00	27,885.42	2009

10. NOTES RECEIVABLE AND LOANS RECEIVABLE

The City has established an Economic Development Revolving Loan Fund. The fund is the recipient of money paid back to the City by Concordia industries which received Community Development Block Grants in earlier years. As repayment is made by these industries, the City makes loans to other qualifying industries. The loans due to the City at December 31, 2008, through the Economic Development Revolving Loan Fund are as follows:

Coppoc Sports	\$ 53,000.17
Rod's Food Store	268,423.68
Concordia Town and Country	56,010.70

These notes receivable are not reflected in these statutory basis financial statements of the City of Concordia, Kansas.

11. COMPENSATED ABSENCES

All full-time employees of the City with one year of employment are eligible for vacation benefits in varying annual amounts. Full time employees will be granted paid vacation time according to the following schedules:

Years Continuous Employment:	1-5	6-10	11-14	15+
Days Granted per Year:	12	15	18	18
Maximum Hours Accrued	160	160	160	200

Vacation hours for fire department personnel:

Years Continuous Employment:	1-5	6-10	11+
Hours Granted per Year:	128	160	191

In the event of termination, an employee shall not be paid for any accrued vacation.

Sick leave accrues to all full-time employees at the rate of one sick day per month to a maximum of 130 days. Regular full time firefighters will accumulate sick leave at the rate of 11 hours of sick leave per month to a maximum of 130 days. Employees who terminate other than retirement will not be paid for accumulated sick leave.

11. COMPENSATED ABSENCES (Continued)

The City determines a liability for compensated absences when the following conditions are met:

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

In accordance with the above criteria, the City has estimated a liability for vacation pay, which has been earned, but not taken by City employees. The liability for compensated absences is reflected in the long-term debt footnote 5 since it is anticipated that none of the liability will be liquidated with available financial resources. In accordance with the above criteria, the City has not recorded a liability for sick pay, inasmuch as the amount cannot be reasonably estimated because the obligation to these rights do not vest.

12. OTHER POST EMPLOYMENT BENEFITS

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

If the employee is retiring and has been employed with the city continuously for a minimum of 20 years, the city will cover the premium of a single health insurance plan per month. The employee will pay the difference between the premium and the maximum amount needed to cover stop-loss plus the group's maximum claims liability.

The City has elected to terminate the plan in 2009, therefore, maximum exposure under GASB 45 is estimated in the following is a schedule of benefits paid and payable for eligible employees which have taken the retirement option as of December 31, 2008:

<u>Paid or Payable</u>	<u>Year Ended</u>	<u>Amount</u>
Paid	2008	\$ 25,485.00
Payable	2009	45,293.76
Payable	2010	39,743.52
Payable	2011	28,546.56
Payable	2012	28,546.56
Payable	2013	28,546.56
Payable	2014-2018	126,465.75
Payable	2019-2023	61,397.40

13. RISK MANAGEMENT

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

The City has been unable to obtain workers' compensation insurance at a cost it considers to be economically justifiable. For this reason, the City has joined together with other cities in the State to participate in Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for participating members. The City pays annual premium to KMIT for its workers' compensation insurance coverage. The agreement to participate provides that KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of a stated dollar amount for each insurance event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT management.

The City has established a Health Insurance Fund. The purpose is to provide for an employee welfare benefit plan for health insurance. Contributions from eligible employees and the City are deposited in the name of the plan, subject to withdrawal for purposes of paying approved claims and expenses. The City has contracted with Benefit Administrative Systems, LLC to be the claims supervisor. The supervisor reviews all claims for allowability and issues weekly reports to the City. The City has a stopgap policy which pays any aggregate claims over \$35,000.00.

14. INTERFUND TRANSFERS

Operating and residual transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
General	Capital Improvement Reserve	K.S.A. 12-1,118	\$ 400,000.00
General	Computer Equipment Replacement	K.S.A. 12-1,117	10,000.00
General	Employee Health Care Plan	K.S.A. 79-2934	141,500.00
General	Special Equipment Reserve	K.S.A. 12-1,117	193,300.00
Special Highway	Special Equipment Reserve	K.S.A. 12-1,117	75,000.00
Employee Benefits	General	K.S.A. 79-2958	977.16
Capital Improvement Reserve	Capital Improvement Project	K.S.A. 12-1,118	596,920.55
Capital Improvement Reserve	Storm Water Drainage Project	K.S.A. 12-1,118	10,000.00
Street Project	Capital Improvement Project	K.S.A. 12-1,118	24,131.64
Storm Water Drainage Project	Womack Escrow	K.S.A. 79-2958	10,000.00
Curb and Gutter Project	Capital Improvement Project	K.S.A. 12-1,118	1,092.08

14. **INTERFUND TRANSFERS** (Continued)

Operating transfers were as follows:

<u>From Fund:</u>	<u>To Fund:</u>	<u>Statutory Authority</u>	<u>Amount</u>
Demo and Miscellaneous Project	Capital Improvement Project	K.S.A. 12-1,118	\$ 17,038.48
Water and Sewer General Operating	Industrial Development	K.S.A. 12-825d	2,000.00
Water and Sewer General Operating	Computer Equipment Replacement	K.S.A. 12-825d	10,000.00
Inventory Revolving	Central Garage	K.S.A. 79-2958	14,079.68
Small Animal Trust	General	K.S.A. 79-2958	5,000.00

15. **DISCLOSURES FOR THE FRANK CARLSON LIBRARY – A COMPONENT UNIT**

Deposits and Investments

K.S.A 9-1401 establishes the depositories which may be used by the Library. The statute requires banks eligible to hold the Library's funds have a main branch or branch bank in the county in which the Library is located and the bank 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 Library has no other policies that would further limit interest rate risk.

K.S.A 12-1675 limits the Library'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 Library has no investment policy that would further limit its investment choices.

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. State statutes require the Library'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 Library, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2008.

Deposits and Investments

At year-end, the Library's carrying amount of deposits was \$183,353.54 and the bank balance was \$185,751.43. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$185,751.43 was covered by FDIC insurance.

Defined Benefit Pension Plan

The Library participates in the KPERS retirement system as described in Footnote 8. The Library's contributions for the years ended December 31, 2008, 2007, and 2006, were \$3,894.54, \$3,313.39, and \$3,612.95, respectively, equal to the required contributions for each year.

15. DISCLOSURES FOR THE FRANK CARLSON LIBRARY - A COMPONENT UNIT

(Continued)

Investments in Concordia Area Community Foundation

The Library has donated and has had potential donors donate into the Concordia Area Community Foundation creating a charitable advised endowment fund. The funds donated to the Concordia Area Community Foundation were matched with State grants on a one-to-one basis. Under the donor advised endowment, all earnings are pledged to the Frank Carlson Library upon annual approval of the Concordia Area Community Foundation's Board of Directors. As of the year ended December 31, 2008, the Library's investment had a fair value of \$7,690.20

In accordance with FASB 136, the assets invested with the Concordia Area Community Foundation are not recorded on the Library's books as assets because the Library has given up variance power to the Concordia Area Community Foundation.

16. ACCOUNTING POLICIES CHANGE AND PRIOR PERIOD ADJUSTMENTS

During the year ended December 31, 2008, the City discovered an error in the recording of a December 2007 payroll, and the city discovered a cash account not previously reported on the general ledgers of the City. Also, the City had previously not recorded accrued payroll for wages earned in December but paid in January. The City has restated beginning unencumbered cash to reflect the above stated changes.

General Fund, Beginning Unencumbered Cash, As Reported	\$ 675,362.75
December 2007 Payroll Error	74,975.33
2007 Accrued Payroll	<u>(33,500.73)</u>
General Fund, Beginning Unencumbered Cash, As Restated	<u>\$ 716,837.35</u>
Airport Fund, Beginning Unencumbered Cash, As Reported	\$ 2,689.48
Additional Cash Account Discovered	<u>52,629.64</u>
Airport Fund, Beginning Unencumbered Cash, As Restated	<u>\$ 55,319.12</u>
Water and Sewer General Operating Fund, Beginning Unencumbered Cash, As Reported	\$ 589,594.97
2007 Accrued Payroll	<u>(11,417.35)</u>
Water and Sewer General Operating Fund, Beginning Unencumbered Cash, As Restated	<u>\$ 578,177.62</u>

During the year ended December 31, 2008, the Library implemented FASB 136, with regards to its investment in the Concordia Area Community Foundation. In accordance with FASB 136, the assets invested with the Concordia Area Community Foundation are not recorded on the Library's books as assets because the Library has given up variance power to the Concordia Area Community Foundation. The Library has restated beginning unencumbered cash to reflect the above stated changes.

Library Fund, Beginning Unencumbered Cash, As Reported	\$ 294,709.39
2007 Community Area Foundation Investment	<u>(11,210.82)</u>
Library Fund, Beginning Unencumbered Cash, As Restated	<u>\$ 283,498.57</u>