

CITY OF ELLINWOOD, KANSAS

Financial Statements With Independent Auditors' Report

For the Year Ended December 31, 2010

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 For the Year Ended December 31, 2010

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Certified
Public
Accountants

INDEPENDENT AUDITORS' REPORT

To the City Council
City of Ellinwood, Kansas
Ellinwood, Kansas

We have audited the accompanying financial statements of **City of Ellinwood, 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 **City of Ellinwood, Kansas'** management. Our responsibility is to express opinions on these financial statements based on our audit.

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

As described more fully in Note 1, **City of Ellinwood, Kansas**, has prepared these financial statements using accounting practices prescribed or permitted by the State of Kansas, whose practices differ from accounting principles generally accepted in the United States of America. The effects 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 **City of Ellinwood, Kansas**, as of December 31, 2010, or the changes in its financial position for the year then ended. Further, **City of Ellinwood, Kansas** has not presented a management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash and unencumbered cash balances of each fund of **City of Ellinwood, Kansas**, as of December 31, 2010, and their respective cash receipts and disbursements, and budgetary results for the year then ended, on the basis of accounting described in Note 1.

ADAMS, BROWN, BERAN & BALL, CHTD.
Certified Public Accountants

May 10, 2011

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

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Fund Categories							
General Fund							
General Fund	\$ 40,397	-	887,299	881,058	46,638	22,823	69,461
Special Revenue Funds							
Fire-Ambulance Equipment Fund	97,612	-	26,063	19,744	103,931	-	103,931
Library Fund	1,074	-	18,100	14,826	4,348	-	4,348
Fire Fund	36,645	-	42,088	43,191	35,542	7,744	43,286
Special Parks and Recreation Fund	3,159	-	5,624	4,902	3,881	-	3,881
Recreation Fund	561	-	-	561	-	-	-
Ambulance Contribution Fund	13,299	-	1,377	-	14,676	-	14,676
Capital Improvement Fund	9,355	-	35,151	24,986	19,520	-	19,520
Special Highway Fund	17,852	-	188,854	189,167	17,539	6,013	23,552
Economic Development Fund	63,413	-	33,375	42,325	54,463	180	54,643
Drug Assessment Fund	4,258	-	-	-	4,258	-	4,258
Debt Service Fund							
Bond and Interest Fund	69,001	-	471,770	468,266	72,505	-	72,505
Proprietary Fund Category							
Enterprise Funds							
Electric Fund	65,838	-	2,736,864	2,720,913	81,789	172,817	254,606
Electric Capital Reserve Fund	622,043	-	65,080	27,324	659,809	4,204	664,013
Solid Waste Fund	21,629	-	184,544	182,261	23,912	7,138	31,050
Water Fund	90,698	-	219,005	238,511	71,192	6,746	77,938
Water Capital Reserve Fund	24,413	-	27,017	22,998	28,432	4,019	32,451
Wastewater Fund	53,837	-	214,160	219,212	48,786	3,374	52,169
Fiduciary Fund Category							
Private Purpose Trust Fund							
Prairie Enterprise Fund	70,543	-	35,823	53,317	53,049	1,409	54,458
Total Reporting Entity (Excluding Agency Funds)	\$ 1,305,627	-	5,192,204	5,153,562	1,344,269	236,467	1,580,736
			Composition of Cash				
			Checking Accounts				\$ 442,079
			Certificates of Deposit				1,138,893
			Total Cash				1,580,972
			Agency Funds per Statement 4				(236)
			Total Reporting Entity (Excluding Agency Funds)				\$ 1,580,736

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

CITY OF ELLINWOOD, KANSAS
 Summary of Expenditures - Actual and Budget
 For the Year Ended December 31, 2010

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Fund Categories					
General Fund	\$ 1,053,224	-	1,053,224	881,058	(172,166)
General Fund					
Special Revenue Funds					
Fire-Ambulance Equipment Fund	87,146		87,146	19,744	(67,402)
Library Fund	18,189		18,189	14,826	(3,363)
Fire Fund	68,991		68,991	43,191	(25,800)
Special Parks and Recreation Fund	10,400		10,400	4,902	(5,498)
Recreation Fund	572		572	561	(11)
Ambulance Contribution Fund	12,000		12,000	-	(12,000)
Special Highway Fund	250,624		250,624	189,167	(61,457)
Economic Development Fund	95,000		95,000	42,325	(52,675)
Debt Service Fund					
Bond and Interest Fund	111,344	395,000	506,344	468,266	(38,078)
Proprietary Fund Category					
Enterprise Funds					
Electric Fund	2,224,292	660,000	2,884,292	2,720,913	(163,379)
Solid Waste Fund	242,506		242,506	182,261	(60,245)
Water Fund	347,436		347,436	238,511	(108,925)
Wastewater Fund	288,769		288,769	219,212	(69,557)

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

CITY OF ELLINWOOD, KANSAS
General Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	\$ 226,346	230,751	241,426	(10,675)
Delinquent Tax	5,355	4,466	-	4,466
Motor Vehicle Tax	63,971	62,019	62,220	(201)
Local Alcoholic Liquor Tax	5,692	5,616	5,443	173
County Sales Tax	239,853	234,711	250,000	(15,289)
Charges for Services	12,331	10,488	3,000	7,488
Franchise Fees	45,090	40,935	47,000	(6,065)
Federal Grants	748	-	-	-
State Grants	2,075	-	-	-
Licenses, Fees and Permits	26,008	25,979	5,875	20,104
Municipal Court Fines	16,815	17,767	11,000	6,767
Interest	502	137	1,500	(1,363)
Insurance Recoveries	7,411	-	-	-
City Sales Tax	74,072	78,317	80,000	(1,683)
Ambulance Fee and Subsidy	124,515	110,764	147,000	(36,236)
Other Income	4,292	4,788	28,500	(23,712)
Sale of Property	-	10,000	-	10,000
Transfers In	60,000	50,561	105,572	(55,011)
Total Cash Receipts	915,076	887,299	988,536	(101,237)
Expenditures				
General Administrative	223,334	167,452	211,382	(43,930)
Capital Outlay	-	-	15,000	(15,000)
Public Safety				
Police	348,349	363,318	357,105	6,213
Ambulance	158,408	155,257	185,494	(30,237)
Health, Sanitation and Airport	8,494	3,345	10,075	(6,730)
Recreation - Swimming Pool	50,758	43,680	54,873	(11,193)
Recreation - Activities	36,853	26,848	37,260	(10,412)
Miscellaneous	9,750	5,000	-	5,000
Transfers Out	114,036	116,158	179,000	(62,842)
Neighborhood Revitalization Rebate	-	-	3,035	(3,035)
Total Expenditures	949,982	881,058	1,053,224	(172,166)
Cash Receipts Over (Under) Expenditures	(34,906)	6,241		
Unencumbered Cash - Beginning	75,303	40,397		
Unencumbered Cash - Ending	\$ 40,397	46,638		

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

CITY OF ELLINWOOD, KANSAS
Fire-Ambulance Equipment Fund
 Statement of Cash Receipts and Expenditures - Actual and Budget
 For the Year Ended December 31, 2010
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	\$ 8,386	11,284	11,805	(521)
Motor Vehicle Tax	2,784	2,308	2,306	2
Delinquent Tax	207	218	-	218
Federal Grant	205,236	-	-	-
Interest	780	253	800	(547)
Other Income	25,481	-	-	-
Transfers In	12,000	12,000	12,000	-
Total Cash Receipts	<u>254,874</u>	<u>26,063</u>	<u>26,911</u>	<u>(848)</u>
Expenditures				
Uniforms and Clothing	6,748	-	2,000	(2,000)
Capital Outlay	285,565	19,744	85,000	(65,256)
Neighborhood Revitalization Rebate	-	-	146	(146)
Total Expenditures	<u>292,313</u>	<u>19,744</u>	<u>87,146</u>	<u>(67,402)</u>
Cash Receipts Over (Under) Expenditures	(37,439)	6,319		
Unencumbered Cash - Beginning	<u>135,051</u>	<u>97,612</u>		
Unencumbered Cash - Ending	\$ <u>97,612</u>	<u>103,931</u>		

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

CITY OF ELLINWOOD, KANSAS
Library Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	\$ 11,724	14,599	15,278	(679)
Motor Vehicle Tax	3,072	3,207	3,222	(15)
Delinquent Tax	286	283	-	283
Interest	11	11	40	(29)
Total Cash Receipts	<u>15,093</u>	<u>18,100</u>	<u>18,540</u>	<u>(440)</u>
Expenditures				
Neighborhood Revitalization Rebate	-	-	189	(189)
Appropriations	14,326	14,826	18,000	(3,174)
Total Expenditures	<u>14,326</u>	<u>14,826</u>	<u>18,189</u>	<u>(3,363)</u>
Cash Receipts Over (Under) Expenditures	767	3,274		
Unencumbered Cash - Beginning	<u>307</u>	<u>1,074</u>		
Unencumbered Cash - Ending	\$ <u>1,074</u>	<u>4,348</u>		

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

CITY OF ELLINWOOD, KANSAS
Fire Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Federal Grant	\$ 750	-	-	-
Rural Fire Contracts	38,200	38,500	38,000	500
Interest	274	114	400	(286)
Other Income	105	3,474	-	3,474
Total Cash Receipts	<u>39,329</u>	<u>42,088</u>	<u>38,400</u>	<u>3,688</u>
Expenditures				
Personal Services	6,000	6,000	6,270	(270)
Contractual Services	15,793	14,372	20,921	(6,549)
Commodities	10,779	16,848	20,300	(3,452)
Capital Outlay	2,610	5,971	21,500	(15,529)
Total Expenditures	<u>35,182</u>	<u>43,191</u>	<u>68,991</u>	<u>(25,800)</u>
Cash Receipts Over (Under) Expenditures	4,147	(1,103)		
Unencumbered Cash - Beginning	<u>32,498</u>	<u>36,645</u>		
Unencumbered Cash - Ending	<u>\$ 36,645</u>	<u>35,542</u>		

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

CITY OF ELLINWOOD, KANSAS
Special Parks and Recreation Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Liquor Tax Private Clubs	\$ 5,691	5,617	5,443	174
Interest	7	7	50	(43)
Total Cash Receipts	<u>5,698</u>	<u>5,624</u>	<u>5,493</u>	<u>131</u>
Expenditures				
Contractual Services	227	1,104	1,350	(246)
Commodities	5,455	3,798	8,050	(4,252)
Capital Outlay	<u>1,874</u>	<u>-</u>	<u>1,000</u>	<u>(1,000)</u>
Total Expenditures	<u>7,556</u>	<u>4,902</u>	<u>10,400</u>	<u>(5,498)</u>
Cash Receipts Over (Under) Expenditures	(1,858)	722		
Unencumbered Cash - Beginning	<u>5,017</u>	<u>3,159</u>		
Unencumbered Cash - Ending	\$ <u>3,159</u>	<u>3,881</u>		

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

CITY OF ELLINWOOD, KANSAS
Recreation Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts	\$ -	-	-	-
Expenditures				
Transfers Out	-	561	572	(11)
Cash Receipts Over (Under) Expenditures	-	(561)		
Unencumbered Cash - Beginning	<u>561</u>	<u>561</u>		
Unencumbered Cash - Ending	\$ <u>561</u>	<u>-</u>		

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

CITY OF ELLINWOOD, KANSAS
Ambulance Contribution Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Contributions	\$ 2,459	1,345	1,250	95
Interest	75	32	150	(118)
Total Cash Receipts	2,534	1,377	1,400	(23)
Expenditures				
Capital Outlay	-	-	12,000	(12,000)
Cash Receipts Over (Under) Expenditures	2,534	1,377		
Unencumbered Cash - Beginning	10,765	13,299		
Unencumbered Cash - Ending	\$ 13,299	14,676		

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

CITY OF ELLINWOOD, KANSAS
Capital Improvement Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest	\$ 276	28
Insurance Proceeds	-	3,723
Reimbursed Expense	-	6,000
Transfers In	20,000	25,400
Total Cash Receipts	<u>20,276</u>	<u>35,151</u>
Expenditures		
Contractual Services	-	3,723
Capital Outlay	53,316	21,263
Total Expenditures	<u>53,316</u>	<u>24,986</u>
Cash Receipts Over (Under) Expenditures	(33,040)	10,165
Unencumbered Cash - Beginning	<u>42,395</u>	<u>9,355</u>
Unencumbered Cash - Ending	<u>\$ 9,355</u>	<u>19,520</u>

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

CITY OF ELLINWOOD, KANSAS
Special Highway Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Gasoline Tax	\$ 51,478	53,863	59,380	(5,517)
Ad Valorem Property Tax	240	680	-	680
Other Income	-	120	-	120
Interest	42	33	50	(17)
Federal Grants	8,885	-	-	-
Transfers In	132,036	134,158	170,000	(35,842)
Total Cash Receipts	192,681	188,854	229,430	(40,576)
Expenditures				
Personal Services	151,234	126,480	129,895	(3,415)
Contractual Services	12,563	11,135	20,989	(9,854)
Commodities	39,633	35,315	49,740	(14,425)
Capital Outlay	-	16,237	50,000	(33,763)
Total Expenditures	203,430	189,167	250,624	(61,457)
Cash Receipts Over (Under) Expenditures	(10,749)	(313)		
Unencumbered Cash - Beginning	28,601	17,852		
Unencumbered Cash - Ending	\$ 17,852	17,539		

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

CITY OF ELLINWOOD, KANSAS
Economic Development Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Contributions	\$ 1,299	1,404	-	1,404
Interest	398	178	500	(322)
Other Income	-	150	-	150
Transfers In	29,355	31,643	33,000	(1,357)
Total Cash Receipts	31,052	33,375	<u>33,500</u>	<u>(125)</u>
Expenditures				
Economic Development Activity	11,857	42,325	<u>95,000</u>	<u>(52,675)</u>
Cash Receipts Over (Under) Expenditures	19,195	(8,950)		
Unencumbered Cash - Beginning	44,218	63,413		
Unencumbered Cash - Ending	\$ <u>63,413</u>	<u>54,463</u>		

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

CITY OF ELLINWOOD, KANSAS
Drug Assessment Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts	\$ -	-
Expenditures	-	-
Cash Receipts Over (Under) Expenditures	-	-
Unencumbered Cash - Beginning	4,258	4,258
Unencumbered Cash - Ending	\$ 4,258	4,258

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

CITY OF ELLINWOOD, KANSAS
Bond and Interest Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Taxes and Shared Revenues				
Ad Valorem Property Tax	\$ 38,078	39,089	40,903	(1,814)
Delinquent Tax	902	757	1,200	(443)
Motor Vehicle Tax	9,843	10,412	10,468	(56)
Special Tax Assessment	25,681	26,283	20,000	6,283
GO Refunding Bond Proceeds	-	395,000	-	395,000
Interest	643	229	1,000	(771)
Total Cash Receipts	75,147	471,770	73,571	398,199
Expenditures				
Principal	50,000	55,000	55,000	-
Interest	23,030	20,830	20,838	(8)
Commissions and Fees	-	12,436	-	12,436
Transfer to Escrow Agent	-	380,000	-	380,000
Cash Basis Reserve	-	-	35,000	(35,000)
Neighborhood Revitalization Rebate	-	-	506	(506)
(a) Adjustment for Qualifying Budget Credits	-	-	395,000	(395,000)
Total Expenditures	73,030	468,266	506,344	(38,078)
Cash Receipts Over (Under) Expenditures	2,117	3,504		
Unencumbered Cash - Beginning	66,884	69,001		
Unencumbered Cash - Ending	\$ 69,001	72,505		
(a) Adjustment for Qualifying Budget Credits				
GO Bond Refunding Proceeds Received			\$ 395,000	

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

CITY OF ELLINWOOD, KANSAS
Electric Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over Under (Under)
		Actual	Budget	
Cash Receipts				
Sales to Customers	\$ 1,855,574	2,015,583	1,947,750	67,833
Wholesale Electric Charges	13,676	28,173	-	28,173
Connection Fees	2,965	2,385	2,400	(15)
Disconnect and Service Charges	4,593	11,894	4,350	7,544
Penalties	15,488	16,321	13,000	3,321
Other Income	14,918	2,019	-	2,019
Rental Fees	890	-	1,300	(1,300)
Certificate of Participation Refunding Proceeds	-	660,000	-	660,000
Interest	1,301	489	2,500	(2,011)
Total Cash Receipts	1,909,405	2,736,864	1,971,300	765,564
Expenditures				
Production	1,231,702	1,295,667	1,500,341	(204,674)
Distribution	170,401	206,669	211,029	(4,360)
Administration	190,399	239,848	196,629	43,219
Debt Service	123,470	783,800	124,293	659,507
Transfers Out	188,064	194,929	192,000	2,929
(a) Adjustment for Qualifying Budget Credits	-	-	660,000	(660,000)
Total Expenditures	1,904,036	2,720,913	2,884,292	(163,379)
Cash Receipts Over (Under) Expenditures	5,369	15,951		
Unencumbered Cash - Beginning	60,469	65,838		
Unencumbered Cash - Ending	\$ 65,838	81,789		
(a) Adjustment for Qualifying Budget Credits			\$ 660,000	
Certificate of Participation Refunding Proceeds				

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

CITY OF ELLINWOOD, KANSAS
Electric Capital Reserve Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest	\$ 5,447	1,804
Transfers In	58,709	63,286
Total Cash Receipts	64,156	65,090
Expenditures		
Electric System Improvements	77,088	27,324
Cash Receipts Over (Under) Expenditures	(12,932)	37,766
Unencumbered Cash - Beginning	634,975	622,043
Unencumbered Cash - Ending	\$ 622,043	659,809

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

CITY OF ELLINWOOD, KANSAS
Solid Waste Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Solid Waste Charges	\$ 178,831	182,637	180,000	2,637
Other Income	1,263	1,855	2,400	(545)
Interest	202	52	300	(248)
Total Cash Receipts	<u>180,296</u>	<u>184,544</u>	<u>182,700</u>	<u>1,844</u>
Expenditures				
Personal Services	86,755	90,447	90,692	(245)
Contractual Services	54,140	55,355	68,494	(13,139)
Commodities	15,655	17,509	23,320	(5,811)
Capital Outlay	36,687	949	25,000	(24,051)
Principal Payments	-	10,630	-	10,630
Interest Payments	-	1,971	-	1,971
Transfers Out	-	5,400	35,000	(29,600)
Total Expenditures	<u>193,237</u>	<u>182,261</u>	<u>242,506</u>	<u>(60,245)</u>
Cash Receipts Over (Under) Expenditures	(12,941)	2,283		
Unencumbered Cash - Beginning	<u>34,570</u>	<u>21,629</u>		
Unencumbered Cash - Ending	\$ <u>21,629</u>	<u>23,912</u>		

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

CITY OF ELLINWOOD, KANSAS
Water Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Sales to Customers	\$ 203,621	213,779	214,700	(921)
Connection Fees	1,850	1,610	2,800	(1,190)
Miscellaneous Charges	-	26	-	26
Water Tank Sales	2,490	3,410	1,900	1,510
Interest	779	180	1,500	(1,320)
Total Cash Receipts	<u>208,740</u>	<u>219,005</u>	<u>220,900</u>	<u>(1,895)</u>
Expenditures				
Production and Maintenance	231,170	238,511	257,436	(18,925)
Transfers Out	10,000	-	90,000	(90,000)
Total Expenditures	<u>241,170</u>	<u>238,511</u>	<u>347,436</u>	<u>(108,925)</u>
Cash Receipts Over (Under) Expenditures	(32,430)	(19,506)		
Unencumbered Cash - Beginning	<u>123,128</u>	<u>90,698</u>		
Unencumbered Cash - Ending	\$ <u>90,698</u>	<u>71,192</u>		

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

CITY OF ELLINWOOD, KANSAS
Water Capital Reserve Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
Interest	\$ 185	71
Fees	9,900	26,946
Total Cash Receipts	10,085	27,017
Expenditures		
Water System Improvements	14,579	22,998
Cash Receipts Over (Under) Expenditures	(4,494)	4,019
Unencumbered Cash - Beginning	28,907	24,413
Unencumbered Cash - Ending	\$ 24,413	28,432

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

CITY OF ELLINWOOD, KANSAS
Wastewater Fund
Statement of Cash Receipts and Expenditures - Actual and Budget
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Sewer Service Charges	\$ 219,739	213,969	224,500	(10,531)
Other Income	1,250	129	-	129
Interest	217	62	1,500	(1,438)
Total Cash Receipts	<u>221,206</u>	<u>214,160</u>	<u>226,000</u>	<u>(11,840)</u>
Expenditures				
Personal Services	57,170	46,205	61,283	(15,078)
Contractual Services	31,422	23,741	39,615	(15,874)
Commodities	11,577	10,170	15,775	(5,605)
Capital Outlay	-	-	33,000	(33,000)
Principal Payments	101,975	105,658	105,658	-
Interest Payments	34,529	31,103	31,103	-
Commissions and Fees	2,592	2,335	2,335	-
Total Expenditures	<u>239,265</u>	<u>219,212</u>	<u>288,769</u>	<u>(69,557)</u>
Cash Receipts Over (Under) Expenditures	(18,059)	(5,052)		
Unencumbered Cash - Beginning	<u>71,896</u>	<u>53,837</u>		
Unencumbered Cash - Ending	<u>\$ 53,837</u>	<u>48,785</u>		

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

CITY OF ELLINWOOD, KANSAS
Prairie Enterprise Fund
Statement of Cash Receipts and Expenditures
For the Year Ended December 31, 2010
(With Comparative Actual Totals for the Prior Year Ended December 31, 2009)

	Prior Year Actual	Current Year Actual
Cash Receipts		
State Grants	\$ 21,274	7,198
Other Income	28,429	28,447
Interest	611	178
Total Cash Receipts	<u>50,314</u>	<u>35,823</u>
Expenditures		
Personal Services	44,533	47,658
Contractual Services	5,423	5,387
Commodities	766	272
Capital Outlay	6,295	-
Total Expenditures	<u>57,017</u>	<u>53,317</u>
Cash Receipts Over (Under) Expenditures	(6,703)	(17,494)
Unencumbered Cash - Beginning	<u>77,246</u>	<u>70,543</u>
Unencumbered Cash - Ending	<u>\$ 70,543</u>	<u>53,049</u>

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

CITY OF ELLINWOOD, KANSAS
Agency Funds
Summary of Cash Receipts and Cash Disbursements
For the Year Ended December 31, 2010

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Payroll Clearing Fund	\$ 233	1,319,884	1,319,881	236

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

CITY OF ELLINWOOD, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of Ellinwood, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statements are presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Reporting Entity

The City is a municipal corporation governed by an elected Mayor and five-member council. The financial statements of the City consist of all the funds of the City that are considered to be controlled by or dependent on the City. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board. The City has no component units.

Use of Estimates

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could differ from these estimates.

Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following categories of funds comprise the financial activities of the City for the year ended December 31, 2010.

Governmental Fund Categories

General Fund – to account for all financial resources except those required to be reported in another fund.

Special Revenue Funds – to account for the proceeds of specific revenue sources that are legally restricted to expenditure for a specified purpose.

Debt Service Fund – to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Proprietary Fund Category

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

CITY OF ELLINWOOD, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 1– SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fiduciary Fund Categories

Private Purpose Trust Fund – to account for assets held by the City as trustee or agent for others. The principal and income of these funds may be expended in the course of the fund's designated operations.

Agency Funds – to account for assets held by the City as trustee or agent for others.

Statutory Basis of Accounting

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

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

Departure From Accounting Principles Generally Accepted in the United States of America

The basis of accounting described above results in a financial statement presentation which shows cash receipts, 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 expenses, 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.

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.

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

CITY OF ELLINWOOD, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 10 days after publication the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

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

A legal operating budget is not required for capital project funds, fiduciary funds, permanent funds, and the following special revenue funds: Capital Improvement Fund and Drug Assessment 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.

Deposits and Investments

The City follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary of cash receipts, expenditures, and unencumbered cash.

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

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

Concentration of Credit Risk

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

CITY OF ELLINWOOD, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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, except during designated "peak periods" when required coverage is 50%. The City does not use "peak periods". All deposits were legally secured at December 31, 2010.

At December 31, 2010, the City's carrying amount of deposits was \$1,580,972 and the bank balance was \$1,584,007. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$505,374 was covered by federal depository insurance and \$1,078,633 was collateralized with securities held by pledging financial institutions' agents in the City's name.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. The City had no investments at December 31, 2010.

Compensated Absences

The City's policy regarding vacation is that an employee will accrue one vacation day for each full month of service for the first 10 years of full-time employment. After 10 years, 1.5 days per month vacation is allowed. After 20 years, 2 days per month vacation is allowed. Each employee is allowed to carry over from one year to the next, half of one year leave. Upon termination of employment, earned but unused vacation will be paid to the employee subject to the maximum accrual limits. The policy regarding sick pay is that all full-time employees are entitled to accrue one sick day per month up to a maximum of 60 days. This may be carried forward from one year to the next; however, upon termination of employment, no benefits will be paid out. Furthermore, employees earn comp time at the rate of time and a half for every hour over 40 hours worked during a week. Employees have the option of taking time off or receiving payment for the hours earned. Employees can carry over 32 hours of comp time to the succeeding year and upon termination of employment, any unused comp time will be paid. The City has not accrued a liability for compensated absences, which have been earned but not taken by the employees.

A potential liability for accumulated vacation, sick leave and personal leave is shown on the schedule of long-term debt.

Defined Benefit Pension Plan

Plan Description

The City contributes to the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603-3869) or by calling 1-888-275-5737.

CITY OF ELLINWOOD, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% and 6% (if hired on or after July 1, 2009) of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established for calendar year 2010 was 7.14%. The City's employer contributions to KPERS for the years ending December 31, 2010, 2009 and 2008 were \$75,702, \$68,812, and \$55,408, respectively, equal to the required contributions for each year as set forth by the legislature.

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 City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

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

Property Tax Calendar

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

Restricted Assets

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Also, cash is restricted in the trust and agency funds of the City for special purposes.

Reimbursements

The City records reimbursable expenditures (or expenses) in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparison, the expenditures (or expenses) are properly offset by the reimbursements.

NOTE 2 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of Ellinwood, Kansas'** interfund transfers and statutory authority for the year ended December 31, 2010 were as follows:

CITY OF ELLINWOOD, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 2 – INTERFUND TRANSFERS (continued)

<u>From</u>	<u>To</u>	<u>Statutory Authority</u>	<u>Amount</u>
General Fund	Special Highway Fund	K.S.A. 12-1,119	\$ 65,000
General Fund	Fire-Ambulance Equipment Fund	K.S.A. 12-110d	12,000
General Fund	Special Highway Fund	K.S.A. 12-1,119	39,158
Electric Fund	General Fund	K.S.A. 12-825d	50,000
Electric Fund	Electric Capital Reserve Fund	K.S.A. 12-825d	63,286
Electric Fund	Economic Development Fund	K.S.A. 12-825d	31,643
Electric Fund	Capital Improvement Fund	K.S.A. 12-1,118	20,000
Electric Fund	Special Highway Fund	K.S.A. 12-825d	30,000
Solid Waste	Capital Improvement Fund	K.S.A. 12-1,118	5,400
Recreation Fund	General Fund	Closed Fund	561

NOTE 3 – LITIGATION

City of Ellinwood, Kansas is party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material adverse impact on the affected funds of the City.

NOTE 4 – RISK MANAGEMENT

City of Ellinwood, Kansas carries commercial insurance for risks of loss, including property, general liability, inland marine, workers' compensation, automobile, umbrella, linebacker, airport, professional ambulance, commercial output building, employee dishonesty and surety bond coverage. The City has elected to obtain comprehensive and collision coverage on all City owned motor vehicles. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 5 – GRANTS AND SHARED REVENUES

City of Ellinwood, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 6 – COMPARATIVE DATA

Comparative data for the prior year has been presented in Statement 3 in the accompanying financial statements in order to provide an understanding of changes in **City of Ellinwood, Kansas'** cash and unencumbered cash balances. However, complete comparative data (presentation of prior year totals in Statement 1) has not been presented since their inclusion would make the statement unduly complex and difficult to read.

CITY OF ELLINWOOD, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 7 – LONG-TERM DEBT

City of Ellinwood, Kansas has the following types of long-term debt.

General Obligation Bonds

The City entered into a bond agreement in 2001 to finance the improvement of streets and sewer at various locations around the City for a total amount of \$774,000.

On July 28, 2010, the City issued Series A general obligation refunding bonds of \$395,000 (par value) with an interest rate of 1.00 – 3.00% to advance refund \$380,000 of the Series A 2001 general obligation term bonds. The Series A refunding bonds mature on September 1, 2016, and are callable on September 1, 2015. After paying issuance costs of \$15,000, the net proceeds were \$380,000. The proceeds from the issuance of the general obligation bonds were used to purchase U.S. Government Securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until terms bonds are called. The advance refunding met the requirements of an in-substance debt defeasance and the term bonds were removed from the City's financial statements. As a result of the advance refunding, the economic gain to the City (difference between the present value of the debt service payments on the old and new debt) was \$19,650.

Certificates of Participation

The City issued a \$1,300,000 certificate of participation agreement on April 15, 2001 with UMB Bank, N.A. as the lessor of an electrical interconnect and service facility project.

On July 28, 2010, the City issued Series 2010 Certificates of Participation of \$660,000 (par value) with an interest rate of 1.20 – 3.25% to advance refund \$645,000 of the Series 2001 certificates or participation. The Series 2010 refunding certificates mature on September 1, 2016, and is callable on September 1, 2015. After paying issuance costs of \$15,000, the net proceeds were \$645,000. The net proceeds from the issuance of the certificates were used to purchase refunding certificates and were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the certificates are called. The advance refunding met the requirements of an in-substance debt defeasance and the term certificates were removed from the City's financial statements. As a result of the advance refunding, the economic gain to the City (difference between the present value of the debt service payments on the old and new debt) was \$27,410.

KDHE Revolving Loan

The City enacted a \$1,985,676 revolving loan agreement on October 4, 1995 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to fund costs of acquiring, constructing, improving, repairing, rehabilitating or extending municipal wastewater treatment projects. The City is providing funds through wastewater fees.

Lease Obligations - The City has entered into a lease agreement with an option to purchase at the expiration of the lease term. The lease contains a fiscal funding clause.

CITY OF ELLINWOOD, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 7 – LONG-TERM DEBT (continued)

Changes in long-term liabilities for the City for the year ended December 31, 2010 were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Net Change	Balance End of Year	Interest Paid
General Obligation Bonds										
Series 2001	4.15-6.00%	8/15/2001 \$	774,000	9/1/2016	435,000	-	435,000	-	-*	20,830
Series 2010 Refunding	1.00-3.00%	7/28/2010	395,000	9/1/2016	395,000	-	-	-	395,000	-
Certificate of Participation										
Series 2001	4.00-5.10%	4/15/2001 \$	1,300,000	4/1/2016	735,000	-	735,000	-	-*	28,937
Series 2010 Refunding	1.20-3.25%	7/28/2010	660,000	4/1/2016	-	660,000	-	-	660,000	-
KDHE Loan										
Project No C20-0948-02	3.33%	10/1995 \$	1,985,676	9/1/2017	960,202	-	105,658	-	854,544	31,103
Capital Lease Payable										
Trash Truck	4.66%	2/17/2010 \$	55,000	2/20/2014	-	55,000	10,630	-	44,370	1,971
Total Contractual Indebtedness										
					2,130,202	1,110,000	1,286,288		1,953,914	82,841
Compensated Absences										
					49,129			3,570	52,699	
Total Long-Term Debt										
* Defeased Debt										
					\$ 2,179,331	1,110,000	1,286,288	3,570	2,006,613	82,841

CITY OF ELLINWOOD, KANSAS
Notes to Financial Statements
December 31, 2010

NOTE 7 – LONG-TERM DEBT (continued)

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

	YEAR					Total
	2011	2012	2013	2014	2015	
Principal						
General Obligation Bonds	\$ 65,000	65,000	65,000	65,000	65,000	70,000
Certificate of Participation	105,000	105,000	110,000	110,000	115,000	115,000
KDHE Loan	109,474	113,429	117,526	121,771	126,169	266,175
Capital Lease Payable	13,310	13,949	14,626	2,485	-	-
Total Principal	292,784	297,378	307,152	299,256	306,169	451,175
Interest						
General Obligation Bond	8,750	7,365	6,455	5,285	3,855	2,100
Certificate of Participation	16,821	12,754	10,814	8,394	5,405	1,869
KDHE Loan	29,622	25,667	21,570	17,325	12,024	11,178
Capital Lease Payable	1,811	1,172	495	15	-	-
Total Interest	57,004	46,958	39,334	31,019	21,284	15,147
Total Principal and Interest	\$ 349,788	344,336	346,486	330,295	327,453	466,322
						2,164,660