

CITY OF COFFEYVILLE, KANSAS

Statutory Basis Financial Statements
and
Independent Auditors' Report
and
Federal Audit Compliance Section

For the Year Ended December 31, 2010

CITY OF COFFEYVILLE, KANSAS

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JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Commissioners
City of Coffeyville, Kansas

We have audited the accompanying financial statements of the City of Coffeyville, Kansas, as of and for the year ended December 31, 2010, as listed in the table of contents. These financial statements are the responsibility of the City of Coffeyville, Kansas' management. Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the Coffeyville Regional Medical Center, Inc., which statements reflect unencumbered cash of \$13,787,030.00 as of December 31, 2010, and total cash receipts of \$39,306,067.00 for the year then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Coffeyville Regional Medical Center, Inc., is based on the report of the other auditors. The prior year summarized comparative information has been derived from the City's 2009 financial statements and, in our report dated July 29, 2010, we expressed an unqualified opinion on the financial statements of the City of Coffeyville, Kansas, prepared in accordance with the statutory basis of accounting.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the 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.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, 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 Coffeyville, Kansas, as of December 31, 2010, the changes in its financial position, or where applicable, its cash flows for the year then ended.

Honorable Mayor and City Commissioners
City of Coffeyville, Kansas

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 Coffeyville, Kansas, as of December 31, 2010, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2011, on our consideration of the City of Coffeyville, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Coffeyville, Kansas' financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 27, 2011
Chanute, Kansas

CITY OF COFFEYVILLE, KANSAS
 Summary of Cash Receipts, Expenditures, and Unencumbered Cash
 For the Year Ended December 31, 2010

Funds	Beginning		Cash Receipts	Expenditures		Ending Unencumbered Cash Balances		Add Encumbrances and Accounts Payable		Cash Balance December 31,	
	Unencumbered Cash Balances					Unencumbered Cash Balances		Payable	2010	2009	
General Fund	\$ 575,517.70	\$ 12,801,439.96	\$ 13,195,052.74	\$ 181,904.92	\$ 300,999.40	\$ 642,476.77					
Special Revenue Funds:											
Library	352.11	345,104.04	327,651.28	17,804.87	17,804.87	1,898.38					
Local Alcohol Liquor	79,096.13	41,115.15	28,094.97	92,116.31	93,240.68	79,096.13					
Capital Equipment	175,978.70	166,102.75	181,361.58	160,719.87	190,721.43	187,384.14					
911 Emergency System	49,007.16	80,448.05	127,828.58	1,626.63	2,802.41	50,416.05					
Capital Improvement Reserve	2,038,058.32	5,850,266.46	1,834,979.46	6,053,345.32	6,175,013.54	2,386,458.90					
Community Development	140,163.23	4,602.76	100.00	144,665.99	144,665.99	140,163.23					
Airport Holding	2,586.94	38,525.80	32,591.35	8,521.39	9,312.93	4,164.67					
Risk Management	1,217,352.99	1,829,285.93	2,084,930.89	961,708.03	962,201.68	1,231,728.37					
Golf Course	2,661.16	416,904.37	417,894.00	1,671.53	4,381.21	3,655.25					
Youth Activities Center	5,228.66	33,756.20	33,872.66	5,112.20	6,384.88	6,292.97					
Police VIN	309.00	11,650.00	11,728.00	231.00	256.00	357.00					
Aquatic Center Operations	1,327.04	92,891.41	92,792.11	1,426.34	1,456.02	1,527.04					
Business Development Training Center	79,168.44	40,430.00	18,954.20	100,644.24	100,644.24	79,318.44					
Business Development Training Center Reserve	57,198.04	-	-	57,198.04	57,198.04	57,198.04					
Veterans Memorial Stadium	33,050.84	2,071.15	16,449.35	18,672.64	18,868.83	34,701.41					
Veterans Memorial Stadium Depreciation & Replacement Reserve	172,839.75	90,000.00	6,000.00	256,839.75	256,839.75	172,839.75					
USD #445 Sales Tax	804,195.51	800,955.46	1,011,256.00	593,894.97	593,894.97	804,195.51					
CRMC Sales Tax	2,519,135.67	800,955.46	561,033.47	2,759,057.66	2,759,057.66	2,519,135.67					
Debt Service Funds:											
1/2 Cent Sales Tax IRB Debt	149,019.31	470,000.00	418,562.50	200,456.81	200,456.81	149,019.31					
G.O. Bond & Interest	3,452,703.88	-	3,067,725.73	384,978.15	2,343,478.88	3,452,703.88					
Capital Projects Funds:											
Memorial Hall Building	12,834.07	-	-	12,834.07	12,834.07	12,834.07					
Miscellaneous Projects	409.07	298,469.00	296,287.20	2,590.87	2,590.87	409.07					
Airport Special Projects	80,587.13	928,515.00	958,059.60	51,042.53	53,526.87	85,796.74					
Golf Course Depreciation and Replacement	90,030.79	1,040.44	-	91,071.23	91,071.23	117,365.79					
Law Enforcement Projects	666.54	87,929.26	77,785.14	10,810.66	10,810.66	1,636.00					
Electric Bond Projects	-	4,249.28	4,249.28	-	-	-					
Enterprise Funds:											
Electric Utility	109,109.95	46,849,413.67	45,933,383.92	1,025,139.70	4,208,568.78	6,806,644.89					
Electric R & I Reserves	2,065,206.52	905,000.00	1,153,614.28	1,816,592.24	2,138,966.07	2,827,044.14					
Electric Debt Service	168,902.33	1,056,224.01	1,050,234.72	174,891.62	174,891.62	168,902.33					
Electric Surplus	324,981.69	1,149,234.45	752,350.00	721,866.14	721,866.14	324,981.69					
Water and Sewer Utility	950,394.68	4,823,309.47	4,841,210.02	932,494.13	1,032,035.15	999,496.15					

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

(Continued) Statement 1

CITY OF COFFEYVILLE, KANSAS

Summary of Cash Receipts, Expenditures, and Unencumbered Cash
For the Year Ended December 31, 2010

Funds	Beginning Unencumbered Cash Balances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balances	Add Encumbrances and Accounts Payable	Cash Balance	
						2010	2009
Enterprise Funds (continued):							
Water and Sewer Depreciation and Replacement	\$ 2,450,473.58	\$ 1,414,071.77	\$ 1,527,768.52	\$ 2,336,776.83	\$ 342,409.91	\$ 2,679,186.74	\$ 2,463,467.40
Water and Sewer Debt Service	261,849.61	1,142,439.78	1,142,439.78	261,849.61	-	261,849.61	261,849.61
Stormwater Utility	28,142.51	153,056.06	162,023.84	19,174.73	1,102.49	20,277.22	28,464.27
Stormwater Depreciation and Replacement	75,813.43	30,000.00	61,170.46	44,642.97	15,682.92	60,325.89	75,813.43
Refuse/Trash Utility	88,652.83	533,214.91	510,849.20	111,018.54	41,933.30	152,951.84	125,933.03
Internet Utility	80,498.88	231,587.55	201,145.77	110,940.66	4,282.85	115,223.51	86,358.07
Meter Deposit	-	109,090.31	109,090.31	-	365,865.14	365,865.14	345,294.45
Total Primary Government (Excluding Agency Funds)	18,343,504.19	83,633,349.91	82,250,520.91	19,726,333.19	6,616,188.44	26,342,521.63	26,737,022.04
Component Units							
Coffeyville Public Library	81,911.07	369,345.00	356,730.79	94,525.28	3,878.86	98,404.14	81,961.17
Coffeyville Firefighter's Relief Association	211,157.79	165,357.86	163,181.52	213,334.13	-	213,334.13	211,157.79
Coffeyville Regional Medical Center	14,561,167.00	39,306,067.00	40,080,204.00	13,787,030.00	3,605,956.00	17,392,986.00	18,448,746.00
Coffeyville Community Enhancement Foundation	9,292.77	15,588.40	9,621.84	15,259.33	-	15,259.33	9,292.77
Total Reporting Entity (Excluding Agency Funds)	\$ 33,207,032.82	\$ 123,489,708.17	\$ 122,860,259.06	\$ 33,836,481.93	\$ 10,226,023.30	\$ 44,062,505.23	\$ 45,488,179.77
Composition of Cash:							
Petty Cash Accounts and Working Balance						\$ 4,502.50	\$ 4,502.50
Checking Accounts:							
City Treasurer						11,972,102.28	12,652,926.58
Payroll Account						43,138.76	43,131.07
Perpetual Care Account						74,760.60	73,547.38
Water and Light Refund Account						450,927.71	413,160.37
Health Insurance Flex Plan Account						9,492.55	8,576.96
Municipal Court Account						16,468.31	16,607.96
Money Market Accounts:							
City Treasurer						1,229,929.75	1,225,252.19
Escrow						273,573.86	272,533.42
Trust Accounts:							
U.S. Government Securities						12,427,657.88	12,148,811.75
Total Cash						26,502,554.20	26,859,050.18
Less : Agency Funds Per Statement 4						(160,032.57)	(122,028.14)
Total Primary Government						26,342,521.63	26,737,022.04
Total Component Units						17,719,983.60	18,751,157.73
Total Reporting Entity (Excluding Agency Funds)						\$ 44,062,505.23	\$ 45,488,179.77

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

CITY OF COFFEYVILLE, KANSAS
 Summary of Expenditures - Actual and Budget
 (Budgeted Funds Only)

For the Year Ended December 31, 2010

Funds	Total Certified Budget		Adjustments for Qualifying Budget Credits		Total Certified Budget for Comparison		Expenditures Charged to Current Year Budget		Variance - Over (Under)
	\$		\$		\$		\$		
General Fund	\$ 13,592,438.00		\$ 49,630.07		\$ 13,642,068.07		\$ 13,195,052.74		\$ (447,015.33)
Special Revenue Funds:									
Library	362,253.00		-		362,253.00		327,651.28		(34,601.72)
Local Alcohol Liquor	130,316.00		-		130,316.00		28,094.97		(102,221.03)
Community Development	187,687.00		-		187,687.00		100.00		(187,587.00)
Airport Holding	40,381.00		-		40,381.00		32,591.35		(7,789.65)
Golf Course	507,134.00		-		507,134.00		417,894.00		(89,240.00)
Youth Activities Center	51,864.00		-		51,864.00		33,872.66		(17,991.34)
Police VIN	14,423.00		-		14,423.00		11,728.00		(2,695.00)
Aquatic Center Operations	110,818.00		-		110,818.00		92,792.11		(18,025.89)
Business Development Training Center	126,237.00		-		126,237.00		18,954.20		(107,282.80)
Veterans Memorial Stadium	49,883.00		2,071.15		51,954.15		16,449.35		(35,504.80)
USD #445 Sales Tax	1,425,000.00		-		1,425,000.00		1,011,256.00		(413,744.00)
CRMC Sales Tax	1,000,000.00		-		1,000,000.00		561,033.47		(438,966.53)
Debt Service Fund:									
1/2 Cent Sales Tax IRB Debt	420,578.00		-		420,578.00		418,562.50		(2,015.50)
Bond & Interest	3,309,225.00		-		3,309,225.00		3,067,725.73		(241,499.27)
Capital Projects Funds:									
Memorial Hall Building	12,824.00		-		12,824.00		-		(12,824.00)
Enterprise Funds:									
Electric Utility	48,689,511.00		42,360.99		48,731,871.99		45,933,383.92		(2,798,488.07)
Electric Debt Service	1,550,435.00		-		1,550,435.00		1,050,234.72		(500,200.28)
Water and Sewer Utility	4,973,639.00		3,299.19		4,976,938.19		4,841,210.02		(135,728.17)
Water and Sewer Debt Service	1,185,606.00		-		1,185,606.00		1,142,439.78		(43,166.22)
Stormwater Utility	174,284.00		-		174,284.00		162,023.84		(12,260.16)
Refuse/Trash Utility	554,134.00		-		554,134.00		510,849.20		(43,284.80)
Internet Utility	237,818.00		-		237,818.00		201,145.77		(36,672.23)

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

CITY OF COFFEYVILLE, KANSAS
GENERAL FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue				
Ad Valorem Property Tax	\$ 3,882,960.77	\$ 3,571,648.28	\$ 3,933,881.00	\$ (362,232.72)
Delinquent Tax	69,441.88	89,825.20	68,000.00	21,825.20
Motor Vehicle Tax	139,827.14	272,651.97	227,923.00	44,728.97
Recreational Vehicle Tax	1,273.81	2,389.89	1,917.00	472.89
16/20 M Vehicle Tax	1,133.86	1,499.50	1,027.00	472.50
Vehicle Rental Excise Tax	188.97	590.15	94.00	496.15
In Lieu of Tax	-	4,919.41	-	4,919.41
Special Assessments	40,027.33	24,544.90	25,000.00	(455.10)
Franchise Tax	321,216.66	288,773.36	335,000.00	(46,226.64)
Sales Tax	4,056,341.12	4,472,463.93	4,505,457.00	(32,993.07)
Federal Grants - IDDA/Click it	12,313.89	11,015.40	-	11,015.40
Federal Grants - CHRP	-	41,491.96	-	41,491.96
State Grants - SB 417	-	199.00	-	199.00
Local Grants - CACF	-	2,713.00	-	2,713.00
Local Alcohol Liquor Tax	21,328.52	19,982.58	19,583.00	399.58
Special Highway Tax	260,523.27	276,023.65	272,390.00	3,633.65
Highway Connecting Links	76,645.19	76,698.01	76,500.00	198.01
Highway County Aid	44,144.42	46,153.15	43,640.00	2,513.15
Licenses and Permits	127,255.90	201,681.54	533,000.00	(331,318.46)
Fines, Forfeitures and Penalties	301,165.66	288,988.66	-	288,988.66
Charges for Services	29,544.91	55,521.73	27,500.00	28,021.73
Use of Money and Property				
Interest Income	36,874.64	32,565.39	40,000.00	(7,434.61)
Rents	74,994.28	89,050.81	62,000.00	27,050.81
Sale of Equipment and Scrap	26,908.41	5,855.95	5,000.00	855.95
Other Revenues				
Reimbursed Expense	66,477.29	49,630.07	117,300.00	(67,669.93)
Miscellaneous Income	47,365.01	30,855.16	50,100.00	(19,244.84)
Operating Transfers from:				
Electric Utility Fund	1,853,823.32	2,154,084.75	2,154,085.00	(0.25)
Water and Sewer Utility Fund	673,597.17	679,122.56	679,122.00	0.56
Police VIN Fund	13,500.00	10,500.00	12,500.00	(2,000.00)
Total Cash Receipts	12,178,873.42	12,801,439.96	\$ 13,191,019.00	\$ (389,579.04)

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

CITY OF COFFEYVILLE, KANSAS
GENERAL FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures and Transfers				
Subject to Budget				
General Government				
Personal Services	\$ 677,298.57	\$ 689,951.95	\$ 809,191.00	\$ (119,239.05)
Contractual Services	210,349.78	186,574.04	208,667.00	(22,092.96)
Commodities	42,362.69	35,375.84	42,925.00	(7,549.16)
Capital Outlay	587.80	1,560.39	2,000.00	(439.61)
Police Department				
Personal Services	1,815,321.94	1,873,129.99	2,229,679.00	(356,549.01)
Contractual Services	79,457.69	78,483.30	94,950.00	(16,466.70)
Commodities	78,696.67	85,841.35	86,400.00	(558.65)
Capital Outlay	9,388.66	9,017.70	9,500.00	(482.30)
Fire Department				
Personal Services	1,332,648.15	1,332,548.84	1,528,363.00	(195,814.16)
Contractual Services	61,203.47	80,120.76	95,000.00	(14,879.24)
Commodities	38,256.74	41,366.71	59,500.00	(18,133.29)
Capital Outlay	8,991.49	13,301.09	18,500.00	(5,198.91)
Engineering Department				
Personal Services	294,014.74	340,487.42	404,017.00	(63,529.58)
Contractual Services	8,209.67	23,125.52	25,175.00	(2,049.48)
Commodities	8,708.61	8,484.88	11,750.00	(3,265.12)
Capital Outlay	1,954.01	8,401.99	9,638.00	(1,236.01)
Building				
Personal Services	31,878.25	32,932.42	42,039.00	(9,106.58)
Contractual Services	15,211.74	8,368.03	38,350.00	(29,981.97)
Commodities	3,331.03	4,394.67	9,200.00	(4,805.33)
Capital Outlay	-	2,094.14	10,000.00	(7,905.86)
Non-Departmental				
Contractual Services	132,062.49	165,787.29	111,900.00	53,887.29
Commodities	13,887.94	19,792.05	26,100.00	(6,307.95)
Capital Outlay	61,479.01	1,500.00	1,700.00	(200.00)
Public Service				
Personal Services	1,018,124.58	922,829.48	1,203,430.00	(280,600.52)
Contractual Services	88,209.73	113,039.26	139,350.00	(26,310.74)
Commodities	226,899.72	253,554.97	286,650.00	(33,095.03)
Capital Outlay	14,835.59	11,283.00	14,550.00	(3,267.00)

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

CITY OF COFFEYVILLE, KANSAS
GENERAL FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures and Transfers Subject to Budget (Continued)				
Industrial Levy				
Contractual Services	\$ 63,025.00	\$ -	\$ 68,705.00	\$ (68,705.00)
Operating Transfers to:				
1/2 Cent Sales Tax IRB Debt Fund	470,000.00	470,000.00	470,000.00	-
Capital Equipment Fund	162,253.63	160,191.08	161,260.00	(1,068.92)
Capital Improvement Reserve Fund	2,962,112.78	3,730,463.46	3,577,298.00	153,165.46
CRMC Sales Tax Fund	811,268.22	800,955.46	806,304.00	(5,348.54)
USD #445 Sales Tax Fund	811,268.22	800,955.46	806,304.00	(5,348.54)
Risk Management Fund	873,834.20	877,140.20	172,043.00	705,097.20
Aquatic Center Operations Fund	6,000.00	6,000.00	6,000.00	-
Airport Holding Fund	-	6,000.00	-	6,000.00
Airport Special Project Fund	37,000.00	-	6,000.00	(6,000.00)
Total Certified Budget			13,592,438.00	(397,385.26)
Adjustments for Qualifying				
Budget Credits			49,630.07	(49,630.07)
Total Expenditures and Transfers Subject to Budget	<u>12,470,132.81</u>	<u>13,195,052.74</u>	<u>\$ 13,642,068.07</u>	<u>\$ (447,015.33)</u>
Receipts Over(Under) Expenditures	(291,259.39)	(393,612.78)		
Unencumbered Cash, Beginning	<u>866,777.09</u>	<u>575,517.70</u>		
Unencumbered Cash, Ending	<u>\$ 575,517.70</u>	<u>\$ 181,904.92</u>		

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

CITY OF COFFEYVILLE, KANSAS
LIBRARY FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue				
Ad Valorem Property Tax	\$ 262,992.66	\$ 321,570.07	\$ 334,001.00	\$ (12,430.93)
Delinquent Tax	14,017.28	7,230.67	10,000.00	(2,769.33)
Motor Vehicle Tax	36,962.17	15,436.93	16,263.00	(826.07)
Recreational Vehicle Tax	329.43	137.89	165.00	(27.11)
16/20 M Vehicle Tax	183.38	276.70	87.00	189.70
Vehicle Rental Excise Tax	67.14	29.70	2.00	27.70
In Lieu of Tax	-	422.08	-	422.08
Total Cash Receipts	314,552.06	345,104.04	\$ 360,518.00	\$ (15,413.96)
Expenditures and Transfers				
Subject to Budget				
Culture and Recreation				
Appropriation to Library Board	317,584.00	322,319.46	\$ 251,716.00	\$ 70,603.46
Personal Services	616.78	509.04	80,926.00	(80,416.96)
Contractual Services	5,458.15	4,822.78	29,611.00	(24,788.22)
Total Expenditures and Transfers	323,658.93	327,651.28	\$ 362,253.00	\$ (34,601.72)
Subject to Budget	323,658.93	327,651.28	\$ 362,253.00	\$ (34,601.72)
Receipts Over(Under) Expenditures	(9,106.87)	17,452.76		
Unencumbered Cash, Beginning	9,458.98	352.11		
Unencumbered Cash, Ending	\$ 352.11	\$ 17,804.87		

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

CITY OF COFFEYVILLE, KANSAS
LOCAL ALCOHOL LIQUOR FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue				
Local Alcohol Liquor Tax	\$ 42,657.04	\$ 39,965.15	\$ 43,880.00	\$ (3,914.85)
Use of Money and Property				
Rental Income	1,030.00	1,030.00	-	1,030.00
Other Revenues				
Donations	-	120.00	-	120.00
Total Cash Receipts	<u>43,687.04</u>	<u>41,115.15</u>	<u>\$ 43,880.00</u>	<u>\$ (2,764.85)</u>
Expenditures and Transfers				
Subject to Budget				
Culture and Recreation				
Park Recreation Programs	16,486.35	3,625.00	\$ 52,620.00	\$ (48,995.00)
Alcohol Control Programs	6,398.56	7,993.24	8,776.00	(782.76)
City Programs	6,398.56	6,485.44	57,950.00	(51,464.56)
Operating Transfers to				
Youth Activities Center Fund	10,664.26	9,991.29	10,970.00	(978.71)
Total Expenditures and Transfers				
Subject to Budget	<u>39,947.73</u>	<u>28,094.97</u>	<u>\$ 130,316.00</u>	<u>\$ (102,221.03)</u>
Receipts Over(Under) Expenditures	3,739.31	13,020.18		
Unencumbered Cash, Beginning	<u>75,356.82</u>	<u>79,096.13</u>		
Unencumbered Cash, Ending	<u>\$ 79,096.13</u>	<u>\$ 92,116.31</u>		

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

CITY OF COFFEYVILLE, KANSAS
CAPITAL EQUIPMENT FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Use of Money and Property		
Sale of Equipment	\$ 7,000.00	\$ -
Other Revenues		
Reimbursed Expense	3,787.40	5,911.67
Operating Transfers from General Fund	<u>162,253.63</u>	<u>160,191.08</u>
Total Cash Receipts	<u>173,041.03</u>	<u>166,102.75</u>
Expenditures and Transfers		
General Government		
Capital Outlay	201,558.71	162,904.22
Debt Service		
Bond Principal	16,540.89	16,661.93
Bond Interest	<u>1,916.47</u>	<u>1,795.43</u>
Total Expenditures and Transfers	<u>220,016.07</u>	<u>181,361.58</u>
Receipts Over(Under) Expenditures	(46,975.04)	(15,258.83)
Unencumbered Cash, Beginning	<u>222,953.74</u>	<u>175,978.70</u>
Unencumbered Cash, Ending	<u>\$ 175,978.70</u>	<u>\$ 160,719.87</u>

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

CITY OF COFFEYVILLE, KANSAS
911 EMERGENCY SYSTEM FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Charges for Services		
911 System	\$ 52,354.86	\$ 47,001.84
Other Revenues		
Reimbursed Expense	548.70	446.21
Operating Transfer from Electric Surplus Fund	-	33,000.00
	52,903.56	80,448.05
 Total Cash Receipts		
 Expenditures and Transfers		
General Government		
Contractual Services	28,400.91	39,787.94
Capital Outlay	1,565.94	88,040.64
	29,966.85	127,828.58
 Total Expenditures and Transfers		
 Receipts Over(Under) Expenditures	22,936.71	(47,380.53)
 Unencumbered Cash, Beginning	26,070.45	49,007.16
 Unencumbered Cash, Ending	\$ 49,007.16	\$ 1,626.63

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

CITY OF COFFEYVILLE, KANSAS
CAPITAL IMPROVEMENT RESERVE FUND
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010
(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Taxes and Shared Revenue		
Federal Grant - FEMA	\$ 368,043.34	\$ 291,286.71
State Grant - FEMA	46,483.99	38,885.13
State Grant - CDBG	23,000.00	-
State Grant - KLINK	-	590,118.44
State Grant - SB 417	-	803,420.79
Use of Money and Property		
Sale of Property	62,290.35	-
Rental Income	28,435.55	20,689.50
Other Revenues		
Loan Repayments	6,363.96	6,363.96
Insurance Reimbursement	558,751.36	124,478.76
Reimbursed Expense	7,751.85	38,359.71
Miscellaneous	1,000.00	-
Operating Transfers from:		
General Fund	2,962,112.78	3,730,463.46
Law Enforcement Projects Fund	-	6,200.00
Electric Surplus Fund	341,385.00	200,000.00
Total Cash Receipts	4,405,618.18	5,850,266.46
Expenditures and Transfers		
General Government		
Contractual Services	116,756.08	200,151.64
Capital Outlay	4,734,752.96	1,634,827.82
Operating Transfers to		
Miscellaneous Projects Fund	4,000.00	-
Law Enforcement Projects Fund	6,200.00	-
Total Expenditures and Transfers	4,861,709.04	1,834,979.46
Receipts Over(Under) Expenditures	(456,090.86)	4,015,287.00
Unencumbered Cash, Beginning	2,494,149.18	2,038,058.32
Unencumbered Cash, Ending	\$ 2,038,058.32	\$ 6,053,345.32

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

CITY OF COFFEYVILLE, KANSAS
COMMUNITY DEVELOPMENT FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Use of Money and Property				
Interest Income	\$ 1,540.69	\$ 554.79	\$ 2,638.00	\$ (2,083.21)
Principal Payments	4,378.74	4,047.97	20,000.00	(15,952.03)
Late Charges	52.50	-	50.00	(50.00)
Free Land Deposits	500.00	-	-	-
Other Revenues				
Miscellaneous Income	418.26	-	-	-
Total Cash Receipts	6,890.19	4,602.76	\$ 22,688.00	\$ (18,085.24)
Expenditures and Transfers				
Subject to Budget				
Development Projects				
Rehabilitation - Loans	322.12	-	\$ -	\$ -
Land Sales	500.00	-	-	-
Economic Development	100.00	100.00	187,687.00	(187,587.00)
Total Expenditures and Transfers				
Subject to Budget	922.12	100.00	\$ 187,687.00	\$ (187,587.00)
Receipts Over(Under) Expenditures	5,968.07	4,502.76		
Unencumbered Cash, Beginning	134,195.16	140,163.23		
Unencumbered Cash, Ending	\$ 140,163.23	\$ 144,665.99		

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

CITY OF COFFEYVILLE, KANSAS
AIRPORT HOLDING FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Use of Money and Property				
Rental Income	\$ 24,814.56	\$ 32,525.80	\$ 24,040.00	\$ 8,485.80
Sale of Equipment	261.70	-	-	-
Other Revenues				
Reimbursed Expense	653.80	-	400.00	(400.00)
Operating Transfers from General Fund	-	6,000.00	-	6,000.00
Total Cash Receipts	25,730.06	38,525.80	\$ 24,440.00	\$ 14,085.80
Expenditures and Transfers				
Subject to Budget				
General Government				
Personal Services	1,062.59	986.15	\$ 1,123.00	\$ (136.85)
Contractual Services	27,112.36	22,622.19	23,170.00	(547.81)
Commodities	7,993.60	8,983.01	12,750.00	(3,766.99)
Capital Outlay	-	-	3,338.00	(3,338.00)
Total Expenditures and Transfers Subject to Budget	36,168.55	32,591.35	\$ 40,381.00	\$ (7,789.65)
Receipts Over(Under) Expenditures	(10,438.49)	5,934.45		
Unencumbered Cash, Beginning	13,025.43	2,586.94		
Unencumbered Cash, Ending	<u>\$ 2,586.94</u>	<u>\$ 8,521.39</u>		

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

CITY OF COFFEYVILLE, KANSAS
RISK MANAGEMENT FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Other Revenues		
Reimbursed Expense	\$ 344,974.08	\$ 310,470.93
Operating Transfers from:		
Electric Utility Fund	337,250.00	333,000.00
General Fund	873,834.20	877,140.20
Water and Sewer Utility Fund	251,163.80	254,638.80
Stormwater Utility Fund	17,750.00	18,000.00
Internet Utility Fund	2,219.00	9,000.00
Golf Course Fund	26,661.00	27,036.00
	<u>1,853,852.08</u>	<u>1,829,285.93</u>
Total Cash Receipts		
Expenditures and Transfers		
General Government		
Contractual Services	<u>1,657,058.26</u>	<u>2,084,930.89</u>
	<u>1,657,058.26</u>	<u>2,084,930.89</u>
Total Expenditures and Transfers		
Receipts Over(Under) Expenditures	196,793.82	(255,644.96)
Unencumbered Cash, Beginning	<u>1,020,559.17</u>	<u>1,217,352.99</u>
Unencumbered Cash, Ending	<u>\$ 1,217,352.99</u>	<u>\$ 961,708.03</u>

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

CITY OF COFFEYVILLE, KANSAS
GOLF COURSE FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
Golf Course Sheds	\$ 26,150.00	\$ 26,825.00	\$ 22,000.00	\$ 4,825.00
Membership Fees	65,082.12	54,373.42	180,000.00	(125,626.58)
Green Fees	87,330.60	87,804.90	-	87,804.90
Golf Cart Fees	29,501.76	30,343.90	58,000.00	(27,656.10)
Pro Shop	21,357.81	18,821.89	-	18,821.89
Sales Tax	7,174.84	7,199.82	-	7,199.82
Driving Range	4,980.48	6,080.44	10,000.00	(3,919.56)
Concessions	36,072.51	32,163.19	108,000.00	(75,836.81)
Jr. Golf Program	2,611.00	300.00	-	300.00
Other Fees	3,117.29	1,187.90	-	1,187.90
Other Revenues				
Miscellaneous	651.66	1,803.91	11,125.00	(9,321.09)
Operating Transfers from				
Electric Surplus Fund	127,000.00	150,000.00	115,000.00	35,000.00
Total Cash Receipts	<u>411,030.07</u>	<u>416,904.37</u>	<u>\$ 504,125.00</u>	<u>\$ (122,220.63)</u>
Expenditures and Transfers				
Subject to Budget				
Culture and Recreation				
Personal Services	167,415.91	161,819.66	\$ 220,892.00	\$ (59,072.34)
Contractual Services	39,436.10	43,386.36	59,160.00	(15,773.64)
Commodities	83,134.42	83,341.67	127,450.00	(44,108.33)
Capital Outlay	576.94	5,416.00	1,572.00	3,844.00
Debt Service				
Lease Purchase - Interest	7,689.94	2,118.59	-	2,118.59
Lease Purchase - Principal	90,369.46	94,775.72	98,060.00	(3,284.28)
Operating Transfers to				
Risk Management Fund	26,661.00	27,036.00	-	27,036.00
Total Expenditures and Transfers				
Subject to Budget	<u>415,283.77</u>	<u>417,894.00</u>	<u>\$ 507,134.00</u>	<u>\$ (89,240.00)</u>
Receipts Over(Under) Expenditures	(4,253.70)	(989.63)		
Unencumbered Cash, Beginning	6,914.86	2,661.16		
Unencumbered Cash, Ending	<u>\$ 2,661.16</u>	<u>\$ 1,671.53</u>		

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

CITY OF COFFEYVILLE, KANSAS
YOUTH ACTIVITIES CENTER FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Use of Money and Property				
Rental Income	\$ 3,350.00	\$ 2,745.00	\$ 4,000.00	\$ (1,255.00)
Other Revenues				
Reimbursed Expense	118.74	-	150.00	(150.00)
Miscellaneous Income	-	19.91	-	19.91
Operating Transfers from:				
Electric Surplus Fund	25,000.00	21,000.00	35,000.00	(14,000.00)
Local Alcohol Liquor Fund	10,664.26	9,991.29	10,970.00	(978.71)
Total Cash Receipts	39,133.00	33,756.20	\$ 50,120.00	\$ (16,363.80)
Expenditures and Transfers				
Subject to Budget				
Culture and Recreation				
Personal Services	22,226.46	22,564.02	\$ 26,943.00	\$ (4,378.98)
Contractual Services	11,906.67	10,615.73	15,700.00	(5,084.27)
Commodities	569.24	692.91	500.00	192.91
Capital Outlay	-	-	8,721.00	(8,721.00)
Total Expenditures and Transfers				
Subject to Budget	34,702.37	33,872.66	\$ 51,864.00	\$ (17,991.34)
Receipts Over(Under) Expenditures	4,430.63	(116.46)		
Unencumbered Cash, Beginning	798.03	5,228.66		
Unencumbered Cash, Ending	\$ 5,228.66	\$ 5,112.20		

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

CITY OF COFFEYVILLE, KANSAS
POLICE VIN FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
Vehicle Inspection Fees	\$ 14,320.00	\$ 11,650.00	\$ 14,250.00	\$ (2,600.00)
Total Cash Receipts	<u>14,320.00</u>	<u>11,650.00</u>	<u>\$ 14,250.00</u>	<u>\$ (2,600.00)</u>
Expenditures and Transfers				
Subject to Budget				
Public Safety				
Contractual Services	1,459.00	1,228.00	\$ 1,923.00	\$ (695.00)
Operating Transfers to				
General Fund	<u>13,500.00</u>	<u>10,500.00</u>	<u>12,500.00</u>	<u>(2,000.00)</u>
Total Expenditures and Transfers				
Subject to Budget	<u>14,959.00</u>	<u>11,728.00</u>	<u>\$ 14,423.00</u>	<u>\$ (2,695.00)</u>
Receipts Over(Under) Expenditures	(639.00)	(78.00)		
Unencumbered Cash, Beginning	<u>948.00</u>	<u>309.00</u>		
Unencumbered Cash, Ending	<u>\$ 309.00</u>	<u>\$ 231.00</u>		

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

CITY OF COFFEYVILLE, KANSAS
AQUATIC CENTER OPERATIONS FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenue				
Sales Tax	\$ 1,255.11	\$ 1,619.04	\$ -	\$ 1,619.04
Charges for Services				
Pool Admissions	44,201.75	44,334.75	55,000.00	(10,665.25)
Concessions	20,757.95	19,138.71	24,000.00	(4,861.29)
Other Revenues				
Miscellaneous	751.32	796.76	-	796.76
Reimbursed Expense	364.02	2.15	2,275.00	(2,272.85)
Operating Transfers from:				
General Fund	6,000.00	6,000.00	6,000.00	-
Electric Surplus Fund	41,000.00	21,000.00	21,000.00	-
Total Cash Receipts	114,330.15	92,891.41	\$ 108,275.00	\$ (15,383.59)
Expenditures and Transfers				
Subject to Budget				
Culture and Recreation				
Personal Services	50,348.56	46,214.12	\$ 50,743.00	\$ (4,528.88)
Contractual Services	8,367.83	7,954.31	15,450.00	(7,495.69)
Commodities	25,871.59	30,443.06	36,725.00	(6,281.94)
Capital Outlay	30,443.09	8,180.62	7,900.00	280.62
Total Expenditures and Transfers	115,031.07	92,792.11	\$ 110,818.00	\$ (18,025.89)
Receipts Over(Under) Expenditures	(700.92)	99.30		
Unencumbered Cash, Beginning	2,027.96	1,327.04		
Unencumbered Cash, Ending	<u>\$ 1,327.04</u>	<u>\$ 1,426.34</u>		

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

CITY OF COFFEYVILLE, KANSAS
BUSINESS DEVELOPMENT TRAINING CENTER FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Use of Money and Property				
Rental of Building	\$ 49,440.00	\$ 37,230.00	\$ 37,080.00	\$ 150.00
Other Revenues				
Reimbursed Expense	3,200.00	3,200.00	3,200.00	-
Total Cash Receipts	<u>52,640.00</u>	<u>40,430.00</u>	<u>\$ 40,280.00</u>	<u>\$ 150.00</u>
Expenditures and Transfers				
Subject to Budget				
General Government				
Contractual Services	19,612.96	18,954.20	\$ 23,573.00	\$ (4,618.80)
Capital Outlay	-	-	102,664.00	(102,664.00)
Total Expenditures and Transfers				
Subject to Budget	<u>19,612.96</u>	<u>18,954.20</u>	<u>\$ 126,237.00</u>	<u>\$ (107,282.80)</u>
Receipts Over(Under) Expenditures	33,027.04	21,475.80		
Unencumbered Cash, Beginning	<u>46,141.40</u>	<u>79,168.44</u>		
Unencumbered Cash, Ending	<u>\$ 79,168.44</u>	<u>\$ 100,644.24</u>		

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

CITY OF COFFEYVILLE, KANSAS
BUSINESS DEVELOPMENT TRAINING CENTER RESERVE FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Use of Money and Property		
Rental of Building	\$ -	\$ -
Total Cash Receipts	-	-
Expenditures and Transfers		
General Government		
Operating Transfers to Business Development Training Center Fund	-	-
Total Expenditures and Transfers	-	-
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	57,198.04	57,198.04
Unencumbered Cash, Ending	<u>\$ 57,198.04</u>	<u>\$ 57,198.04</u>

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

CITY OF COFFEYVILLE, KANSAS
VETERANS MEMORIAL STADIUM FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
User Fees	\$ 52,014.00	\$ -	\$ -	\$ -
Concessions	10,161.70	-	15,000.00	(15,000.00)
Parking Fees	1,651.85	-	2,500.00	(2,500.00)
Use of Money and Property				
Rental Income	12,100.00	-	23,400.00	(23,400.00)
Other Revenues				
Reimbursed Expense	6,019.54	2,071.15	2,000.00	71.15
Operating Transfers from Electric Surplus Fund	-	-	5,000.00	(5,000.00)
Total Cash Receipts	81,947.09	2,071.15	\$ 47,900.00	\$ (45,828.85)
Expenditures and Transfers Subject to Budget				
Culture and Recreation				
Contractual Services	25,023.74	14,305.61	\$ 28,800.00	\$ (14,494.39)
Commodities	28,470.15	1,845.74	18,200.00	(16,354.26)
Capital Outlay	-	298.00	2,883.00	(2,585.00)
Total Certified Budget			49,883.00	(33,433.65)
Adjustments for Qualifying Budget Credits			2,071.15	(2,071.15)
Total Expenditures and Transfers Subject to Budget	53,493.89	16,449.35	\$ 51,954.15	\$ (35,504.80)
Receipts Over(Under) Expenditures	28,453.20	(14,378.20)		
Unencumbered Cash, Beginning	4,597.64	33,050.84		
Unencumbered Cash, Ending	\$ 33,050.84	\$ 18,672.64		

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

CITY OF COFFEYVILLE, KANSAS
VETERANS MEMORIAL STADIUM DEPRECIATION AND REPLACEMENT FUND

Statement of Cash Receipts and Expenditures - Actual

For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Other Revenues		
Maintenance Fees	\$ 39,486.92	\$ 65,000.00
Operating Transfer from		
Electric Surplus Fund	25,000.00	25,000.00
Total Cash Receipts	64,486.92	90,000.00
Expenditures and Transfers		
Culture and Recreation		
Contractual Services	9,940.00	6,000.00
Capital Outlay	4,486.92	-
Total Expenditures and Transfers	14,426.92	6,000.00
Receipts Over(Under) Expenditures	50,060.00	84,000.00
Unencumbered Cash, Beginning	122,779.75	172,839.75
Unencumbered Cash, Ending	\$ 172,839.75	\$ 256,839.75

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

CITY OF COFFEYVILLE, KANSAS
USD #445 SALES TAX FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Operating Transfers from General Fund	\$ 811,268.22	\$ 800,955.46	\$ 750,000.00	\$ 50,955.46
Total Cash Receipts	<u>811,268.22</u>	<u>800,955.46</u>	<u>\$ 750,000.00</u>	<u>\$ 50,955.46</u>
Expenditures and Transfers				
Culture and Recreation Appropriation to USD #445	1,152,100.00	1,011,256.00	\$ 1,425,000.00	\$ (413,744.00)
Total Expenditures and Transfers Subject to Budget	<u>1,152,100.00</u>	<u>1,011,256.00</u>	<u>\$ 1,425,000.00</u>	<u>\$ (413,744.00)</u>
Receipts Over(Under) Expenditures	(340,831.78)	(210,300.54)		
Unencumbered Cash, Beginning	<u>1,145,027.29</u>	<u>804,195.51</u>		
Unencumbered Cash, Ending	<u>\$ 804,195.51</u>	<u>\$ 593,894.97</u>		

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

CITY OF COFFEYVILLE, KANSAS
CRMC SALES TAX FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Operating Transfers from General Fund	\$ 811,268.22	\$ 800,955.46	\$ 750,000.00	\$ 50,955.46
Total Cash Receipts	<u>811,268.22</u>	<u>800,955.46</u>	<u>\$ 750,000.00</u>	<u>\$ 50,955.46</u>
Expenditures and Transfers				
Culture and Recreation				
Appropriation to Coffeyville				
Regional Medical Center	566,931.47	561,033.47	\$ 1,000,000.00	\$ (438,966.53)
Total Expenditures and Transfers Subject to Budget	<u>566,931.47</u>	<u>561,033.47</u>	<u>\$ 1,000,000.00</u>	<u>\$ (438,966.53)</u>
Receipts Over(Under) Expenditures	244,336.75	239,921.99		
Unencumbered Cash, Beginning	<u>2,274,798.92</u>	<u>2,519,135.67</u>		
Unencumbered Cash, Ending	<u>\$ 2,519,135.67</u>	<u>\$ 2,759,057.66</u>		

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

CITY OF COFFEYVILLE, KANSAS
1/2 CENT SALES TAX IRB DEBT FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Operating Transfers from:				
General Fund	\$ 470,000.00	\$ 470,000.00	\$ 470,000.00	\$ -
Total Cash Receipts	<u>470,000.00</u>	<u>470,000.00</u>	<u>\$ 470,000.00</u>	<u>\$ -</u>
Expenditures and Transfers				
Subject to Budget				
Debt Service				
Bond Principal	345,000.00	355,000.00	\$ 355,000.00	\$ -
Bond Interest	75,760.32	63,562.50	63,563.00	(0.50)
Commissions and Postage	70.00	-	2,015.00	(2,015.00)
Total Expenditures and Transfers				
Subject to Budget	<u>420,830.32</u>	<u>418,562.50</u>	<u>\$ 420,578.00</u>	<u>\$ (2,015.50)</u>
Receipts Over(Under) Expenditures	49,169.68	51,437.50		
Unencumbered Cash, Beginning	<u>99,849.63</u>	<u>149,019.31</u>		
Unencumbered Cash, Ending	<u>\$ 149,019.31</u>	<u>\$ 200,456.81</u>		

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

CITY OF COFFEYVILLE, KANSAS
G.O. BOND AND INTEREST FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Use of Money and Property				
Revolving Loan Proceeds	\$ 982,783.46	\$ -	\$ -	\$ -
Total Cash Receipts	<u>982,783.46</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures and Transfers				
Subject to Budget				
Capital Improvements				
Contractual Services	41,579.84	1,958,500.73	\$ 2,200,000.00	\$ (241,499.27)
Commodities	2,608.64	-	-	-
Capital Outlay	35,550.56	1,014,000.00	1,014,000.00	-
Debt Service				
Bond Interest	91,521.81	95,225.00	95,225.00	-
Total Expenditures and Transfers				
Subject to Budget	<u>171,260.85</u>	<u>3,067,725.73</u>	<u>\$ 3,309,225.00</u>	<u>\$ (241,499.27)</u>
Receipts Over(Under) Expenditures	811,522.61	(3,067,725.73)		
Unencumbered Cash, Beginning	<u>2,641,181.27</u>	<u>3,452,703.88</u>		
Unencumbered Cash, Ending	<u>\$ 3,452,703.88</u>	<u>\$ 384,978.15</u>		

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

CITY OF COFFEYVILLE, KANSAS
MEMORIAL HALL BUILDING FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Use of Money and Property				
Donations	\$ -	\$ -	\$ -	\$ -
Total Cash Receipts	-	-	\$ -	\$ -
Expenditures and Transfers				
Subject to Budget				
Culture and Recreation				
Capital Outlay	690.04	-	\$ 12,824.00	\$ (12,824.00)
Total Expenditures and Transfers				
Subject to Budget	690.04	-	\$ 12,824.00	\$ (12,824.00)
Receipts Over(Under) Expenditures	(690.04)	-		
Unencumbered Cash, Beginning	13,524.11	12,834.07		
Unencumbered Cash, Ending	\$ 12,834.07	\$ 12,834.07		

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

CITY OF COFFEYVILLE, KANSAS
MISCELLANEOUS PROJECTS FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Taxes and Shared Revenue		
County Liquor Tax	\$ 8,644.26	\$ 7,866.51
Federal Grants - ESG	15,820.41	19,788.83
Federal Grants - Brownfield	-	45,052.44
Federal Grants - NSP	-	64,397.50
State Grants-Housing Rehab.	-	108,855.72
Use of Money and Property		
Sale of Property	-	2,508.00
Operating Transfers from		
Capital Improvement Reserve Fund	4,000.00	-
Electric Surplus Fund	-	50,000.00
Total Cash Receipts	<u>28,464.67</u>	<u>298,469.00</u>
Expenditures and Transfers		
Public Works		
Contractual Services	18,335.63	124,262.13
Commodities	-	36.35
Capital Outlay	<u>28,692.28</u>	<u>171,988.72</u>
Total Expenditures and Transfers	<u>47,027.91</u>	<u>296,287.20</u>
Receipts Over(Under) Expenditures	(18,563.24)	2,181.80
Unencumbered Cash, Beginning	<u>18,972.31</u>	<u>409.07</u>
Unencumbered Cash, Ending	<u>\$ 409.07</u>	<u>\$ 2,590.87</u>

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

CITY OF COFFEYVILLE, KANSAS
AIRPORT SPECIAL PROJECTS FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Taxes and Shared Revenues		
Federal Grants - FAA	\$ 270,699.00	\$ 928,515.00
Other Revenues		
Reimbursed Expense	30,000.00	-
Operating Transfers from General Fund	<u>37,000.00</u>	<u>-</u>
Total Cash Receipts	<u>337,699.00</u>	<u>928,515.00</u>
Expenditures and Transfers		
General Government		
Contractual Services	<u>325,877.90</u>	<u>958,059.60</u>
Total Expenditures and Transfers	<u>325,877.90</u>	<u>958,059.60</u>
Receipts Over(Under) Expenditures	11,821.10	(29,544.60)
Unencumbered Cash, Beginning	<u>68,766.03</u>	<u>80,587.13</u>
Unencumbered Cash, Ending	<u>\$ 80,587.13</u>	<u>\$ 51,042.53</u>

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

CITY OF COFFEYVILLE, KANSAS
GOLF COURSE DEPRECIATION AND REPLACEMENT FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Use of Money and Property		
Interest Income	\$ 1,156.17	\$ 1,040.44
Total Cash Receipts	<u>1,156.17</u>	<u>1,040.44</u>
Expenditures and Transfers		
Improvements		
Capital Outlay	<u>49,895.00</u>	<u>-</u>
Total Expenditures and Transfers	<u>49,895.00</u>	<u>-</u>
Receipts Over(Under) Expenditures	(48,738.83)	1,040.44
Unencumbered Cash, Beginning	<u>138,769.62</u>	<u>90,030.79</u>
Unencumbered Cash, Ending	<u>\$ 90,030.79</u>	<u>\$ 91,071.23</u>

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

CITY OF COFFEYVILLE, KANSAS
LAW ENFORCEMENT PROJECTS FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Intergovernmental		
Federal Grants - JAG	\$ -	\$ 24,072.00
Federal Grants - 911	29,437.74	63,857.26
Operating Transfers from Capital Improvement Reserve Fund	6,200.00	-
Total Cash Receipts	<u>35,637.74</u>	<u>87,929.26</u>
Expenditures and Transfers		
General Government		
Contractual Services	-	7,727.88
Capital Outlay	35,637.20	63,857.26
Operating Transfers to Capital Improvement Reserve Fund	-	6,200.00
Total Expenditures and Transfers	<u>35,637.20</u>	<u>77,785.14</u>
Receipts Over(Under) Expenditures	0.54	10,144.12
Unencumbered Cash, Beginning	<u>666.00</u>	<u>666.54</u>
Unencumbered Cash, Ending	<u>\$ 666.54</u>	<u>\$ 10,810.66</u>

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

CITY OF COFFEYVILLE, KANSAS
ELECTRIC BOND PROJECTS FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Operating Transfers from		
Electric R & I Reserves Fund	\$ 61,158.18	\$ 4,249.28
Total Cash Receipts	61,158.18	4,249.28
Expenditures and Transfers		
General Government		
Capital Outlay	61,158.18	4,249.28
Total Expenditures and Transfers	61,158.18	4,249.28
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 COFFEYVILLE, KANSAS
ELECTRIC UTILITY FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
Sale of Electricity				
General Sales	\$ 19,942,916.65	\$ 22,473,140.84	\$ 48,078,912.00	\$(25,605,771.16)
Coffeyville Resources	24,933,498.32	24,039,054.59	-	24,039,054.59
Turn on & Turn off	5,275.00	6,675.00	-	6,675.00
Late Fees	93,462.48	102,207.13	-	102,207.13
Intergovernmental				
State Grants - SB 417	-	69.62	-	69.62
Use of Money and Property				
Rental of Property	46,852.98	15,383.00	51,000.00	(35,617.00)
Sale of Property and Buildings	-	-	-	-
Sale of Scrap	1,839.90	9,815.25	5,000.00	4,815.25
Interest Income	135,142.93	155,786.87	150,000.00	5,786.87
Other Revenues				
Bad Debt Recovery	4,353.61	4,298.90	-	4,298.90
Miscellaneous	217.78	621.48	5,300.00	(4,678.52)
Reimbursed Expense	160,950.30	42,360.99	1,000.00	41,360.99
Total Cash Receipts	45,324,509.95	46,849,413.67	\$ 48,291,212.00	\$ (1,441,798.33)
Expenditures and Transfers				
Subject to Budget				
Distribution				
Personal Services	823,947.11	803,718.11	\$ 1,119,802.00	\$ (316,083.89)
Contractual Services	271,981.60	382,470.26	243,750.00	138,720.26
Commodities	129,252.38	128,394.82	189,500.00	(61,105.18)
Capital Outlay	344,944.64	597,766.59	736,750.00	(138,983.41)
Generation				
Personal Services	1,067,583.93	1,111,118.63	1,383,330.00	(272,211.37)
Contractual Services	1,176,359.92	1,154,655.46	891,452.00	263,203.46
Commodities	11,230,591.71	12,241,187.59	11,589,459.00	651,728.59
Capital Outlay	79,065.39	110,358.61	159,500.00	(49,141.39)
General and Administrative				
Personal Services	204,175.02	178,051.38	331,793.00	(153,741.62)
Contractual Services	843,258.76	825,353.69	815,152.00	10,201.69
Commodities	4,763.56	3,120.19	19,775.00	(16,654.81)
Capital Outlay	11,446.93	1,329.05	4,700.00	(3,370.95)

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

CITY OF COFFEYVILLE, KANSAS
ELECTRIC UTILITY FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures and Transfers				
Subject to Budget (Continued)				
Industries - Coffeyville Resources				
Contractual Services	\$ 4,231,770.09	\$ 2,550,145.07	\$ 3,553,926.00	\$ (1,003,780.93)
Commodities	20,130,826.11	20,248,171.26	19,965,266.00	282,905.26
Operating Transfers to:				
General Fund	1,853,823.32	2,154,084.75	1,883,356.00	270,728.75
Risk Management Fund	337,250.00	333,000.00	-	333,000.00
Electric Debt Service Fund	746,615.00	1,056,224.01	1,385,940.00	(329,715.99)
Electric Surplus Fund	909,385.00	1,149,234.45	1,314,060.00	(164,825.55)
Electric R & I Reserves Fund	902,000.00	905,000.00	3,102,000.00	(2,197,000.00)
Total Certified Budget			48,689,511.00	(2,756,127.08)
Adjustments for Qualifying				
Budget Credits			42,360.99	(42,360.99)
Total Expenditures and Transfers				
Subject to Budget	45,299,040.47	45,933,383.92	\$ 48,731,871.99	\$ (2,798,488.07)
Receipts Over(Under) Expenditures	25,469.48	916,029.75		
Unencumbered Cash, Beginning	83,640.47	109,109.95		
Unencumbered Cash, Ending	\$ 109,109.95	\$ 1,025,139.70		

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

CITY OF COFFEYVILLE, KANSAS
ELECTRIC R & I RESERVES FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Intergovernmental		
KDOT Grant	\$ 2,089,618.38	\$ -
Operating Transfers from		
Electric Utility Fund	902,000.00	905,000.00
Total Cash Receipts	<u>2,991,618.38</u>	<u>905,000.00</u>
Expenditures and Transfers		
General Government		
Contractual Services	2,172,197.30	19,964.44
Capital Outlay	2,101,989.90	1,129,400.56
Operating Transfers to		
Electric Bond Project Fund	61,158.18	4,249.28
Total Expenditures and Transfers	<u>4,335,345.38</u>	<u>1,153,614.28</u>
Receipts Over(Under) Expenditures	(1,343,727.00)	(248,614.28)
Unencumbered Cash, Beginning	<u>3,408,933.52</u>	<u>2,065,206.52</u>
Unencumbered Cash, Ending	<u>\$ 2,065,206.52</u>	<u>\$ 1,816,592.24</u>

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

CITY OF COFFEYVILLE, KANSAS
ELECTRIC DEBT SERVICE FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Operating Transfers from				
Electric Utility Fund	\$ 746,615.00	\$ 1,056,224.01	\$ 1,385,940.00	\$ (329,715.99)
Total Cash Receipts	<u>746,615.00</u>	<u>1,056,224.01</u>	<u>\$ 1,385,940.00</u>	<u>\$ (329,715.99)</u>
Expenditures and Transfers				
Subject to Budget				
Debt Service				
Bond Principal	609,706.83	550,000.00	\$ 550,000.00	\$ -
Bond Interest	454,009.14	344,776.26	844,776.00	(499,999.74)
Commissions and Postage	-	-	200.00	(200.00)
Lease Purchase Principal	-	67,982.63	67,983.00	(0.37)
Lease Purchase Interest	-	87,475.83	87,476.00	(0.17)
Total Expenditures and Transfers				
Subject to Budget	<u>1,063,715.97</u>	<u>1,050,234.72</u>	<u>\$ 1,550,435.00</u>	<u>\$ (500,200.28)</u>
Receipts Over(Under) Expenditures	(317,100.97)	5,989.29		
Unencumbered Cash, Beginning	<u>486,003.30</u>	<u>168,902.33</u>		
Unencumbered Cash, Ending	<u>\$ 168,902.33</u>	<u>\$ 174,891.62</u>		

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

CITY OF COFFEYVILLE, KANSAS
ELECTRIC SURPLUS FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Operating Transfers from Electric Utility Fund	\$ 909,385.00	\$ 1,149,234.45
Total Cash Receipts	<u>909,385.00</u>	<u>1,149,234.45</u>
Expenditures and Transfers		
General Government		
Contractual Services	253,488.00	252,350.00
Operating Transfers to:		
Capital Improvement Reserve Fund	341,385.00	200,000.00
Youth Activities Center Fund	25,000.00	21,000.00
Aquatic Operations Center Fund	41,000.00	21,000.00
Veterans Memorial Stadium		
Depreciation & Replacement Fund	25,000.00	25,000.00
Miscellaneous Projects Fund	-	50,000.00
911 Emergency System Fund	-	33,000.00
Golf Course Fund	127,000.00	150,000.00
Total Expenditures and Transfers	<u>812,873.00</u>	<u>752,350.00</u>
Receipts Over(Under) Expenditures	96,512.00	396,884.45
Unencumbered Cash, Beginning	<u>228,469.69</u>	<u>324,981.69</u>
Unencumbered Cash, Ending	<u>\$ 324,981.69</u>	<u>\$ 721,866.14</u>

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

CITY OF COFFEYVILLE, KANSAS
WATER AND SEWER UTILITY FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
Water Sales	\$ 2,397,989.26	\$ 2,637,211.63	\$ 2,805,285.00	\$ (168,073.37)
Sewer Charges	2,003,202.54	2,024,449.90	2,126,442.00	(101,992.00)
Late Fees	34,764.00	40,604.32	-	40,604.00
Other Charges	31,017.12	35,871.03	-	35,871.00
Intergovernmental				
State Grants - SB 417	-	59.64	-	60.00
Use of Money and Property				
Interest Income	152,897.32	81,713.76	210,000.00	(128,286.00)
Sale of Scrap and Equipment	3,949.05	-	2,000.00	(2,000.00)
Other Revenues				
Miscellaneous	285.00	100.00	73,525.00	(73,425.00)
Bad Debt Collections	-	-	-	-
Reimbursed Expense	1,163.07	3,299.19	4,000.00	(701.00)
Total Cash Receipts	4,625,267.36	4,823,309.47	\$ 5,221,252.00	\$ (397,942.37)
Expenditures and Transfers				
Subject to Budget				
Water Distribution				
Personal Services	510,114.46	506,192.68	\$ 598,679.00	\$ (92,486.32)
Contractual Services	29,103.78	42,177.81	25,020.00	17,157.81
Commodities	98,144.15	89,276.93	90,175.00	(898.07)
Capital Outlay	73,014.88	44,314.34	37,400.00	6,914.34
Water Treatment				
Personal Services	379,884.09	363,361.40	441,903.00	(78,541.60)
Contractual Services	206,972.78	200,839.47	196,870.00	3,969.47
Commodities	293,267.56	285,439.52	273,150.00	12,289.52
Capital Outlay	1,360.26	28,475.40	9,000.00	19,475.40
Water General				
Personal Services	19,701.34	20,673.68	23,088.00	(2,414.32)
Contractual Services	107,323.55	105,036.07	124,150.00	(19,113.93)
Commodities	3,717.85	3,673.57	4,500.00	(826.43)
Capital Outlay	4,261.67	201.98	200.00	1.98

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

CITY OF COFFEYVILLE, KANSAS
WATER AND SEWER UTILITY FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Expenditures and Transfers Subject to Budget (Continued)				
Sewer Collections				
Personal Services	\$ 148,458.51	\$ 154,939.13	\$ 203,123.00	\$ (48,183.87)
Contractual Services	11,405.33	59,245.51	7,350.00	51,895.51
Commodities	23,940.12	23,687.15	51,275.00	(27,587.85)
Capital Outlay	17,321.03	12,420.64	11,000.00	1,420.64
Sewer Treatment				
Personal Services	361,032.68	380,956.30	434,837.00	(53,880.70)
Contractual Services	46,908.08	49,960.45	32,450.00	17,510.45
Commodities	17,483.87	17,627.57	42,125.00	(24,497.43)
Capital Outlay	1,633.24	7,054.38	9,700.00	(2,645.62)
Sewer General				
Personal Services	19,701.33	20,673.68	23,088.00	(2,414.32)
Contractual Services	72,579.28	73,258.91	57,900.00	15,358.91
Commodities	500.00	522.31	1,300.00	(777.69)
Capital Outlay	4,261.66	-	250.00	(250.00)
Operating Transfers to:				
General Fund	673,597.17	679,122.56	689,500.00	(10,377.44)
Water and Sewer Depreciation and Replacement Fund	400,000.00	275,000.00	400,000.00	(125,000.00)
Water and Sewer Debt Service Fund	1,146,076.15	1,142,439.78	1,185,606.00	(43,166.22)
Risk Management Fund	251,163.80	254,638.80	-	254,638.80
Total Certified Budget			4,973,639.00	(132,428.98)
Adjustments for Qualifying Budget Credits			3,299.19	(3,299.19)
Total Expenditures and Transfers Subject to Budget	4,922,928.62	4,841,210.02	\$ 4,976,938.19	\$ (135,728.17)
Receipts Over(Under) Expenditures	(297,661.26)	(17,900.55)		
Unencumbered Cash, Beginning	1,248,055.94	950,394.68		
Unencumbered Cash, Ending	\$ 950,394.68	\$ 932,494.13		

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

CITY OF COFFEYVILLE, KANSAS
WATER AND SEWER DEPRECIATION AND REPLACEMENT FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Use of Money and Property		
Revolving Loan Proceeds	\$ -	\$ 632,460.46
Intergovernmental		
State Grants - SB 417	-	46,301.06
State Grants - KDOT	-	460,310.25
Operating Transfers from Water and Sewer Utility Fund	<u>400,000.00</u>	<u>275,000.00</u>
Total Cash Receipts	<u>400,000.00</u>	<u>1,414,071.77</u>
Expenditures and Transfers		
Public Works		
Contractual Services	38,701.22	111,876.25
Capital Outlay	<u>160,865.46</u>	<u>1,415,892.27</u>
Total Expenditures and Transfers	<u>199,566.68</u>	<u>1,527,768.52</u>
Receipts Over(Under) Expenditures	200,433.32	(113,696.75)
Unencumbered Cash, Beginning	<u>2,250,040.26</u>	<u>2,450,473.58</u>
Unencumbered Cash, Ending	<u>\$ 2,450,473.58</u>	<u>\$ 2,336,776.83</u>

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

CITY OF COFFEYVILLE, KANSAS
WATER AND SEWER DEBT SERVICE FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Operating Transfers from				
Water and Sewer Utility Fund	\$ 1,146,076.15	\$ 1,142,439.78	\$ 1,185,605.00	\$ (43,165.22)
Total Cash Receipts	<u>1,146,076.15</u>	<u>1,142,439.78</u>	<u>\$ 1,185,605.00</u>	<u>\$ (43,165.22)</u>
Expenditures and Transfers				
Subject to Budget				
Debt Service				
Bond Principal	997,068.51	787,618.73	\$ 830,585.00	\$ (42,966.27)
Bond Interest	384,190.02	354,821.05	354,821.00	0.05
Commissions and Postage	-	-	200.00	(200.00)
Total Expenditures and Transfers				
Subject to Budget	<u>1,381,258.53</u>	<u>1,142,439.78</u>	<u>\$ 1,185,606.00</u>	<u>\$ (43,166.22)</u>
Receipts Over(Under) Expenditures	(235,182.38)	-		
Unencumbered Cash, Beginning	<u>497,031.99</u>	<u>261,849.61</u>		
Unencumbered Cash, Ending	<u>\$ 261,849.61</u>	<u>\$ 261,849.61</u>		

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

CITY OF COFFEYVILLE, KANSAS
STORMWATER UTILITY FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
Stormwater Sales	\$ 154,179.51	\$ 152,430.68	\$ 154,200.00	\$ (1,769.32)
Late Charges	621.79	625.38	1,000.00	(374.62)
Total Cash Receipts	<u>154,801.30</u>	<u>153,056.06</u>	<u>\$ 155,200.00</u>	<u>\$ (2,143.94)</u>
Expenditures and Transfers				
Subject to Budget				
Personal Services	81,759.78	88,289.14	\$ 108,768.00	\$ (20,478.86)
Contractual Services	4,554.22	5,391.17	12,610.00	(7,218.83)
Commodities	13,801.64	12,003.15	6,875.00	5,128.15
Capital Outlay	2,611.86	8,340.38	16,031.00	(7,690.62)
Operating Transfers to:				
Risk Management Fund	17,750.00	18,000.00	-	18,000.00
Stormwater Depreciation and Replacement Fund	45,000.00	30,000.00	30,000.00	-
Total Expenditures and Transfers Subject to Budget	<u>165,477.50</u>	<u>162,023.84</u>	<u>\$ 174,284.00</u>	<u>\$ (12,260.16)</u>
Receipts Over(Under) Expenditures	(10,676.20)	(8,967.78)		
Unencumbered Cash, Beginning	<u>38,818.71</u>	<u>28,142.51</u>		
Unencumbered Cash, Ending	<u>\$ 28,142.51</u>	<u>\$ 19,174.73</u>		

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

CITY OF COFFEYVILLE, KANSAS
STORMWATER DEPRECIATION AND REPLACEMENT FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Use of Money and Property		
Capital Lease Proceeds	\$ 130,000.00	\$ -
Operating Transfers from Stormwater Utility Fund	45,000.00	30,000.00
Total Cash Receipts	<u>175,000.00</u>	<u>30,000.00</u>
Expenditures and Transfers		
Public Works		
Contractual Services	-	15,682.92
Capital Outlay	214,229.00	-
Debt Service		
Principal Payment	-	42,606.99
Interest Payment	-	2,880.55
Commissions and Postage	320.00	-
Total Expenditures and Transfers	<u>214,549.00</u>	<u>61,170.46</u>
Receipts Over(Under) Expenditures	(39,549.00)	(31,170.46)
Unencumbered Cash, Beginning	<u>115,362.43</u>	<u>75,813.43</u>
Unencumbered Cash, Ending	<u>\$ 75,813.43</u>	<u>\$ 44,642.97</u>

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

CITY OF COFFEYVILLE, KANSAS
REFUSE/TRASH UTILITY FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
Trash Collections	\$ 511,932.69	\$ 525,069.58	\$ 502,564.00	\$ 22,505.58
Late Charges	-	8,145.33	-	8,145.33
Other Revenues				
Reimbursed Expense	40,938.00	-	6,500.00	(6,500.00)
Total Cash Receipts	552,870.69	533,214.91	\$ 509,064.00	\$ 24,150.91
Expenditures and Transfers				
Subject to Budget				
Collections				
Contractual Services	517,298.74	505,816.99	\$ 540,496.00	\$ (34,679.01)
Commodities	3,500.00	5,032.21	3,500.00	1,532.21
Capital Outlay	-	-	10,138.00	(10,138.00)
Total Expenditures and Transfers Subject to Budget	520,798.74	510,849.20	\$ 554,134.00	\$ (43,284.80)
Receipts Over(Under) Expenditures	32,071.95	22,365.71		
Unencumbered Cash, Beginning	56,580.88	88,652.83		
Unencumbered Cash, Ending	\$ 88,652.83	\$ 111,018.54		

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

CITY OF COFFEYVILLE, KANSAS
INTERNET UTILITY FUND

Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Charges for Services				
Internet Charges	\$ 208,558.95	\$ 218,605.22	\$ 305,301.00	\$ (86,695.78)
Installation Charges	9,486.25	9,175.00	17,960.00	(8,785.00)
Late Charges	2,434.01	1,807.33	3,150.00	(1,342.67)
Use of Money and Property				
Sale of Equipment	59.00	2,000.00	-	2,000.00
Other Revenues				
Reimbursed Expense	31.00	-	-	-
Total Cash Receipts	220,569.21	231,587.55	\$ 326,411.00	\$ (94,823.45)
Expenditures and Transfers				
Subject to Budget				
Connections				
Personal Services	56,056.46	66,672.73	\$ 93,133.00	\$ (26,460.27)
Contractual Services	100,597.80	61,531.12	61,485.00	46.12
Commodities	4,946.96	2,103.82	3,200.00	(1,096.18)
Capital Outlay	38,133.82	61,838.10	80,000.00	(18,161.90)
Operating Transfers to				
Risk Management Fund	2,219.00	9,000.00	-	9,000.00
Total Expenditures and Transfers Subject to Budget	201,954.04	201,145.77	\$ 237,818.00	\$ (36,672.23)
Receipts Over(Under) Expenditures	18,615.17	30,441.78		
Unencumbered Cash, Beginning	61,883.71	80,498.88		
Unencumbered Cash, Ending	<u>\$ 80,498.88</u>	<u>\$ 110,940.66</u>		

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

CITY OF COFFEYVILLE, KANSAS
METER DEPOSIT FUND

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Other Revenue		
Meter Deposits	\$ 175,935.07	\$ 109,090.31
Total Cash Receipts	<u>175,935.07</u>	<u>109,090.31</u>
Expenditures and Transfers		
Meter Deposit Refunds	<u>175,935.07</u>	<u>109,090.31</u>
Total Expenditures and Transfers	<u>175,935.07</u>	<u>109,090.31</u>
Receipts Over(Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

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

CITY OF COFFEYVILLE, KANSAS
AGENCY FUNDS

Statement of Cash Receipts and Cash Disbursements
For the Year Ended December 31, 2010

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Fire Insurance Proceeds	\$ 9,143.84	\$ 20,951.93	\$ 5,807.05	\$ 24,288.72
Sales Tax	25,043.01	594,744.44	603,993.88	15,793.57
Perpetual Care	14,991.46	33,213.22	-	48,204.68
Drug Forfeitures	72,131.51	15,275.12	16,379.35	71,027.28
Alcohol and Safety	718.32	-	-	718.32
	<u>\$ 122,028.14</u>	<u>\$ 664,184.71</u>	<u>\$ 626,180.28</u>	<u>\$ 160,032.57</u>

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

CITY OF COFFEYVILLE, KANSAS
COFFEYVILLE PUBLIC LIBRARY

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Taxes and Shared Revenue		
SEK Library Association	\$ 17,283.30	\$ 16,004.00
City of Coffeyville	317,584.00	322,319.46
State Aid	9,817.00	5,792.00
Use of Money and Property		
Interest and Dividends	320.25	470.19
Other Revenues		
Fees	9,110.60	10,072.99
Donations	10,484.46	11,279.86
Miscellaneous	4,454.28	3,406.50
Total Cash Receipts	<u>369,053.89</u>	<u>369,345.00</u>
Expenditures and Transfers		
Personal Services	247,192.83	264,977.16
Contractual Services	7,482.28	11,473.38
Commodities	56,844.33	66,315.95
Capital Outlay	14,796.69	13,964.30
Total Expenditures and Transfers	<u>326,316.13</u>	<u>356,730.79</u>
Receipts Over(Under) Expenditures	42,737.76	12,614.21
Unencumbered Cash, Beginning	<u>39,173.31</u>	<u>81,911.07</u>
Unencumbered Cash, Ending	<u>\$ 81,911.07</u>	<u>\$ 94,525.28</u>

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

CITY OF COFFEYVILLE, KANSAS
COFFEYVILLE FIREFIGHTER'S RELIEF ASSOCIATION

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Other Revenues		
Premiums Returned and Surrendered Policies	\$ 1,300.00	\$ 126,224.76
State Insurance Commissioner Insurance Premium Paid by Firemen	30,360.79	31,586.85
Use of Money and Property Interest Income	8,144.32	5,678.76
	<u>6,502.81</u>	<u>1,867.49</u>
Total Cash Receipts	<u>46,307.92</u>	<u>165,357.86</u>
Expenditures and Transfers		
Public Safety		
Insurance Premiums	39,809.70	81,546.21
Bond and Other Expenses	<u>3,254.94</u>	<u>81,635.31</u>
Total Expenditures and Transfers	<u>43,064.64</u>	<u>163,181.52</u>
Receipts Over(Under) Expenditures	3,243.28	2,176.34
Unencumbered Cash, Beginning	<u>207,914.51</u>	<u>211,157.79</u>
Unencumbered Cash, Ending	<u>\$ 211,157.79</u>	<u>\$ 213,334.13</u>

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

CITY OF COFFEYVILLE, KANSAS
COFFEYVILLE REGIONAL MEDICAL CENTER
Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Net Patient Revenue	\$ 37,453,009.00	\$ 35,731,216.00
Sales Tax Revenue	579,431.00	550,533.00
Other Revenue	709,335.00	597,383.00
Grant Revenue	-	922,032.00
Proceeds from Disposal of Equipment	8,339.00	797.00
Proceeds from Issuance of Debt	-	1,100,032.00
Investment Income	(82,937.00)	404,074.00
	<u>38,667,177.00</u>	<u>39,306,067.00</u>
 Total Cash Receipts	 <u>38,667,177.00</u>	 <u>39,306,067.00</u>
 Expenditures and Transfers		
Salaries and Wages	16,328,363.00	16,067,640.00
Supplies and Other Expense	18,612,475.00	18,465,536.00
Interest Expense	609,831.00	587,120.00
Debt Principal	792,492.00	945,996.00
Capital Outlay	1,901,024.00	4,013,912.00
	<u>38,244,185.00</u>	<u>40,080,204.00</u>
 Total Expenditures and Transfers	 <u>38,244,185.00</u>	 <u>40,080,204.00</u>
 Receipts Over(Under) Expenditures	 422,992.00	 (774,137.00)
 Unencumbered Cash, Beginning	 14,138,175.00	 14,561,167.00
 Unencumbered Cash, Ending	 <u>\$ 14,561,167.00</u>	 <u>\$ 13,787,030.00</u>

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

CITY OF COFFEYVILLE, KANSAS
COFFEYVILLE COMMUNITY ENHANCEMENT FOUNDATION

Statement of Cash Receipts and Expenditures - Actual
For the Year Ended December 31, 2010

(With Comparative Actual Amounts for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Use of Money and Property		
Interest Income	\$ 50.35	\$ 27.66
Other Revenues		
Merchandise/Program Sales	485.51	9,560.74
Donations	-	6,000.00
	<u>535.86</u>	<u>15,588.40</u>
Total Cash Receipts		
Expenditures and Transfers		
Culture and Recreation		
Commodities	25,972.03	9,575.14
Contractual Services	70.90	46.70
	<u>26,042.93</u>	<u>9,621.84</u>
Total Expenditures and Transfers		
Receipts Over(Under) Expenditures	(25,507.07)	5,966.56
Unencumbered Cash, Beginning	<u>34,799.84</u>	<u>9,292.77</u>
Unencumbered Cash, Ending	<u>\$ 9,292.77</u>	<u>\$ 15,259.33</u>

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

CITY OF COFFEYVILLE, KANSAS

Notes to the Financial Statements
For the Year Ended December 31, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Coffeyville, Kansas, (the City) is incorporated as a city of the first class, under the provision of K.S.A. 13-101 *et seq.* The City operates under a Commission-City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, 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 Coffeyville, 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 Coffeyville, Kansas (the City) is a municipal corporation governed by an elected five member commission. These financial statements present the City of Coffeyville, Kansas (the primary government), and its 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.

Discretely Presented Component Units

The component units section of these financial statements includes the financial data of the discretely presented component units. These component units are reported separately to emphasize that they are legally separate from the City. The governing bodies of these component units are appointed by the City, except for the Firefighter's Relief Association which elects its own officers.

Coffeyville Public Library

The City of Coffeyville 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.

Coffeyville Firefighter's Relief Association

The Coffeyville Firefighter's Relief Association is operated by the City's firefighters. Officers are elected by the firefighters. The Firefighter's Relief Association is housed in the City's offices, but is operated independent of the City's governing body. Separate financial statements are not prepared by the Association.

Coffeyville Regional Medical Center

The Medical Center Board of Trustees operates the City's hospital. The hospital can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Audited financial statements are available at the Medical Center.

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

Discretely Presented Component Units (Continued)

Coffeyville Community Enhancement Foundation

Coffeyville Community Enhancement Foundation is a 501c(3) corporation whose Board of Directors is the current City Commission. This corporation was established to create an avenue for entities, whose bylaws restrict their donations to 501c(3) entities, to make donations for city projects (i.e. Midland Theater restoration). If money is received for projects, it is paid to the City as a reimbursement as the project progresses. Many people have given to special projects, therefore, the money is segregated in the Foundation's books for each project. Separate financial statements are not prepared by the Foundation.

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

Fund Accounting

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

GOVERNMENTAL FUNDS

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

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

Debt Service 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. Revenues for this purpose include ad valorem property taxes, special assessment taxes, and investment interest income.

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

PROPRIETARY FUNDS

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting (Continued)

FIDUCIARY FUNDS

Expendable Trust Funds

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

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.

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, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving the cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

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

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, expenditures, 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 generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the City are not presented in the financial statements. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, temporary notes, and compensated absences are not presented in the financial statements.

Cash and Investments

Cash includes amounts in demand deposit checking accounts. State statutes authorize cities to invest in demand and time deposits, as well as U.S. Treasury obligations. Investments consist of certificates of deposit and U.S. Treasury Notes, Bills and Savings Bonds and are recorded at cost.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pension Plan

Substantially all full-time City employees are members of the State of Kansas Public Employees Retirement System, or the State of Kansas Police and 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 20 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.

Comparative Data

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. During the year ended December 31, 2010 the City amended the General Fund and Bond and Interest Fund..

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

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

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

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

- Capital Equipment Fund
- 911 Emergency System Fund
- Capital Improvement Reserve Fund
- Risk Management Fund
- Business Development Training Center Reserve Fund
- Veterans Memorial Stadium Depreciation and Replacement Fund

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.

Compliance with Kansas Statutes

Statements 1 and 2 are designed to show compliance with the cash basis and budget laws of Kansas. As shown in Statements 1 and 2 the City was in apparent compliance with the Kansas cash basis and budget laws.

Compliance with Revenue Bond Covenants

The City is required, under the ordinances on Revenue Bond Issues, to maintain in its Enterprise Funds certain restricted accounts. The ordinances provide that the following reserve accounts be set up in amounts described below:

<u>RESERVE ACCOUNTS</u>	<u>REQUIRED AMOUNT</u>	<u>ACTUAL AMOUNT</u>
Principal and Interest Account for Electric Utility System Refunding General Obligation Bonds, Series 2004B – requires transfers monthly of 1/6 of next maturing interest and 1/12 of next maturing principal.	\$ 152,525.21	\$ 174,891.62
Electric Depreciation and Replacement Account – requires \$100,000.00 to be maintained	<u>100,000.00</u>	<u>1,816,592.24</u>
TOTAL RESERVES AT DECEMBER 31, 2010	<u>\$ 252,525.21</u>	<u>\$ 1,991,483.86</u>

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

The City agrees to fix, establish, maintain and collect such rates, fees or charges for Electric Utility service furnished by the Electric System, which will be sufficient to enable the City to have, in each fiscal year, a net income in an amount that will be not less than 125% amount required to be paid by the City in the next succeeding fiscal year on account of both principal and interest of all Electric Utility System Bonds of the City at the time outstanding. Net income is defined as gross income less operating expenses, but before any transfers, depreciation and capital expense. For the year ended December 31, 2010, the Electric Utility Fund had net income of \$7,223,027.21 which is 966.19% of the principal and interest requirements for 2011 of \$747,575.63.

3. DEPOSITS AND INVESTMENTS

As of December 31, 2010, the City has the following investments.

<u>Investment Type</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Rating</u>
Agency Money Market			
Less than one year maturity	\$ 3,827,657.88	\$ 3,827,657.88	N/A
Federal Agency			
One to five year maturity	<u>8,600,000.00</u>	<u>8,538,125.50</u>	AAA
Total Investment	<u>\$ 12,427,657.88</u>	<u>\$ 12,365,783.38</u>	

These investments are reflected at cost in these statutory basis financial statements of the City of Coffeyville, Kansas.

Deposits

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

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

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City's allocation of investments as of December 31, 2010, is as follows:

<u>Investments</u>	<u>Percentage of Investments</u>
Agency Money Market	30.80%
Federal Agency	69.20%

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, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2010.

At December 31, 2010, the City's carrying amount of deposits was \$14,072,821.32 and the bank balance was \$14,524,732.07. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$524,172.99 was covered by FDIC insurance and \$14,000,559.08 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

4. LONG-TERM LIABILITIES

Changes in long-term liabilities for the City for the year ended December 31, 2010, 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 Utility Revenues										
Series 2004 B - Electric Utility System Refunding Bonds	2.50%-4.70%	July 15, 2004	\$ 10,010,000.00	June 1, 2021	\$ 8,325,000.00	-	\$ (550,000.00)		\$ 7,775,000.00	\$ 344,776.26
Series 2008-1 - Temporary Note	3.25%	November 18, 2008	2,930,000.00	November 1, 2011	2,930,000.00	-	-		2,930,000.00	95,225.00
Revenue Bonds										
Paid with Sales Tax Revenues										
Series 2008 Sales Tax Refunding	3.00%-3.75%	October 14, 2008	2,235,000.00	November 1, 2014	1,890,000.00	-	(355,000.00)		1,535,000.00	63,562.50
Revolving Loans										
Kansas Water Pollution Control Loan										
Industrial Park Force Main Project	3.11%	May 12, 1998	1,628,702.00	March 1, 2020	810,192.07	-	(70,237.88)		739,954.19	24,655.08
Penn Street Project	3.11%	May 22, 1998	3,028,448.15	March 1, 2020	1,784,198.80	-	(154,677.32)		1,629,521.48	54,295.26
Waste Water Treatment Project	3.11%	May 22, 1998	9,188,589.85	March 1, 2021	5,495,652.38	-	(426,135.18)		5,069,517.20	167,627.16
Kansas Public Water Supply Loan										
Water Plant Upgrade Project	4.52%	September 10, 2000	2,504,000.00	August 1, 2023	1,820,720.58	-	(100,474.21)		1,720,246.37	81,173.89
Pfister & Industrial Park Project	4.25%	February 26, 2001	418,390.61	February 1, 2023	313,783.42	-	(17,634.38)		296,149.04	13,150.40
Twelfth Street Waterline	3.60%	August 15, 2003	466,067.24	August 1, 2025	391,220.09	-	(18,459.76)		372,760.33	13,919.26
Water Plant & Reservoir Project	3.63%	October 6, 2009	720,000.00	August 1, 2030	-	634,260.46	-		634,260.46	-
Kansas Transportation Loan										
Transportation Loan	4.04%	July 14, 2009	1,014,000.00	August 1, 2029	982,783.46	29,191.23	-		1,011,974.69	-
Capital Leases										
Blackstart Generators-CNB	5.00%	February 1, 2007	2,000,000.00	August 1, 2026	1,766,302.58	-	(67,982.63)		1,698,319.95	87,475.83
Golf Course Improvements-CSB	6.25%	December 27, 2000	750,000.00	December 27, 2010	94,775.72	-	(94,775.72)		-	2,118.59
Kubota 4WD Tractor Mower-KSB	5.25%	June 15, 2008	50,739.50	March 1, 2011	34,198.61	-	(16,661.93)		17,536.68	1,795.43
Street Sweeper-CSB	3.26%	November 24, 2009	130,000.00	August 26, 2010	130,000.00	-	(42,606.99)		87,393.01	2,880.55
Total Contractual Indebtedness					26,768,827.71	663,451.69	(1,914,646.00)		25,517,633.40	952,655.21
Other Long-Term Liabilities										
Compensated Absences	N/A	N/A	N/A	N/A	706,329.72			(7,651.93)	698,677.79	N/A
Total Long-Term Liabilities					\$ 28,473,585.50	\$ 663,451.69	\$ (1,914,646.00)	\$ (7,651.93)	\$ 26,216,311.19	\$ 952,655.21

4. LONG-TERM LIABILITIES (Continued)

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

	2011	2012	2013	2014	2015	2016 - 2020	2021 - 2025	2026 - 2030	Less Proceeds		Total
									Not Drawn	Down	
Principal											
General Obligation Bonds											
Paid With Utility Revenues											
Series 2004 B - Electric Utility	\$ 580,000.00	\$ 590,000.00	\$ 615,000.00	\$ 640,000.00	\$ 670,000.00	\$ 3,820,000.00	\$ 860,000.00	\$ -	\$ -	\$ -	\$ 7,775,000.00
System Refunding Bonds	2,930,000.00	-	-	-	-	-	-	-	-	-	2,930,000.00
Series 2008-1 - Temporary Note	-	-	-	-	-	-	-	-	-	-	-
Revenue Bonds	-	-	-	-	-	-	-	-	-	-	-
Paid with Sales Tax Revenues	365,000.00	375,000.00	390,000.00	405,000.00	405,000.00	-	-	-	-	-	1,535,000.00
Series 2008 Sales Tax	-	-	-	-	-	-	-	-	-	-	-
Revolving Loans											
Kansas Water Pollution Control Loan											
Industrial Park Force Main Project	72,439.27	74,709.64	77,051.17	79,466.10	81,956.71	354,331.30	-	-	-	-	739,954.19
Penn Street Project	159,525.20	164,525.00	169,681.51	174,999.63	180,484.44	780,305.70	-	-	-	-	1,629,521.48
Waste Water Treatment Project	439,491.02	453,265.47	467,471.63	482,123.03	497,233.64	2,729,932.41	-	-	-	-	5,069,517.20
Kansas Public Water Supply Loan											
Water Plant Upgrade Project	105,066.97	109,869.65	114,891.88	120,143.67	125,635.53	719,754.65	424,884.02	-	-	-	1,720,246.37
Pflister & Industrial Park Project	18,391.80	19,181.76	20,005.65	20,864.92	21,761.10	123,654.86	72,288.95	-	-	-	296,149.04
Twelfth Street Waterline	19,130.30	19,825.18	20,545.32	21,291.60	22,064.99	122,945.68	146,957.26	-	-	-	372,760.33
Water Plant & Reservoir Project	20,029.27	20,762.93	21,523.47	22,311.86	23,129.12	128,991.70	154,411.42	184,840.23	(85,739.54)	144,000.00	634,260.46
Kansas Transportation Loan											
Transportation Loan	36,428.61	37,900.33	39,431.49	41,024.53	42,681.91	240,711.07	293,425.45	280,371.30	-	-	1,011,974.69
Capital Leases											
Blackstart Generators-CNB	71,424.24	75,040.10	78,839.00	82,830.22	87,023.50	505,834.45	647,510.87	149,817.57	-	-	1,698,319.95
Kubota 4WD Tractor Mower	17,536.68	-	-	-	-	-	-	-	-	-	17,536.68
Street Sweeper	42,986.28	44,406.73	-	-	-	-	-	-	-	-	87,393.01
Total Principal Payments	4,877,449.64	1,984,486.79	2,014,441.12	2,090,055.56	1,751,970.94	9,526,461.82	2,599,477.97	615,029.10	(85,739.54)	144,000.00	25,517,633.40
Interest											
General Obligation Bonds											
Paid With Utility Revenues											
Series 2004 B - Electric Utility	324,638.76	301,588.76	276,751.26	276,751.26	223,813.76	638,453.15	20,210.00	-	-	-	2,062,206.95
System Refunding Bonds	95,225.00	-	-	-	-	-	-	-	-	-	190,450.00
Series 2008-1 - Temporary Note	-	-	-	-	-	-	-	-	-	-	-
Revenue Bonds	-	-	-	-	-	-	-	-	-	-	-
Paid with Sales Tax Revenues	52,912.50	41,962.50	28,837.50	15,187.50	-	-	-	-	-	-	138,900.00
Series 2008 Sales Tax	-	-	-	-	-	-	-	-	-	-	-
Revolving Loans											
Kansas Water Pollution Control Loan											
Industrial Park Force Main Project	22,453.69	20,183.32	17,841.79	15,426.86	12,936.25	25,240.54	-	-	-	-	114,082.45
Penn Street Project *	49,447.38	44,447.38	39,291.07	33,972.95	28,488.14	55,584.62	-	-	-	-	251,231.74
Waste Water Treatment Project	154,271.32	140,496.87	126,290.71	111,639.31	96,528.70	238,879.29	-	-	-	-	868,106.20
Kansas Public Water Supply Loan											
Water Plant Upgrade Project	76,581.13	71,778.45	66,756.22	61,504.43	56,012.57	188,485.85	29,236.23	-	-	-	550,354.88
Pflister & Industrial Park Project	12,392.98	11,603.02	10,779.13	9,919.86	9,023.68	30,269.04	4,673.00	-	-	-	88,660.71
Twelfth Street Waterline	13,248.72	12,553.84	11,833.70	11,087.42	10,314.03	38,949.42	14,937.84	-	-	-	112,924.97
Water Plant & Reservoir Project	20,728.67	19,995.01	19,234.47	18,446.08	17,628.82	74,798.00	49,378.28	18,949.47	-	-	239,158.80
Kansas Transportation Loan											
Transportation Loan	40,883.78	39,412.06	37,880.90	36,287.86	34,630.48	145,850.88	93,136.50	28,878.26	-	-	456,960.72
Capital Leases											
Blackstart Generators-CNB	84,034.22	80,418.36	76,619.46	72,628.24	68,434.96	271,457.85	129,781.43	5,640.89	-	-	789,015.41
Kubota 4WD Tractor Mower	920.68	-	-	-	-	-	-	-	-	-	920.68
Street Sweeper	2,493.61	1,088.46	-	-	-	-	-	-	-	-	3,582.07
Total Interest Payments	950,232.44	880,753.23	712,116.21	662,851.77	557,811.39	1,707,968.64	341,353.28	53,468.62	-	-	5,866,555.58
Total Principal and Interest	\$ 5,827,682.08	\$ 2,865,240.02	\$ 2,726,557.33	\$ 2,752,907.33	\$ 2,309,782.33	\$ 11,234,430.46	\$ 2,940,831.25	\$ 668,497.72	\$ (85,739.54)	\$ 144,000.00	\$ 31,384,188.98

** The interest rate of this loan is variable for the last five years.

5. CAPITAL LEASE OBLIGATIONS

The City has entered into a capital lease agreement in order to finance the purchase of a Blackstart Generator. Payments are made of \$77,729.23 semi-annually, including interest at approximately 5.00%. Final maturity for the lease is in 2026. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2011	\$ 155,458.46
2012	155,458.46
2013	155,458.46
2014	155,458.46
2015	155,458.46
2016-2020	777,292.30
2021-2025	777,292.30
2026	<u>155,458.46</u>
	2,487,335.36
Less imputed interest	<u>(789,015.41)</u>
Net Present Value of Minimum Lease Payments	1,698,319.95
Less: Current Maturities	<u>(71,424.24)</u>
Long-Term Capital Lease Obligations	<u>\$ 1,626,895.71</u>

The City has entered into a capital lease agreement in order to finance the purchase of a Kubota four-wheel-drive tractor mower. Payments are made of \$18,457.36 annually, including interest at approximately 5.25%. Final maturity for the lease is in 2011. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2011	<u>\$ 18,457.36</u>
	18,457.36
Less imputed interest	<u>(920.68)</u>
Net Present Value of Minimum Lease Payments	17,536.68
Less: Current Maturities	<u>(17,536.68)</u>
Long-Term Capital Lease Obligations	<u>\$ 0.00</u>

The City has entered into a capital lease agreement in order to finance the purchase of a 2010 Allianz Johnston 4000 Street Sweeper. Payments are made of \$22,743.77 semi-annually, including interest at approximately 3.26%. Final maturity for the lease is in 2012. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Totals</u>
2011	\$ 45,479.89
2012	<u>45,495.19</u>
	90,975.08
Less imputed interest	<u>(3,582.07)</u>
Net Present Value of Minimum Lease Payments	87,393.01
Less: Current Maturities	<u>(42,986.28)</u>
Long-Term Capital Lease Obligations	<u>\$ 44,406.73</u>

6. OPERATING LEASES

As of December 31, 2010 the City has entered into an operating lease for office equipment. Rent expense for the year ended December 31, 2010, was \$8,920.44. Under the current lease agreements, the future minimum rental payments are as follows:

2011	\$ 4,024.20
2012	4,024.20

7. INDUSTRIAL REVENUE BONDS

The City has entered into various agreements to induce businesses to locate or expand operations in Coffeyville, 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, 2010, there were five industrial revenue bond issues with principal balances due totaling \$4,737,891.11.

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 plans as provided by K.S.A. 74-4901, *et seq.* KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing to KPERS (611 S. Kansas, Suite 100; Topeka, Kansas 66603-3869) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at of 4% or 6% of covered salary. K.S.A. 74-4975 established KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. State law sets a limitation on annual increases in the employer contribution rates. The KPERS employer rate established by statute for January 1, 2010 to December 31, 2010 was 7.14%. The City's employer contributions to KPERS for the years ending December 31, 2010, 2009, and 2008, were \$358,582.12, \$308,394.66, and \$284,209.56, respectively, equal to the statutory required contribution for each year. The KP&F uniform participating employer rate established for fiscal years beginning in 2010 is 12.86%. 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, 2010, 2009, and 2008, were \$402,529.10, \$413,070.90, and \$422,410.18, respectively, equal to the statutory required contribution for each year.

9. OTHER POST EMPLOYMENT BENEFITS

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the 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 government under this program.

10. CAPITAL PROJECTS

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

PROJECT NAME	AUTHORIZED	EXPENDED THRU 12/31/10	COMPLETION
City Recreation Building Rebuild – Flood Repair	\$ 733,113.83	\$ 731,755.11	Complete
Ron Stevenson Building Rebuild – Flood Repair	151,977.28	151,976.88	Complete
Animal Shelter – Flood Repair	544,047.94	489,681.35	Complete
2006 Economic Development Project - Cline Rd. Extension	1,720,396.08	554,334.00	Complete
2011 KLINK Project – 8 th Street Bridge System Enhancer Project – US Hwy 169 Improvements	225,654.97 3,326,773.00	219,258.97 2,855,425.17	Complete 2011
Senate Bill 417 Funds Infrastructure Projects	1,350,000.00	957,315.65	2011
STP Project – Cline Rd. Extension	134,868.24	134,868.24	2012
	<u>\$ 8,186,831.34</u>	<u>\$ 6,094,615.37</u>	

11. UTILITY ACCOUNTS RECEIVABLE

The City records Electric, Water, and Sewer revenues as the cash is collected from customers monthly billings. Although the City does maintain an accounts receivable for the utility services, it is not reflected on these statutory basis financial statements. Listed below are amounts of the accounts receivable for the three utilities as of December 31, 2010:

Electric Utility	\$ 701,412.88
Water Utility	133,811.76
Sewer Utility	131,088.42

Total electric and water users for 2010 and 2009 were as follows:

	<u>12-31-10</u>	<u>12-31-09</u>
Electric	6,378	6,139
Water	4,518	4,540

12. LOANS RECEIVABLE

The City has made Community and Economic Development Loans through the Community Development Fund. The Fund was the recipient of various HUD grants in earlier years. Loans made with these monies are repaid and the City makes additional development loans from these repayments. The loans due to the City at December 31, 2010, are as follows:

Economic Development Loans	\$	7,903.79
Community Development Loans		2,870.81

These loans are not reflected in these statutory basis financial statements of the City of Coffeyville, Kansas.

13. COMPENSATED ABSENCES

All full-time employees of the City with one year of employment are eligible for vacation benefits in varying annual amounts. Vacation must be used by each anniversary date. In the event of termination, unused accrued vacation time is paid. Accrued vacation pay at December 31, 2010, is \$698,677.79.

Sick leave accrues to all full-time employees at the rate of one day per month and is unlimited. Employees who terminate by other than retirement or death will not be paid for accumulated sick leave. An employee shall be paid for accumulated sick leave up to 65 days (45 days for the Fire Department) upon termination by death or retirement.

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 accrued a liability for vacation pay which has been earned but not taken by City employees. The liability for compensated absences is recorded in the long-term debt account group 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, in as much as the amounts cannot be reasonably estimated.

14. ECONOMIC DEPENDENCY

During 2010, the City collected 54.97% of its electric utility revenues from Coffeyville Resources Nitrogen Fertilizer Plant, LLC.

15. 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 of Coffeyville procures insurance coverage on the electric utility facilities as follows:

<u>Type</u>	<u>Coverage Limit</u>	<u>Premium Amount</u>	<u>Policy Period</u>	<u>Insurance Carrier</u>
Property & Boiler (Buildings and Contents)	\$ 69,478,868	\$ 170,610	9/1/10 – 9/1/11	Chubb Insurance
Liability - Each Occurrence		36,456	5/1/10 – 5/1/11	OneBeacon America Insurance Co.
Insurance				
- Personal/Advertising Injury	500,000			
- Employee Benefits Injury	1,000,000			
- General Aggregate	2,000,000			
- Products & Completed Operations Aggregate	2,000,000			
- Property Damage Legal	500,000			

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 BlueCross BlueShield of Kansas to be the claims supervisor. The supervisor reviews all claims for allowability and issues weekly reports to the City. The City has a stop-gap policy which pays any aggregate claims over \$50,000.00.

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 an 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 that what has been anticipated by KMIT management.

16. COMMITMENTS AND CONTINGENCIES

The City has entered into a two year agreement with unions representing policemen, firemen, and electrical and public works employees, and other utility workers, effective January 1, 2008.

The City has entered into an agreement with the Grand River Dam Authority for the purchase of electrical services until June 1, 2042.

17. 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	½ Cent Sales Tax		
	IRB Debt	K.S.A. 12-197	\$ 470,000.00
General	Capital Equipment	K.S.A. 12-1,117	160,191.08
General	Capital Improvement Reserve	K.S.A. 12-1,118	3,730,463.46
General	CRMC Sales Tax	K.S.A. 12-197	800,955.46
General	USD #445 Sales Tax	K.S.A. 12-197	800,955.46
General	Risk Management	K.S.A. 12-2615	877,140.20
General	Aquatic Center Operations	K.S.A. 79-2934	6,000.00
General	Airport Holding	K.S.A. 12-1,118	6,000.00
Local Alcohol Liquor	Youth Activities Center	K.S.A. 79-2934	9,991.29
Golf Course	Risk Management	K.S.A. 12-2615	27,036.00
Police VIN	General	K.S.A. 79-2934	10,500.00
Law Enforcement Projects	Capital Improvement Reserve	K.S.A. 79-2934	6,200.00
Electric Utility	Risk Management	K.S.A. 12-2615	333,000.00
Electric Utility	Electric Debt Service	K.S.A. 12-825d	1,056,224.01
Electric Utility	Electric Surplus	K.S.A. 12-825d	1,149,234.45
Electric Utility	Electric R & I Reserves	K.S.A. 12-825d	905,000.00
Electric Utility	General	K.S.A. 12-825d	2,154,084.75
Electric R & I Reserves	Electric Bond Projects	K.S.A. 12-825d	4,249.28
Electric Surplus	911 Emergency System	K.S.A. 79-2934	33,000.00
Electric Surplus	Golf Course	K.S.A. 12-825d	150,000.00
Electric Surplus	Youth Activities Center	K.S.A. 12-825d	21,000.00
Electric Surplus	Aquatic Center Operations	K.S.A. 12-825d	21,000.00
Electric Surplus	Veterans Memorial Stadium Depreciation & Replacement	K.S.A. 12-825d	25,000.00
Electric Surplus	Capital Improvement Reserve	K.S.A. 12-825d	200,000.00
Electric Surplus	Miscellaneous Projects	K.S.A. 12-1,118	50,000.00
Water & Sewer Utility	Risk Management	K.S.A. 12-2615	254,638.80
Water & Sewer Utility	Water & Sewer Depreciation & Replacement	K.S.A. 12-825d	275,000.00
Water & Sewer Utility	Water & Sewer Debt Service	K.S.A. 12-825d	1,142,439.78
Water & Sewer Utility	General	K.S.A. 12-825d	679,122.56
Stormwater Utility	Risk Management	K.S.A. 12-2615	18,000.00
Stormwater Utility	Stormwater Depreciation & Replacement	K.S.A. 12-825d	30,000.00
Internet Utility	Risk Management	K.S.A. 12-2615	9,000.00

18. SUBSEQUENT EVENTS

The City evaluated events and transactions occurring subsequent year end, and there were no subsequent events requiring recognition in the financial statements. Additionally, there were no nonrecognized subsequent events requiring disclosure.

FEDERAL COMPLIANCE SECTION

CITY OF COFFEYVILLE, KANSAS

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2010

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL CFDA NUMBER	CASH RECEIPTS	DISBURSE- MENTS/ EXPENDITURES
<u>U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT</u>				
Passed through the Kansas Dept. of Commerce:				
Community Development Block Grant	09-NSP-014	14.228	\$ 64,397.50	\$ 97,238.98
Passed through the Coffeyville Community Enhancement Foundation				
EDI Special Project	B-08-SP-KS-0574	14.251	-	15,073.82
Passed through the Kansas Housing Resources Corporation				
Emergency Shelter Grant	ESG-FFY2009	14.231	13,977.85	11,718.46
Emergency Shelter Grant	ESG-FFY2010	14.231	5,810.98	11,915.31
		Total 14.231	19,788.83	23,633.77
			84,186.33	135,946.57
Total U.S. Department of Housing & Urban Development				
<u>U.S. DEPARTMENT OF JUSTICE</u>				
Direct Grant				
Public Safety Partnership & Community Policing	2009-RK-WX-0360	16.710	41,491.96	49,853.51
Edward Byrne Memorial Justice Assistance				
Edward Byrne Memorial Justice Assistance	2009-DX-BX-1139	16.804	13,772.00	7,622.54
Edward Byrne Memorial Justice Assistance	2010-DX-BX-0147	16.804	10,300.00	10,300.00
Edward Byrne Memorial Justice Assistance - ARRA	2009-SB-B9-1970	16.804	63,857.26	63,857.26
		Total 16.804	87,929.26	81,779.80
			129,421.22	131,633.31
Total U.S. Department of Justice				
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
Direct Grant				
Airport Improvement Program	3-20-0011-11	20.106	525.00	-
Airport Improvement Program	3-20-0011-12	20.106	6,332.00	-
Airport Improvement Program	3-20-0011-14	20.106	341,555.00	325,792.00
Airport Improvement Program	3-20-0011-15	20.106	40,244.00	42,144.00
Airport Improvement Program	3-20-0011-16	20.106	539,859.00	542,219.00
		Total 20.106 (M)	928,515.00	910,155.00
Passed through the Kansas Department of Transportation				
Impaired Driving Deterrence Program	AL-9481-10-IDDP	20.205	2,515.78	2,515.78
CLICK Step Special Enforcement Program - Equipment				
CLICK Step Special Enforcement Program - Equipment	OP-1196-10-STEP - EQUIP	20.600	1,297.63	1,297.63
CLICK Step Special Enforcement Program	OP-1196-11-STEP - EQUIP	20.600	6,480.00	6,480.00
CLICK Step Special Enforcement Program	OP-1196-10-STEP	20.600	414.45	414.45
CLICK Step Special Enforcement Program	OP-1196-11-STEP	20.600	307.54	307.54
		Total 20.600	7,201.99	7,201.99
			938,232.77	919,872.77
Total U.S. Department of Transportation				

CITY OF COFFEYVILLE, KANSAS

Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2010

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL CFDA NUMBER	CASH RECEIPTS	DISBURSE- MENTS/ EXPENDITURES
<u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u>				
Direct Grant				
Brownfield Assessment, Cleanup, and Revolving Loan Fund Grants	BF-97712401-0	66.818	\$ 21,256.08	\$ 20,652.61
Brownfield Assessment, Cleanup, and Revolving Loan Fund Grants	BF-97712501-0	66.818	23,796.36	23,152.90
		Total 66.818	45,052.44	43,805.51
Passed through the Kansas Department of Health and Environment Safe Drinking Water State Revolving Loan - ARRA	KPWSLF-2583	66.468 (M)	304,260.00	304,260.00
Total U.S. Environmental Protection Agency			349,312.44	348,065.51
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Passed through the Kansas Division of Emergency Management Public Assistance Grant	FEMA-1711-DR-KS	97.036	310,479.42	-
Hazard Mitigation Grant	FEMA-1675-HM-KS	97.039	19,692.42	-
Total U.S. Department of Homeland Security			330,171.84	-
TOTAL ALL PROGRAMS			\$ 1,831,324.60	\$ 1,535,518.16

Note to the Schedule of Expenditures of Federal Awards:
Federal expenditures are recorded on the accrual basis of accounting, which records expenses when the goods or services are received, and not necessarily when paid.
(M) - Major Program

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

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

Honorable Mayor and City Commissioners
City of Coffeyville, Kansas

We have audited the financial statements of the City of Coffeyville, Kansas, as of and for the year ended December 31, 2010, which collectively comprise the City of Coffeyville, Kansas' basic financial statements and have issued our report thereon dated June 27, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

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



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 27, 2011
Chanute, Kansas

JARRED, GILMORE & PHILLIPS, PA
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable Mayor and City Commissioners
City of Coffeyville, Kansas

Compliance

We have audited City of Coffeyville, Kansas' compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that could have a direct and material effect on each of City of Coffeyville, Kansas' major federal programs for the year ended December 31, 2010. City of Coffeyville, Kansas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of City of Coffeyville, Kansas' management. Our responsibility is to express an opinion on City of Coffeyville, Kansas' compliance based on our audit.

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

In our opinion, City of Coffeyville, Kansas, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control over Compliance

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

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

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

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



JARRED, GILMORE & PHILLIPS, PA
Certified Public Accountants

June 27, 2011
Chanute, Kansas

CITY OF COFFEYVILLE, KANSAS

Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2010

I. SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

The auditors' report expresses a qualified opinion on the financial statements of City of Coffeyville, Kansas.

Internal Control over Financial Reporting:

Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiencies identified that are not considered to be a material weaknesses?	_____	Yes	<u> X </u>	No
Non compliance or other matters required to be reported under <i>Government Auditing Standards</i>	_____	Yes	<u> X </u>	No

Federal Awards:

Internal control over major programs:				
Material weakness(es) identified?	_____	Yes	<u> X </u>	No
Significant deficiencies identified that are not considered to be a material weaknesses?	_____	Yes	<u> X </u>	No

The auditors' report on compliance for the major federal award programs for City of Coffeyville, Kansas expresses an unqualified opinion.

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	_____	Yes	<u> X </u>	No
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Identification of major programs:

U.S. DEPARTMENT OF TRANSPORTATION

Airport Improvement Program – CFDA 20.106

U.S. ENVIRONMENTAL PROTECTION AGENCY

Safe Drinking Water State Revolving Loan – ARRA – CFDA 66.468

The threshold for distinguishing Types A and B programs was \$300,000.00.

Auditee qualified as a low risk auditee?	<u> X </u>	Yes	_____	No
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II. FINDINGS – FINANCIAL STATEMENT AUDIT

NONE

III. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

NONE

CITY OF COFFEYVILLE, KANSAS

Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2010

December 31, 2009:

No Findings in the Prior Year Audit