

# *Comprehensive* **ANNUAL** **Financial** **REPORT**

**CITY OF WINFIELD, KANSAS**



*for Fiscal Year Ending*  
**December 31, 2010**



# **CITY OF WINFIELD, KANSAS**

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011**

### **CITY COMMISSION AND MAYOR**

Mayor Taggart L. Wall  
Commissioner Gregory N. Thompson  
Commissioner G. Thomas McNeish

### **CITY MANAGER**

Warren Porter

### **CITY CLERK**

Brenda Peters

### **DIRECTOR OF FINANCE/CITY TREASURER**

Anne Jarrett





# **INTRODUCTORY Section**



June 23, 2012

To the Citizens of the City of Winfield, Kansas  
Honorable Mayor and City Commissioners

This document is the Comprehensive Annual Financial Report (CAFR) of the City of Winfield, Kansas for the year ended December 31, 2011. This report was prepared by the city's finance department. Responsibility for both the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures, rests with the management of the City. We believe the report, as presented, is accurate in all material respects. We also believe it is presented in a manner designed to set forth the financial position and results of operations of the City as measured by the financial activity of its various funds. Finally, we believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The introductory section includes a description of the City, including services provided, and explanation of the City's accounting system and budgetary controls, and a brief discussion of the city's economic condition and outlook. The City's organizational chart is also included to assist the reader in understanding the structure of the city. The financial section includes the independent auditor's report, Management's discussion & analysis, Government-wide financial statements, fund financial statements, notes to the financial statements, and individual and combining statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The reader is specifically directed to Management's Discussion and Analysis (MD&A) which immediately follows the independent auditor's report. MD&A provides a narrative explanation and overview of significant features and trends reflected by data in the financial statements.

Management of the City is responsible for establishing and maintaining an internal control structure to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The cost of the internal controls should not outweigh their benefits. Thus, the City of Winfield's internal controls are designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

Kansas statute 75-1122 requires an annual audit of all funds of the City by independent certified public accountants. The firm of Edw. B. Stephenson & Co. issued an unqualified opinion on the City of Winfield's financial statements for the year ended December 31, 2011. The independent auditor's report is located on page A-1 in the Financial Section of this report.

### ***Profile of the Government***

The City of Winfield, incorporated in 1873, has a population of 12,301 has an incorporated area of 12.35 square miles. Winfield is located in south central Kansas, less than an hour away from Wichita, and two hours from Tulsa and Oklahoma City. Winfield serves as the county seat for Cowley County, population approximately 36,000.



The City is unique in providing a full range of municipal utility services to its citizens, including electric and gas utilities, water, wastewater, and sanitation services. Other municipal services include police and fire protection, construction and maintenance of streets, drainage facilities and other infrastructure, recreation and cultural activities, a municipal golf course, community and industrial development, planning and zoning, building inspection, cemetery operations and maintenance, general administration, and internal support services. The City provides a pick-up recycling program to its citizens, along with composting site facilities, available at no charge to area residents. In addition, library services, emergency medical services, and low-income housing are provided by component units of the City. Additional information on the component units can be found in Note 1.A. in the notes to the financial statements.

The City of Winfield operates under a Commission/Manager form of government. One member of the three-member commission is elected annually by the Commission to act as Mayor. The City Manager is appointed by the City Commission and is responsible to them for the management of all City employees and administration of all City affairs. Regular city elections are held in odd years. The person receiving the largest number of votes is elected to a four-year term and the person receiving the second largest number of votes is elected to a two-year term.

Expenditures are authorized by a budget approved by the City Commission as required by State statute. The State statute level of budgetary control (i.e. the level at which expenditures cannot legally exceed the appropriated amount) is established at an individual fund level, but is monitored by department within each fund. The finance department continually reviews and approves all significant deviations from budget authorizations. The Kansas cash basis and budget laws requires cash be on hand before an expenditure is authorized, that all expenditures be budgeted (unless specifically exempted by statute), and that the budget not exceed anticipated revenues, including carry forward balances. Budget-to-actual comparisons are provided in this report for each individual fund in which an adopted annual operating budget is required by Kansas statute.

### ***Economic Condition and Outlook and Major Initiatives***

The intersection of U.S. Highway 160 and Interstate I-35 is located in the center of Winfield. The cities of Arkansas City and Winfield jointly own Strother Field Airport and Industrial Park, located less than seven miles from Winfield.

Many of the county area's employers have work forces consisting of residents of both the City of Winfield and the city of Arkansas City, located twelve miles to the south of Winfield. Manufacturing and services are the largest sectors of employment in Cowley County.

Rubbermaid began an expansion of its Winfield facilities in late 2011, relocating work that had been done in a Greenville, Texas facility. Rubbermaid currently employees 550+ people, and estimates an additional 200 production workers will be hired in 2012. Capacity at the facility will be increased to add manufacturing of Rubbermaid outdoor refuse and home organization products.

Gottlob Business Park was established in early 2012, a 100 acre area adjacent to the existing Winfield and Utt Industrial Parks. Forty acres were purchased by Insite, LLC, to construct a 500,000 square feet distribution center, to be leased to Rubbermaid. The project is set to be completed in late 2012. The remaining 60 acres of the park are owned by the city, and is available for future industrial development.

Southwestern College, a private liberal arts four year institution established in 1885, has an estimated enrollment of over 1,500 students. Southwestern has made major infrastructure improvements to its facilities in the last two years, including a \$4.8 million renovation of the football stadium and the Richardson auditorium.

The Prairieland Partners John Deere dealership began a 23,000 square foot expansion in 2011 of its Winfield facility, at an estimated \$1.425 million cost.

MetroPlains Development purchased the Baden Hall building from the City in 2011, for a complete renovation of the 1984 five-story building. The building was opened for use in late 2011, as 24 newly constructed 1, 2, and 3 bedroom apartments for low to moderate income tenants.

The City continues to make annual sidewalk and other infrastructure improvements, related to ADA compliance requirements.

2011 sales tax receipts increased 7.7% over the 2010 sales tax collections. Real estate property assessed valuation decreased 0.12% from 2010 to 2011, reflecting steady property values. The City issued six single-family home permits, and a total of \$13.2 million of building permits in 2011. This is comparable to the 2010 statistics of eight single-family permits and \$8.3 million of building permits. Winfield was not shielded from the struggling national economy in late 2008 and through 2009. Mid 2009 unemployment peaked at 8.2%, compared to the January 2008 rate of 4.0%. The 2010 and 2011 years have showed turnaround. At the end of 2011, Cowley County unemployment was at 6.2%, dropping to 5.7% at the end of April 2012.

### **City Business and Financial Planning**

The City annually revises the current year's budget during preparation of the upcoming year budget, to provide internal management with better oversight. Additionally, the City maintains a five year projected budget for its Capital Improvement Fund, for internal purposes.

The City manages its finances with a long term perspective. Reacting to the ongoing cutbacks in state funding, the City increased fees for many of its fee-based services. The City has resisted tax increases in the past several years to cover ongoing services, instead looking at long term efficiencies and alternatives. The City had been able to sustain a level mill levy in dollars for a decade, though actual levies fluctuated slightly with changes in assessed valuation. The 2012 budget levies the same dollars as the 2011 budget. The City monitors its utility funds' cash balances and future capital needs. Rate increases, when necessary, are designed to cover long term needs of the utility.

The City had numerous large capital projects in the years 1998 through 2008, that have provided long term 'quality of life' enhancements, and to maintain necessary city infrastructure. Years 2009 -2012 are viewed as stabilization years. The city-wide debt load has dropped from approximately \$29.5 million at the end of 2006 to \$20.7 million at the end of 2011.

The City's insurance and self-insurance programs have been funded and administered as part of the City's Risk management. Funds are maintained in a reserve funds as authorized in Kansas Statutes. Additionally, the City maintains insurance policies and bonds as detailed in the Additional Information Section of this report. The City transitioned to full workers' compensation coverage in 2011, through the Kansas Eastern Region Insurance Trust group (KERIT).

### **Cash Management Policies and Practices**

The City maintains its cash and investments under a pooled concept. This mechanism enhances the city's investment possibilities. The City requests competitive bids on all investments in accordance with K.S.A. 12-1675. Idle funds are used to purchase certificates of deposit or other allowable investments, with maturities scheduled to meet anticipated cash flow requirements. During 2011, an average of \$10.3 million was invested for an average of 118 days, at an average rate of 0.29%.

### ***Certificate of Achievement and Acknowledgments***

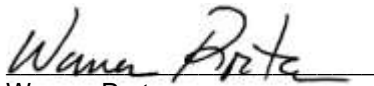
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Winfield for its comprehensive annual financial report for the year ended December 31, 2010. This was the eleventh consecutive year that the City has received this prestigious award.

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.


A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the assistance of numerous persons both in and out of local government. The firm of Edw. B. Stephenson & Co, CPAs Chartered, provided independent audit services. Specific appreciation is expressed to the dedicated staff of the City accounting department. We would also like to thank members of the other City departments who assisted and contributed to this report. Finally, preparation of this report would not be possible without the support of the City Commission. We express special appreciation to them for their leadership in planning and conducting the financial operations of the City in a professional, responsible and progressive manner in the best interests of the residents of Winfield.

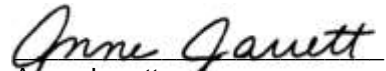
Respectfully submitted,



Warren Porter  
City Manager



Brenda Peters  
City Clerk



Anne Jarrett  
Director Finance/City Treasurer

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Winfield  
Kansas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Linda C. Sandison*

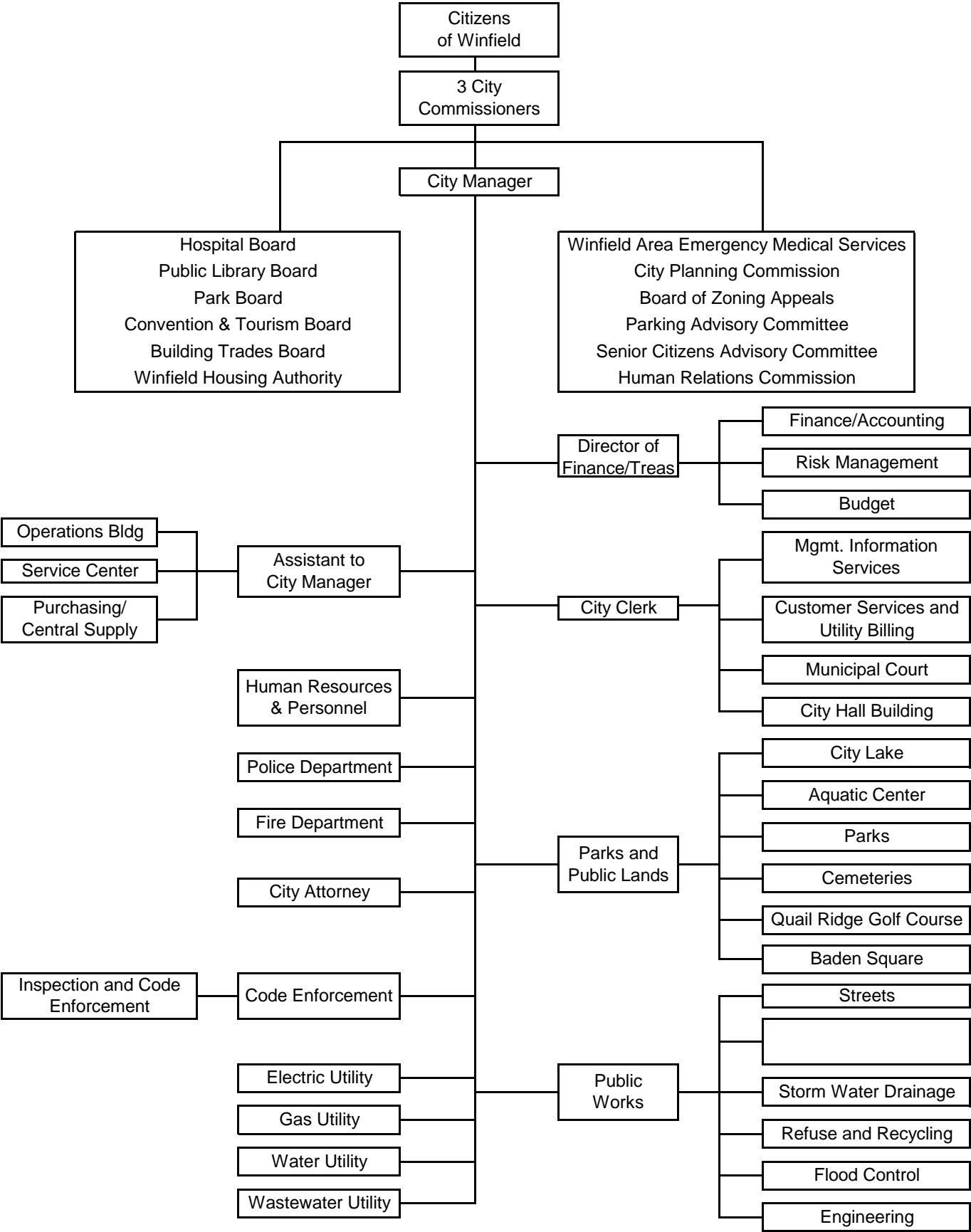
President

*Jeffrey R. Emer*

Executive Director



**CITY OF WINFIELD, KANSAS**  
**ORGANIZATIONAL CHART**



**CITY OF WINFIELD, KANSAS**  
**LIST OF PRINCIPAL OFFICIALS**  
**DECEMBER 31, 2011**

Mayor	Taggart L. Wall
City Commissioner	G. Thomas McNeish
City Commissioner	Gregory N. Thompson
City Manager	Warren Porter
City Attorney	William Muret
Assistant to the City Manager	Gary Mangus
City Clerk	Brenda Peters
Director of Finance/City Treasurer	Anne Jarrett
Interim Fire Chief	Alan Stoll
Police Chief	Danny Parker
Director of Public Works/Engineering	Russell A. Tomevi
Director of Community Development	Patrick Steward
Municipal Judge	Thomas D. Herlocker
Director of Electric and Water Utilities	Robert Porter
Interim Director of Gas and Wastewater Utilities	Warren Porter
Director of Parks and Public Lands	Mark Olney



# **FINANCIAL Section**

## **Basic Financial Information**

**EDW. B  
STEPHENSON  
& CO., CPAs  
CHARTERED**

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EDW. B. STEPHENSON  
(1905-1985)

JAMES R. DOBBS  
(1927-1997)

HARRY L. SHETLAR, JR.  
(1931-2000)

MORRIS W. JARVIS  
(1935-1999)

N. DEAN BRADBURY  
(1936-2005)

LOREN L. PONTIOUS  
(Retired)

**SHAREHOLDERS**

MAURICE P. ROBERTS, CPA

AARON R. IVERSON, CPA

MICHAEL B. NORTON, CPA

**ACCOUNTANTS**

MELISSA J. SCHOOLEY

SARAH M. KINDT

**INDEPENDENT AUDITORS' REPORT**

To the City Manager, and City Council  
City of Winfield  
Winfield, Kansas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Winfield, Kansas, as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements, as listed in the Table of Contents. These financial statements are the responsibility of the City of Winfield, 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 the administration, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Winfield, Kansas, as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, required supplementary information, and other supplementary information as listed in the Table of Contents, be presented to supplement the basic financial Statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted principally of inquiries of

1002 Main Street  
Winfield, Kansas 67156  
620-221-9320  
FAX 620-221-9325



management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Winfield, Kansas financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the financial statements of the City of Winfield, Kansas. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate 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 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. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on such information.

*Edw. B. Stephenson & Co. CPAs Ltd.*

Winfield, Kansas  
June 22, 2012

## Management's Discussion and Analysis

The following discussion and analysis of the City of Winfield's financial performance provides an overview of the City financial activities for the fiscal year ended December 31, 2011. The management discussion and analysis is presented in conjunction with the transmittal letter at the front of this report and the City of Winfield's financial statements, which follow this section.

### Financial Highlights for 2011

- The City's total net assets increased during the fiscal year ended 2010, approximately \$1.27 million, or 1.8 percent.
- The cost of governmental activity in 2011 was \$10.3 million, equal to the cost from 2010. The amount of that paid by taxpayers through either property taxes or sales taxes was \$5.9 million, or 57 percent.
- Non-current liabilities in the governmental activities decreased by \$1.522 million from 2010 to 2011.
- Non-current liabilities in the business type activities decreased by \$844 thousand from 2010 to 2011.
- No new debt was issued in 2011.
- The general fund, on a current financial resource basis, reported \$183 thousand of revenues and other financing sources in excess of expenditures and other financing uses.
- On December 31, 2011, the General Fund reported a budgetary fund balance of \$196,998, amounting to 0.22 percent of the following year's appropriated budget.

### Overview of the Financial Statements

The Comprehensive Annual Financial Report consists of three sections: Introductory, financial, and statistical. The financial statements include government-wide financial statements, fund financial statements and notes to the financial statements. Supplementary information, provided in addition to the basic financial statements, is located in the sections titled Supplemental information and Statistical Section.

The City presents two kinds of statements, each providing a different snapshot of the City's finances. The reporting focus is on both the City as a whole (government-wide) and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the City's overall financial status. The fund financial statements focus on the individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. Both perspectives allow the user to address relevant questions, broaden the basis of comparison and enhance the City's accountability.

### Government-wide Financial Statements

The government-wide statements are prepared using accounting methods similar to those used by private-sector businesses. The *Statement of Net Assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets can be monitored to determine whether the City's financial position is improving or deteriorating.

The *Statement of Activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets (current year's revenues and expenses) are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in the statement of activities for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The Statement of Net Assets and the Statement of Activities are divided into three types of activities:

- Governmental activities – are principally supported by taxes and intergovernmental revenues. Most of the City's basic services are reported in governmental activities: police, fire, public works, streets, and stormwater drainage, cemetery, parks and recreation, health, and general administration.
- Business-type activities – are functions that are intended to recover all or a portion of their costs through user fees and charges. They include these City activities: electric production and distribution, gas distribution, water purification and distribution, refuse collection, wastewater collection and treatment, and the municipal golf course.

- Component units – The Winfield Public Library, Winfield Area Emergency Medical Services, and the Winfield Public Housing Authority are presented as component units of the City of Winfield. Complete financial statements of those individual component units can be obtained from their respective administrative addresses:

Winfield Area EMS  
1300 East 5<sup>th</sup>  
Winfield, KS 67156

Winfield Public Library  
605 College  
Winfield, KS 67156

Winfield Housing Authority  
1417 Pine Terrace  
Winfield, KS 67156

The government-wide financial statements can be found on pages A-13 through A-15 of this report.

## Fund Financial Statements

A fund is a fiscal entity with a set of self-balancing accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Winfield, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide more information about the City's most significant funds – not the City as a whole. All of the funds of the City of Winfield can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- *Governmental fund* financial statements are prepared on the modified accrual basis. Under the modified accrual basis, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and other similar items which are recorded when due. The focus, therefore, is on the short-term financial picture of the operations reported, rather than the city as a whole. Most of the city's basic operations are reported in the governmental fund financial statements. The information in the government-wide statements can be compared to the governmental activities information in the government-wide statements. The reconciliation at the end of the fund financial statements details the relationship between the two types of financial statements.

The City of Winfield maintained 25 individual governmental funds in 2011. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Capital Improvements Fund, and the Debt Service Fund, all considered to be major funds. Information from the other 22 governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements beginning on page B-1.

The City of Winfield adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund on page A-21 to demonstrate compliance with the appropriated budget.

*Proprietary funds* fall into two categories: enterprise funds and internal service funds. All proprietary funds are prepared on the accrual basis of accounting. Enterprise funds are used to account for business-type activities. Enterprise fund statements present the same information that is in the government-wide statements for business activities, only in greater detail. The city's electric, gas, water, sewer, and refuse utilities, stormwater drainage, and the golf course are accounted for as enterprise funds. Internal service funds are used to account for the cost of operations shared by various functions of the City. The City uses seven internal service funds to account for its internal functions: risk management, workers compensation reserve, health insurance, management services, short term disability, and fleet services. A combining statement of these internal service funds can be found in the supplementary information following the notes to the financial statements. In the government-wide statements, the internal service funds are presented 50% in the business-type activities and 50% in the governmental type activities, mirroring the usage of those funds.

*Fiduciary funds* are used by the City to account for resources held by the city for the benefit of a third party. The City's fiduciary funds include the Sales tax agency fund, the payroll claims agency fund, and the fire insurance proceeds fund. Because the resources of these funds are not available for the city's operation, they are not presented in the government-wide financial statements. A combining statement can be found in the supplementary information following the notes to the financial statements.

*Permanent funds* are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used. The City has one permanent fund: the Cemetery endowment fund.

## Financial Analysis of the City

**Net assets of the primary government** – Over time, net assets can serve as a useful indicator of the City's financial position. In accordance with GASB Statement No. 34, Table 1 summarizes net assets of the City of Winfield.

**Table 1**

**City of Winfield, Kansas**  
**Net Assets**  
**As of December 31, 2011**  
**(with comparative totals for December 31, 2010)**  
**(in thousands of dollars)**

|                             | Governmental Activities |           | Business-type Activities |           | Total Primary Government |           |
|-----------------------------|-------------------------|-----------|--------------------------|-----------|--------------------------|-----------|
|                             | 2011                    | 2010      | 2011                     | 2010      | 2011                     | 2010      |
| Cash and investments        | \$ 2,775                | \$ 3,049  | \$ 7,598                 | \$ 6,160  | \$ 10,373                | \$ 9,209  |
| Other assets                | 7,391                   | 7,432     | 6,079                    | 5,641     | 13,470                   | 13,073    |
| Capital assets              | 27,059                  | 27,698    | 48,230                   | 50,239    | 75,289                   | 77,937    |
| Total assets                | 37,225                  | 38,179    | 61,907                   | 62,040    | 99,132                   | 100,219   |
| Long-term liabilities       | 9,851                   | 11,321    | 9,134                    | 9,982     | 18,985                   | 21,303    |
| Other liabilities           | 5,984                   | 5,721     | 3,175                    | 3,474     | 9,159                    | 9,195     |
| Total liabilities           | 15,835                  | 17,042    | 12,309                   | 13,456    | 28,144                   | 30,498    |
| Net assets:                 |                         |           |                          |           |                          |           |
| Capital assets, net of debt | 16,254                  | 15,222    | 38,560                   | 39,238    | 54,814                   | 54,460    |
| Restricted                  | 957                     | 1,101     | -                        | 200       | 957                      | 1,301     |
| Unrestricted                | 4,179                   | 4,814     | 11,038                   | 9,146     | 15,217                   | 13,960    |
| Total net assets            | \$ 21,390               | \$ 21,137 | \$ 49,598                | \$ 48,584 | \$ 70,988                | \$ 69,721 |

The City's net assets increased \$1.27 million from 2010 to the end of 2011. Approximately 77 percent of the City's net assets reflect investment in capital assets (e.g. land, buildings, improvements, equipment), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently the capital assets are not available for future spending. An additional portion of these assets (1 percent) represents resources that are subject to external restrictions on how they may be spent. The unrestricted portion of total net assets is \$15 million, or 22 percent, available to meet the city's ongoing obligations.

*Governmental activities* - The governmental activities portion of unrestricted net assets totals \$4.3 million, or 20 percent of total governmental activities net assets. Capital assets, net of related debt, comprise 75 percent of total governmental activities net assets. Long-term liabilities decreased by \$1.5 million from 2010 to 2011. No new debt was issued in 2011, and the City paid down outstanding debt.

*Business-type activities* – The business-type activities portion of unrestricted net assets total \$11 million, or 22 percent of total business-type activities net assets. Capital assets, net of related debt, comprise 78 percent of the total net assets. Long-term liabilities decreased by \$844 thousand from 2010 to 2011.



Table 2, below, summarizes total City revenues and expenses for the fiscal year ending December 31, 2011:

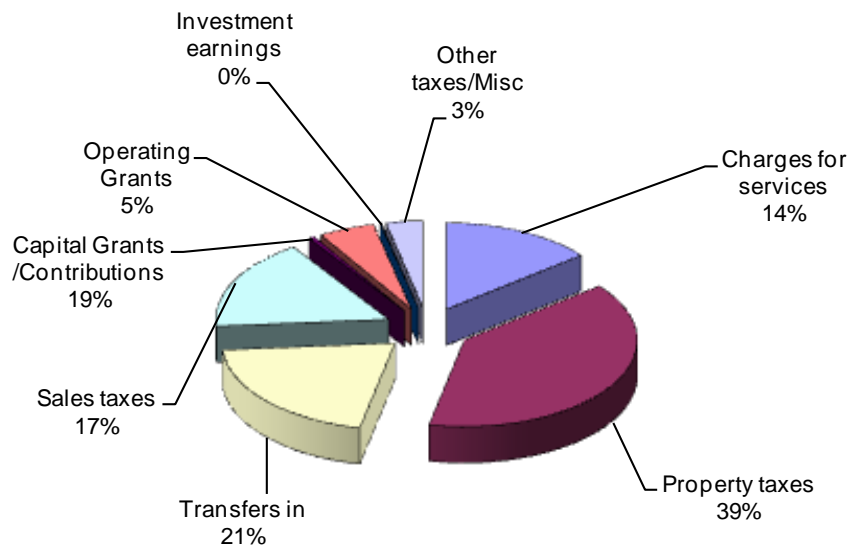
**Table 2**

**City of Winfield, Kansas**  
**Changes in Net Assets**  
**As of December 31, 2011**  
**(with comparative totals for December 31, 2010)**  
**(in thousands of dollars)**

|                                                                     | <u>Governmental Activities</u> |               | <u>Business-type Activities</u> |                 | <u>Total Primary Gov't</u> |                 |
|---------------------------------------------------------------------|--------------------------------|---------------|---------------------------------|-----------------|----------------------------|-----------------|
| <b>Revenues</b>                                                     | <u>2011</u>                    | <u>2010</u>   | <u>2011</u>                     | <u>2010</u>     | <u>2011</u>                | <u>2010</u>     |
| Program revenues:                                                   |                                |               |                                 |                 |                            |                 |
| Charges for services                                                | \$ 1,509                       | \$ 1,496      | \$ 35,751                       | \$ 32,938       | \$ 37,260                  | \$ 34,434       |
| Operating grants and contributions                                  | 553                            | 641           | -                               | -               | 553                        | 641             |
| Capital grants and contributions                                    | 56                             | 13            | 113                             | 798             | 169                        | 811             |
| General revenues:                                                   |                                |               |                                 |                 |                            |                 |
| Property taxes                                                      | 4,134                          | 3,995         | -                               | -               | 4,134                      | 3,995           |
| Sales taxes                                                         | 1,803                          | 1,651         | -                               | -               | 1,803                      | 1,651           |
| Franchise fees                                                      | 198                            | 218           | -                               | -               | 198                        | 218             |
| Other taxes                                                         | 146                            | 172           | -                               | -               | 146                        | 172             |
| Miscellaneous income                                                | 19                             | -             | -                               | -               | 19                         | -               |
| Investment interest                                                 | 10                             | 22            | 20                              | 36              | 30                         | 58              |
| Total revenues                                                      | <u>8,428</u>                   | <u>8,208</u>  | <u>35,884</u>                   | <u>33,772</u>   | <u>44,312</u>              | <u>41,980</u>   |
| <b>Expenses</b>                                                     |                                |               |                                 |                 |                            |                 |
| General government                                                  | 1,284                          | 1,378         | -                               | -               | 1,284                      | 1,378           |
| Public safety                                                       | 4,493                          | 4,486         | -                               | -               | 4,493                      | 4,486           |
| Public works                                                        | 1,392                          | 1,392         | -                               | -               | 1,392                      | 1,392           |
| Cemetery                                                            | 146                            | 165           | -                               | -               | 146                        | 165             |
| Culture and recreation                                              | 2,045                          | 1,910         | -                               | -               | 2,045                      | 1,910           |
| Health and welfare                                                  | 342                            | 334           | -                               | -               | 342                        | 334             |
| Economic development                                                | 186                            | 149           | -                               | -               | 186                        | 149             |
| Interest on debt                                                    | 452                            | 500           | -                               | -               | 452                        | 500             |
| Electric                                                            | -                              | -             | 22,331                          | 21,108          | 22,331                     | 21,108          |
| Gas                                                                 | -                              | -             | 4,161                           | 4,434           | 4,161                      | 4,434           |
| Water                                                               | -                              | -             | 2,355                           | 2,318           | 2,355                      | 2,318           |
| Refuse                                                              | -                              | -             | 1,247                           | 1,200           | 1,247                      | 1,200           |
| Wastewater                                                          | -                              | -             | 1,849                           | 1,865           | 1,849                      | 1,865           |
| Golf course                                                         | -                              | -             | 762                             | 814             | 762                        | 814             |
| Total expenses                                                      | <u>10,340</u>                  | <u>10,314</u> | <u>32,705</u>                   | <u>31,739</u>   | <u>43,045</u>              | <u>42,053</u>   |
| Excess before transfers, special items, and prior year restatements | (1,912)                        | (2,106)       | 3,179                           | 2,033           | 1,267                      | (73)            |
| Transfers                                                           | 2,165                          | 1,957         | (2,165)                         | (1,957)         | -                          | -               |
| Restatements                                                        | -                              | 327           | -                               | 1,102           | -                          | 1,429           |
| <b>Increase (decr) in net assets</b>                                | <u>\$ 253</u>                  | <u>\$ 178</u> | <u>\$ 1,014</u>                 | <u>\$ 1,178</u> | <u>\$ 1,267</u>            | <u>\$ 1,356</u> |

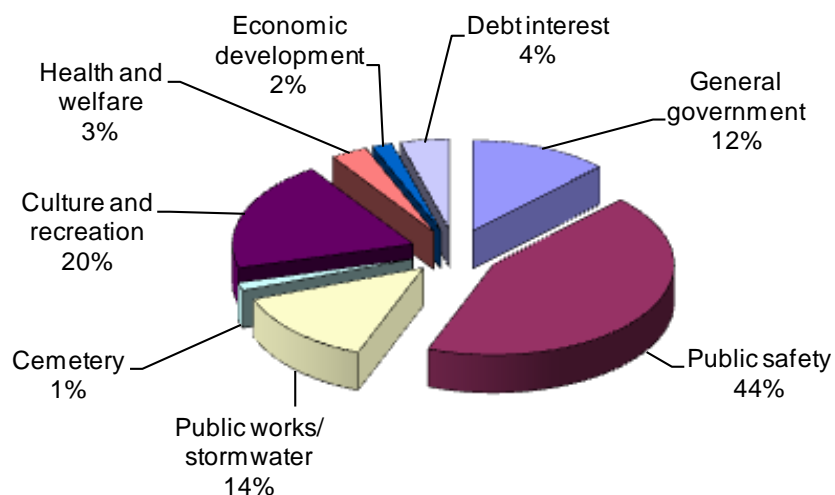
Governmental Activities - As indicated above, governmental net assets increased by \$253 thousand in 2011. Total governmental expenses increased less than one-half of a percent, while revenues increased \$220 thousand, 2.7% from 2010.

### Sources of Revenue - Governmental Activities



Major sources of revenue of the governmental activities continue to be property, sales, and other taxes, as illustrated in the above graph. Property taxes comprised \$4.1 million, or 39 percent of the City's governmental activities 2011 revenue. 'Other taxes' includes alcohol beverage, franchise, and transient guest taxes. The electric, gas, water, and refuse funds pay the general fund 'in lieu of' franchise fees, a set percentage of gross revenues, similar to what would be assessed third-party utility companies supplying services to Winfield citizens. These are reflected as transfers in the above chart. Operating grants included primarily public works and public safety operational and maintenance funding through the State of Kansas. Capital grants and contributions include special assessments, contributions, and federal grants revenues.

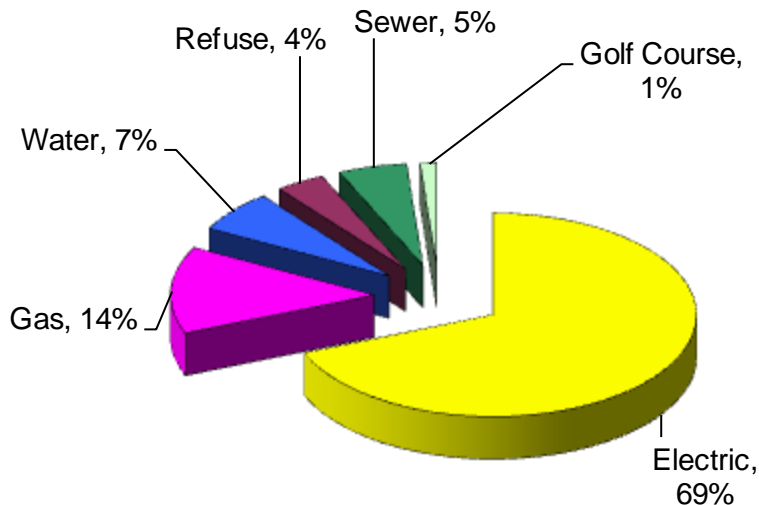
### Functional Expenses - Governmental Activities



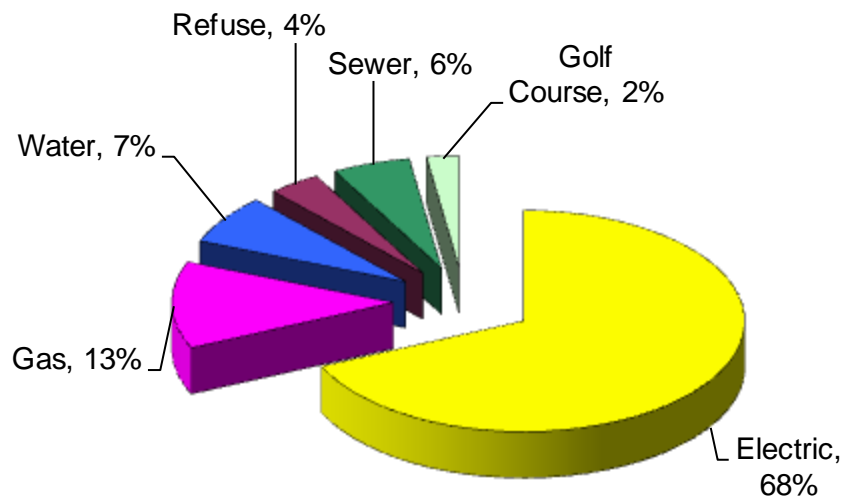
Public safety expense continues to represent the largest governmental expense, \$4.5 million, or 4 percent of the City's total governmental expenses of \$10.3 million.

**Business-type activities** - The City operates five utilities and a municipal golf course. Combined, the electric and gas utilities comprise 81 percent of the total business-type activity charges.

**Program Revenues - Business Type Activities**



**Program Expenses - Business Type Activities**



Highlights in the business-type activities area include:

- For business-type activities, 2011 overall expenses increased slightly, \$966 thousand, from 2010, and program revenues increased \$2.1 million.
- 
- Electric kwh sales increased 1.4% over 2010, due to the unusual summer heat and the increase in industry usage. 2011 operating income in the electric utility fund was \$2.4 million.
- Water gallons sales increased over 10% from 2010, again due to the hot dry summer months. This followed three consecutive years of unusually wet weather, and accompanying depressed water sales. 2011 operating income in the water utility fund was \$179 thousand.

- Gas MCF sales remained stable, decreasing 0.2% in 2011. Net operating income of the gas fund was \$935 thousand in 2009 and \$1 million in 2010. 2011 operating income in the gas utility fund was \$810 thousand.
- The wastewater utility fund incurred a \$214 thousand operating profit in 2011. The City has increased sewer user charges in early 2008, rates to increase over a five year period, for the purpose of funding KDHE debt for wastewater treatment plant improvements.

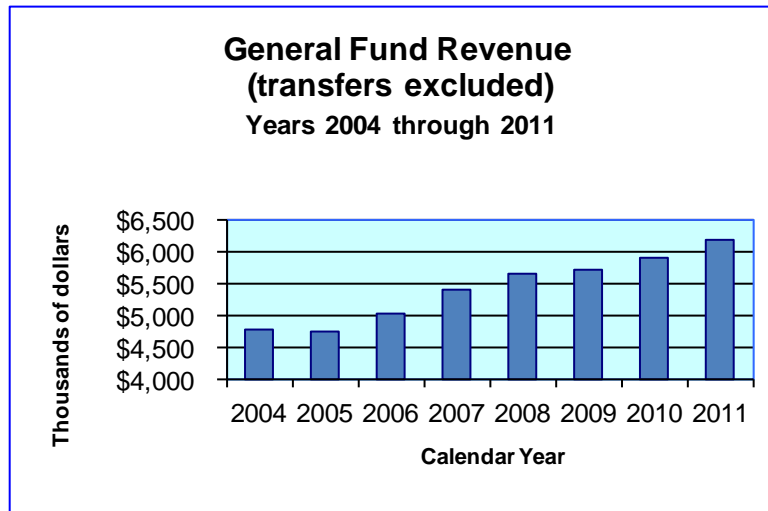
## Financial Analysis of the Government's Funds

As noted earlier, the City of Winfield uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds** - The focus of the City of Winfield's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Winfield's financing requirements.

As of the end of the fiscal year ending December 31, 2011, the City's governmental funds reported a combined ending fund balance of \$1.8 million, a decrease of \$210 thousand in comparison to the prior year. Approximately 23 percent of this total amount, \$418 thousand, constitutes unassigned fund balance, available for spending at the City's discretion. The remainder of fund balance is restricted for specific purposes, 54 percent, or committed by management for specific purposes, 23 percent.

**General Fund** - The general fund is the major operating and taxing fund for the City of Winfield. At the close of 2011, the general fund balance was \$438 thousand, compared to \$255 thousand at the close of 2010. Excluding transfers to and from the general fund and the debt payments related to a 2006 purchase of a \$1 million fire truck, the overall general fund expenditures increased less than 1 percent from 2010, while revenues increased 5 percent.



Major revenue sources in the General fund include:

- Property taxes collected were \$2.76 million. Property tax collections were 102 percent of projected revenues in 2011. The 2011 City mill levy increased levy approximately 2 mills from 2010.
- Sales tax collected amounts to \$1.8 million, exceeding projected revenues by 5 percent. Sales tax collections were indicative of an upturn in the local economy.
- In 2011, total 'in lieu of' franchise fees from the other utilities increased 5 percent, \$103 thousand over the prior year, due to the electric and water utilities' gross revenues increase. These amounts are treated as inter-fund transfers in the financial statements.



General funds expenditures, excluding transfers, totaled \$6.9 million, less than 1 percent above 2010 amounts. Below is a historical trends summary by function of general fund expenditures.

**General Fund Expenses by Function**  
**Years 2004 through 2011**  
**(dollars in thousands)**

|                         | 2004            | 2005            | 2006            | 2007            | 2008            | 2009            | 2010            | 2011            | 8 Yr<br>Average<br>Annual<br>Growth |
|-------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------------------------|
| General gov't           | \$ 933          | \$ 607          | \$ 837          | \$ 823          | \$ 768          | \$ 810          | \$ 782          | \$ 820          | 0.2%                                |
| Public safety           | 3,195           | 3,485           | 4,670           | 3,858           | 4,378           | 4,223           | 4,273           | 4,250           | 4.5%                                |
| Cemetery                | 131             | 142             | 131             | 140             | 142             | 134             | 138             | 154             | 2.2%                                |
| Culture/recreation      | 1,040           | 1,240           | 1,083           | 1,072           | 1,178           | 1,079           | 1,207           | 1,251           | 2.8%                                |
| Health and welfare      | 315             | 311             | 290             | 290             | 294             | 320             | 315             | 302             | -0.4%                               |
| Economic<br>development | 22              | 6               | 16              | 15              | 10              | 10              | 10              | 10              | 6.8%                                |
| Debt service            | 10              | -               | -               | 126             | 126             | 126             | 126             | 126             | 0.0%                                |
|                         | <u>\$ 5,646</u> | <u>\$ 5,791</u> | <u>\$ 7,027</u> | <u>\$ 6,324</u> | <u>\$ 6,896</u> | <u>\$ 6,702</u> | <u>\$ 6,851</u> | <u>\$ 6,913</u> | 2.9%                                |

**Capital Improvements Fund** – The capital improvements fund's primary revenue source is a one-half cent city sales tax. Funds were used for projects and for debt payments on prior years' projects. The year end fund balance of \$171 thousand is a decrease of 39 percent, compared to the 2010 year end fund balance of \$279 thousand.

**Debt Service Fund** - The debt service fund's fund balance increased 20 percent to \$158,727 at the end of 2011. 9.661 mills generated \$702 thousand of property taxes for fund in 2011. This mill levy has maintained a relatively stable level over the last ten years, varying from 9.189 to 11.747 mills.

**Other Governmental Funds** – Other governmental funds' fund balance was \$1,059,657, at the end of 2011, a decrease of \$312,767 from the prior year. \$248,000 of the decrease was related to the sale of the Baden Hall building, which was sold to a developer in 2011, and renovated to a 24-unit apartment building. The City had accumulated \$248,000 from prior years' private contributions, towards the renovation.

## General Fund Budgetary Highlights

Actual revenue sources in 2011 totaled 102 percent of the original 2011 budget. Revenue highlights are discussed above under 'General Fund'. Overall 2011 expenditures increased 2.7 percent over 2010. The City's unencumbered fund balance in the general fund at December 31, 2011 was \$198,998, equivalent to 0.24 percent of the 2011 general fund budgetary basis expenditures. The 2011 general fund budget was amended by city commission by approximately \$74 thousand, to allow for transfer of budgeted but unspent capital outlay equipment dollars to the equipment reserve fund.

## Capital Assets

At the end of 2011, the City had \$75 million invested, net of depreciation, in a broad range of capital assets used in both governmental and business-type activities, summarized below:

**Table 3**

**City of Winfield, Kansas  
Assets, Net of Depreciation  
As of December 31, 2011  
(with comparative totals for December 31, 2010)  
(in thousands of dollars)**

|                                       | Governmental Activities |               | Business-type Activities |               | Total Primary Government |               |
|---------------------------------------|-------------------------|---------------|--------------------------|---------------|--------------------------|---------------|
|                                       | 2011                    | 2010          | 2011                     | 2010          | 2011                     | 2010          |
| Land                                  | \$ 1,903                | \$ 1,903      | \$ 827                   | \$ 827        | \$ 2,730                 | \$ 2,730      |
| Infrastructure/<br>other improvements | 16,224                  | 16,004        | 31,528                   | 31,976        | 47,752                   | 47,980        |
| Construction                          | 40                      | 39            | 10                       | -             | 50                       | 39            |
| Buildings and<br>improvements         | 6,229                   | 6,302         | 5,329                    | 5,772         | 11,558                   | 12,074        |
| Equipment                             | 2,663                   | 3,450         | 10,536                   | 11,664        | 13,199                   | 15,114        |
| <b>Total</b>                          | <b>27,059</b>           | <b>27,698</b> | <b>48,230</b>            | <b>50,239</b> | <b>75,289</b>            | <b>77,937</b> |

Government-wide capital assets, net of depreciation, decreased 2 percent in 2011. In business-type activities, capital assets, net of depreciation, decreased 3 percent during 2011. The minor decreases are primarily because no sizable capital projects or asset purchases were made in 2011. Additional information regarding the City of Winfield's capital assets can be found in note 8, page A-47 of this report.

## Long-term Debt

At the end of 2011, the City had total long-term debt of \$21 million, \$2.4 million due within the next year. Of the total debt, \$20.2 million is backed by the full faith and credit of the government, although the City's intent is to use water and sewer utility revenues to repay \$9.7 million of that \$20.2 million.

The City did not issue any new debt in 2011. City officials have taken a conservative stance in 2010 and 2011, using those years to reduce total debt, and create a fiscal position to fund future projects and infrastructure improvements. Additional information on the city's long-term debt can be found in Note 11, pages A-48 through A-54 of this report.

## Economic Factors and Next Year's Budgets

County unemployment rates as of December 31, 2011 and April 30, 2012 were 6.2% and 5.7%, respectively. Comparable national unemployment rates were 8.5% and 8.1%, and comparable Kansas state-wide unemployment rates were 6.3% and 6.1%. The City of Winfield and surrounding Cowley County were not insulated from significant job losses in the nationwide recession. While the county's various light manufacturing industries were affected negatively by the recession in 2009, the years 2010 and 2011 have shown a rebound. Using utility usage as an indicator, industry kwh has returned to about 97% of the 2008 pre-recession usage. The value of building permits in 2011 was \$13.2 million, an increase from 2010's value of \$8.3 million, 476 permits were issued in 2011, compared to 381 permits issued in 2010.

The City of Winfield continues to partner with other local governments and the private sector to maintain local economic efforts. The 2012 budget reflects a 2 percent increase in budgeted expenditures over 2011 amounts, and 2012 revenues are anticipated to remain steady in comparison to 2011 amounts.

## Requests for Information

This financial report is designed to provide a general overview of the City of Winfield's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, P.O. Box 646, Winfield, KS 67156.

# CITY OF WINFIELD, KANSAS

## STATEMENT OF NET ASSETS DECEMBER 31, 2011

|                                                 | Primary Government         |                             |                      | Component<br>Units  |
|-------------------------------------------------|----------------------------|-----------------------------|----------------------|---------------------|
|                                                 | Governmental<br>Activities | Business-type<br>Activities | Total                |                     |
| <b>Assets</b>                                   |                            |                             |                      |                     |
| Pooled cash and investments                     | \$ 2,774,902               | \$ 7,597,834                | \$ 10,372,736        | \$ 701,973          |
| Receivables:                                    |                            |                             |                      |                     |
| Taxes                                           | 3,730,636                  | -                           | 3,730,636            | -                   |
| Special assessments                             | 2,860,233                  | -                           | 2,860,233            | -                   |
| Economic development receivable                 | 248,000                    | -                           | 248,000              | -                   |
| Utilities                                       | -                          | 4,171,794                   | 4,171,794            | -                   |
| Accounts                                        | 42,198                     | 44,500                      | 86,698               | 109,113             |
| Due from other governmental agencies            | 113,404                    | -                           | 113,404              | 107,446             |
| Due from component units                        | 18,625                     | -                           | 18,625               | -                   |
| Inventories and prepaids                        | 170,197                    | 1,709,144                   | 1,879,341            | 21,047              |
| Deferred costs                                  | 207,548                    | 96,111                      | 303,659              | -                   |
| Capital assets, not being depreciated           | 1,943,126                  | 837,527                     | 2,780,653            | 52,776              |
| Capital assets, net of accumulated depreciation | 25,116,000                 | 47,392,931                  | 72,508,931           | 2,062,103           |
| Other investments                               | -                          | 11,957                      | 11,957               | -                   |
| Other investments-restricted                    | -                          | -                           | -                    | 12,317              |
| Investment in joint venture                     | -                          | 45,817                      | 45,817               | -                   |
| Total assets                                    | <u>37,224,869</u>          | <u>61,907,615</u>           | <u>99,132,484</u>    | <u>3,066,775</u>    |
| <b>Liabilities</b>                              |                            |                             |                      |                     |
| Deficit cash                                    | -                          | -                           | -                    | 15,386.00           |
| Accounts payable                                | 396,493                    | 1,973,905                   | 2,370,398            | 72,280              |
| Accrued interest payable                        | 84,496                     | 88,281                      | 172,777              | -                   |
| Unearned revenues                               | 3,782,248                  | -                           | 3,782,248            | -                   |
| Long-term liabilities                           |                            |                             |                      |                     |
| Due within one year                             | 1,773,124                  | 1,109,233                   | 2,882,357            | -                   |
| Due in more than one year                       | 9,799,087                  | 9,137,921                   | 18,937,008           | -                   |
| Due within one year to primary government       | -                          | -                           | -                    | 17,895              |
| Due in more than one year to primary government | -                          | -                           | -                    | 30,428              |
| Total liabilities                               | <u>15,835,448</u>          | <u>12,309,340</u>           | <u>28,144,788</u>    | <u>120,603</u>      |
| <b>Net Assets</b>                               |                            |                             |                      |                     |
| Net investment in capital assets                | 16,253,622                 | 38,560,011                  | 54,813,633           | 2,083,129           |
| Restricted for:                                 |                            |                             |                      |                     |
| Capital projects                                | 127,994                    | -                           | 127,994              | 107,446             |
| Enabling legislation                            | 663,551                    | -                           | 663,551              | -                   |
| Debt service                                    | 158,727                    | -                           | 158,727              | 17,895              |
| Cemtery Endowment - nonexpendable               | 6,000                      | -                           | 6,000                | -                   |
| Unrestricted net assets                         | <u>4,179,527</u>           | <u>11,038,264</u>           | <u>15,217,791</u>    | <u>722,226</u>      |
| Total net position                              | <u>\$ 21,389,421</u>       | <u>\$ 49,598,275</u>        | <u>\$ 70,987,696</u> | <u>\$ 2,930,696</u> |

See accompanying notes to financial statements

# CITY OF WINFIELD, KANSAS

## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2011

| Functions/Programs                    | Expenses             | Charges for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions |
|---------------------------------------|----------------------|-------------------------|------------------------------------------|----------------------------------------|
| Primary government:                   |                      |                         |                                          |                                        |
| Governmental activities:              |                      |                         |                                          |                                        |
| General government                    | \$ 1,284,081         | \$ 351,445              | \$ 117,000                               | \$ -                                   |
| Public safety                         | 4,493,341            | 217,361                 | 12,257                                   | 27,051                                 |
| Public works/stormwater               | 1,392,216            | 149,761                 | 421,517                                  | -                                      |
| Cemetery                              | 145,656              | 70,245                  |                                          | 600                                    |
| Culture and recreation                | 2,044,763            | 532,471                 | 2,532                                    | 28,000                                 |
| Health and welfare                    | 341,963              | 187,630                 | -                                        | -                                      |
| Economic development                  | 185,683              | -                       | -                                        | -                                      |
| Debt interest and related cost        | 452,192              | -                       | -                                        | -                                      |
| <b>Total governmental activities</b>  | <b>10,339,895</b>    | <b>1,508,913</b>        | <b>553,306</b>                           | <b>55,651</b>                          |
| Business-type activities:             |                      |                         |                                          |                                        |
| Electric                              | 22,331,177           | 24,623,166              | -                                        | 70,650                                 |
| Gas                                   | 4,160,674            | 4,955,953               | -                                        | 7,522                                  |
| Water                                 | 2,354,597            | 2,375,968               | -                                        | 22,908                                 |
| Refuse                                | 1,247,376            | 1,394,287               | -                                        | -                                      |
| Wastewater                            | 1,849,088            | 1,942,758               | -                                        | 12,150                                 |
| Golf course                           | 762,407              | 459,404                 | -                                        | -                                      |
| <b>Total business-type activities</b> | <b>32,705,319</b>    | <b>35,751,536</b>       | <b>-</b>                                 | <b>113,230</b>                         |
| <b>Total primary government</b>       | <b>\$ 43,045,214</b> | <b>\$ 37,260,449</b>    | <b>\$ 553,306</b>                        | <b>\$ 168,881</b>                      |
| <b>Component Units:</b>               |                      |                         |                                          |                                        |
| Winfield Public Library               |                      |                         |                                          | \$ -                                   |
| Winfield Area EMS                     |                      |                         |                                          | -                                      |
| Winfield Housing Authority            |                      |                         |                                          | -                                      |
| <b>Total component units</b>          | <b>-</b>             | <b>-</b>                | <b>-</b>                                 | <b>-</b>                               |

### General revenues:

Property taxes  
 Sales taxes  
 Investment earnings  
 Transient guest taxes  
 Franchise taxes  
 Alcohol beverage taxes  
 Miscellaneous  
 Payments from City of Winfield  
 Transfers - In lieu of transfer payments from utilities  
 Transfers  
 Total general revenues and transfers

### Change in net assets

Net assets - beginning  
 Prior year adjustment  
 Net assets - beginning, adjusted

### Net assets - ending

See accompanying notes to financial statements



| Primary Government         |                             |                       | Component<br>Units  |
|----------------------------|-----------------------------|-----------------------|---------------------|
| Governmental<br>Activities | Business-type<br>Activities | Total                 |                     |
| \$ (815,636)               | \$ -                        | \$ (815,636)          | \$ -                |
| (4,236,672)                | -                           | (4,236,672)           | -                   |
| (820,938)                  | -                           | (820,938)             | -                   |
| (74,811)                   | -                           | (74,811)              | -                   |
| (1,481,760)                | -                           | (1,481,760)           | -                   |
| (154,333)                  | -                           | (154,333)             | -                   |
| (185,683)                  | -                           | (185,683)             | -                   |
| (452,192)                  | -                           | (452,192)             | -                   |
| <u>(8,222,025)</u>         | <u>-</u>                    | <u>(8,222,025)</u>    | <u>-</u>            |
| -                          | 2,362,639                   | 2,362,639             | -                   |
| -                          | 802,801                     | 802,801               | -                   |
| -                          | 44,279                      | 44,279                | -                   |
| -                          | 146,911                     | 146,911               | -                   |
| -                          | 105,820                     | 105,820               | -                   |
| -                          | (303,003)                   | (303,003)             | -                   |
| <u>-</u>                   | <u>3,159,447</u>            | <u>3,159,447</u>      | <u>-</u>            |
| <u>\$ (8,222,025)</u>      | <u>\$ 3,159,447</u>         | <u>\$ (5,062,578)</u> | <u>\$ -</u>         |
| <br>                       |                             |                       |                     |
| \$ -                       | \$ -                        | \$ -                  | \$ (457,126)        |
| -                          | -                           | -                     | (246,233)           |
| -                          | -                           | -                     | (7,546)             |
| <u>-</u>                   | <u>-</u>                    | <u>-</u>              | <u>(710,905)</u>    |
| <br>                       |                             |                       |                     |
| 4,133,774                  | -                           | 4,133,774             | -                   |
| 1,802,734                  | -                           | 1,802,734             | -                   |
| 9,874                      | 20,381                      | 30,255                | -                   |
| 81,501                     | -                           | 81,501                | -                   |
| 197,907                    | -                           | 197,907               | -                   |
| 63,768                     | -                           | 63,768                | -                   |
| 19,512                     | -                           | 19,512                | -                   |
| -                          | -                           | -                     | 762,085             |
| 2,090,193                  | (2,090,193)                 | -                     | -                   |
| 75,348                     | (75,348)                    | -                     | -                   |
| <u>8,474,611</u>           | <u>(2,145,160)</u>          | <u>6,329,451</u>      | <u>762,085</u>      |
| <u>252,586</u>             | <u>1,014,287</u>            | <u>1,266,873</u>      | <u>51,180</u>       |
| 21,136,835                 | 48,583,988                  | 69,720,823            | 2,879,531           |
| -                          | -                           | -                     | (15)                |
| <u>21,136,835</u>          | <u>48,583,988</u>           | <u>69,720,823</u>     | <u>2,879,516</u>    |
| <u>\$ 21,389,421</u>       | <u>\$ 49,598,275</u>        | <u>\$ 70,987,696</u>  | <u>\$ 2,930,696</u> |

# CITY OF WINFIELD, KANSAS

## GOVERNMENTAL FUNDS BALANCE SHEET DECEMBER 31, 2011

|                                      | General<br>Fund     | Debt Service<br>Fund | Capital<br>Improvements<br>Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--------------------------------------|---------------------|----------------------|---------------------------------|--------------------------------|--------------------------------|
| <b>Assets</b>                        |                     |                      |                                 |                                |                                |
| Pooled cash and investments          | \$ 347,229          | \$ 158,727           | \$ 257,127                      | \$ 1,105,264                   | \$ 1,868,347                   |
| Receivables:                         |                     |                      |                                 |                                |                                |
| Property taxes                       | 2,361,618           | 602,512              | -                               | 570,118                        | 3,534,248                      |
| Sales and franchise taxes            | 196,389             |                      |                                 |                                | 196,389                        |
| Special assessments                  | 62,192              | 2,798,041            | -                               | -                              | 2,860,233                      |
| Accounts                             | 16,067              | -                    | -                               | -                              | 16,067                         |
| Economic development Loan            | 248,000             |                      |                                 |                                | 248,000                        |
| Due from other governmental agencies | -                   | 89,006               | -                               | 43,023                         | 132,029                        |
| Due from other funds                 | -                   | -                    | 42,980                          | -                              | 42,980                         |
| Advances to internal service funds   | 20,265              | -                    | -                               | -                              | 20,265                         |
| Total assets                         | <u>3,251,760</u>    | <u>3,648,286</u>     | <u>300,107</u>                  | <u>1,718,405</u>               | <u>8,918,558</u>               |
| <b>Liabilities</b>                   |                     |                      |                                 |                                |                                |
| Accounts and wages payable           | 141,514             | -                    | 129,133                         | 18,837                         | 289,484                        |
| Due to other funds                   | -                   | -                    | -                               | 69,793                         | 69,793                         |
| Deferred revenue                     | 2,671,810           | 3,489,559            | -                               | 570,118                        | 6,731,487                      |
| Total liabilities                    | <u>2,813,324</u>    | <u>3,489,559</u>     | <u>129,133</u>                  | <u>658,748</u>                 | <u>7,090,764</u>               |
| <b>Fund Balances</b>                 |                     |                      |                                 |                                |                                |
| <b>Fund balances</b>                 |                     |                      |                                 |                                |                                |
| Nonspendable                         | 20,265              | -                    | -                               | 6,000                          | 26,265                         |
| Restricted                           | -                   | 158,727              | 170,974                         | 665,442                        | 995,143                        |
| Committed                            | -                   | -                    | -                               | 422,139                        | 422,139                        |
| Assigned                             | -                   | -                    | -                               | (33,924)                       | (33,924)                       |
| Unassigned                           | 418,171             | -                    | -                               | -                              | 418,171                        |
| Total fund balances                  | <u>438,436</u>      | <u>158,727</u>       | <u>170,974</u>                  | <u>1,059,657</u>               | <u>1,827,794</u>               |
| Total liabilities and fund balances  | <u>\$ 3,251,760</u> | <u>\$ 3,648,286</u>  | <u>\$ 300,107</u>               | <u>\$ 1,718,405</u>            | <u>\$ 8,918,558</u>            |

See accompanying notes to financial statements

**CITY OF WINFIELD, KANSAS**  
**GOVERNMENTAL FUNDS**  
**RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS**  
**DECEMBER 31, 2011**

**Total fund balances - Total governmental funds** \$ 1,827,794

Amounts reported for governmental activities in the Statement of Net Assets are different from those reported in the governmental funds above because of the following:

**CAPITAL ASSETS**

Capital assets used in governmental activities are not current assets or financial resources and therefore are not reported in the governmental funds. These assets include stormwater drainage infrastructure and consist of:

|                                                                                |                  |            |
|--------------------------------------------------------------------------------|------------------|------------|
| Land and construction in progress                                              | \$ 1,943,126     |            |
| Buildings, net of \$3,403,199 accumulated depreciation                         | 6,275,426        |            |
| Improvements other than buildings, net of \$5,289,568 accumulated depreciation | 16,223,935       |            |
| Machinery and equipment, net of \$6,377,374 accumulated depreciation           | <u>2,616,639</u> |            |
| Total capital assets                                                           |                  | 27,059,126 |

**STORMWATER DRAINAGE**

The stormwater drainage utility fund is an enterprise fund of the City, and has been reclassified to governmental activities in the government-wide statements. Stormwater drainage fees are charged to City utility wastewater customers through consolidated utility bills. Stormwater fees are used to partially fund stormwater drainage system facilities and improvements. However, general obligation debt has funded a significant portion of the system.

177,653

**BOND ISSUANCE COSTS**

Issuance costs associated with new debt issued by the City in 2003-2011 were reported as expenditures in the governmental fund when the debt was issued, whereas bond issuance costs are deferred in the statement of net assets. Deferred bond issuance costs are amortized, over the life of the debt issued, as an adjustment to interest expense in the statement of activities.

114,995

**DEFERRED LOSS ON REFUNDING OF GENERAL OBLIGATION DEBT**

The 2005 refunding of \$1,980,000 debt with the issuance of \$2,130,000 debt created a \$150,000 increase in debt liability on the balance sheet. This deferred loss is amortized over the life of the new debt.

92,553

**DEFERRED PREMIUM ON REFUNDING OF GENERAL OBLIGATION DEBT**

The 2010 general obligation bonds totaling \$8.535 million included a \$18,897 debt premium in the governmental funds. This premium is amortized over the life of the debt.

(18,277)

**LONG TERM RECEIVABLES**

Because the focus of governmental funds is on short-term financing, some assets will not be available to pay for current expenditures. Those assets (i.e. receivables) are offset by deferred revenues in the governmental funds and, therefore, not included in fund balance.

Balances at December 31, 2011 are:

|                                                          |                  |           |
|----------------------------------------------------------|------------------|-----------|
| Contractual receivables from component units             | 18,625           |           |
| Contractual receivables from other governmental agencies | 70,381           |           |
| Deferred special assessments                             | <u>2,860,233</u> | 2,949,239 |

**DUE TO PROPRIETARY FUNDS**

Amounts advanced and due to or from nongovernmental funds are offset in the governmental activities in the statement of net assets.

|                                   |               |       |
|-----------------------------------|---------------|-------|
| Advance to internal service funds | (20,265)      |       |
| Due to enterprise fund            | <u>26,813</u> | 6,548 |

**INTERNAL SERVICE FUNDS**

Internal services funds are used by the city to account for the financing of goods or services provided by one department to other City departments, generally on a cost reimbursement basis. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net assets.

818,220

**LIABILITIES**

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term - are reported in the statement of net assets.

Balances at December 31, 2011 are:

|                                                                     |                  |              |
|---------------------------------------------------------------------|------------------|--------------|
| Accrued interest payable                                            | (84,496)         |              |
| Compensated absences                                                | (313,831)        |              |
| Net OPEB obligation                                                 | (128,575)        |              |
| Payable to other governmental agencies                              | (39,014)         |              |
| General obligation bonds and KDOT loans payable                     | (10,409,521)     |              |
| Capital leases payable                                              | <u>(662,993)</u> |              |
| Total liabilities not reflected in governmental funds balance sheet |                  | (11,638,430) |

**Total net assets of governmental activities** \$ 21,389,421

See accompanying notes to financial statements

# CITY OF WINFIELD, KANSAS

## GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                              | General<br>Fund    | Debt Service<br>Fund | Capital<br>Improvements<br>Fund | Other<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|--------------------------------------------------------------|--------------------|----------------------|---------------------------------|--------------------------------|--------------------------------|
| <b>Revenues</b>                                              |                    |                      |                                 |                                |                                |
| Property taxes                                               | \$ 2,764,343       | \$ 702,705           | \$ -                            | \$ 666,726                     | \$ 4,133,774                   |
| Sales taxes                                                  | 1,802,734          | -                    | -                               | -                              | 1,802,734                      |
| Special assessments                                          | -                  | 207,926              | -                               | -                              | 207,926                        |
| Franchise taxes                                              | 197,907            | -                    | -                               | -                              | 197,907                        |
| Intergovernmental revenue                                    | 419,504            | 31,437               | 12,766                          | 644,274                        | 1,107,981                      |
| Licenses and permits                                         | 70,546             | -                    | -                               | -                              | 70,546                         |
| Fines and penalties                                          | 134,467            | -                    | -                               | -                              | 134,467                        |
| Interest income                                              | 2,291              | 698                  | 838                             | 3,491                          | 7,318                          |
| Use of property                                              | 104,765            | -                    | -                               | -                              | 104,765                        |
| Charges for services and sales                               | 628,185            | -                    | -                               | 37,760                         | 665,945                        |
| Other                                                        | 47,200             | -                    | 5,146                           | 82,612                         | 134,958                        |
| Total revenues                                               | <u>6,171,942</u>   | <u>942,766</u>       | <u>18,750</u>                   | <u>1,434,863</u>               | <u>8,568,321</u>               |
| <b>Expenditures</b>                                          |                    |                      |                                 |                                |                                |
| Current operations:                                          |                    |                      |                                 |                                |                                |
| General government                                           | 819,810            | 6,452                | -                               | 518,737                        | 1,344,999                      |
| Public safety                                                | 4,250,564          | -                    | -                               | 61,017                         | 4,311,581                      |
| Public works                                                 | -                  | -                    | -                               | 651,094                        | 651,094                        |
| Cemetery                                                     | 154,220            | -                    | -                               | 6,360                          | 160,580                        |
| Culture and recreation                                       | 1,250,587          | -                    | -                               | 542,682                        | 1,793,269                      |
| Health and welfare                                           | 301,613            | -                    | -                               | 40,350                         | 341,963                        |
| Economic development                                         | 10,000             | -                    | -                               | 175,683                        | 185,683                        |
| Capital outlay                                               | -                  | -                    | 443,657                         | -                              | 443,657                        |
| Debt service:                                                |                    |                      |                                 |                                |                                |
| Debt principal payments                                      | 96,152             | 1,635,038            | 28,352                          | 35,012                         | 1,794,554                      |
| Debt interest payments                                       | 29,567             | 561,452              | 2,185                           | 4,159                          | 597,363                        |
| Total expenditures                                           | <u>6,912,513</u>   | <u>2,202,942</u>     | <u>474,194</u>                  | <u>2,035,094</u>               | <u>11,624,743</u>              |
| Excess (deficiency) of revenues over<br>(under) expenditures | <u>(740,571)</u>   | <u>(1,260,176)</u>   | <u>(455,444)</u>                | <u>(600,231)</u>               | <u>(3,056,422)</u>             |
| Other financing sources (uses):                              |                    |                      |                                 |                                |                                |
| Transfers in                                                 | 75,000             | 1,287,689            | 921,249                         | 445,537                        | 2,729,475                      |
| Transfers in - Pymts In lieu of franchise fees               | 2,090,193          | -                    | -                               | -                              | 2,090,193                      |
| Transfers out                                                | <u>(1,241,302)</u> | <u>-</u>             | <u>(573,646)</u>                | <u>(158,073)</u>               | <u>(1,973,021)</u>             |
| Total other financing sources (uses)                         | <u>923,891</u>     | <u>1,287,689</u>     | <u>347,603</u>                  | <u>287,464</u>                 | <u>2,846,647</u>               |
| Net change in fund balances                                  | 183,320            | 27,513               | (107,841)                       | (312,767)                      | (209,775)                      |
| Fund balances, beginning of year                             | <u>255,116</u>     | <u>131,214</u>       | <u>278,815</u>                  | <u>1,372,424</u>               | <u>2,037,569</u>               |
| Fund balances, end of year                                   | <u>\$ 438,436</u>  | <u>\$ 158,727</u>    | <u>\$ 170,974</u>               | <u>\$ 1,059,657</u>            | <u>\$ 1,827,794</u>            |

See accompanying notes to financial statements

# CITY OF WINFIELD, KANSAS

## GOVERNMENTAL FUNDS RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2011

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances, which measures only changes in current assets and current liabilities on the accrual basis, with the Change in Net Assets of Governmental Activities reported in the Statement of Net Activities, which is prepared on the full accrual basis.

Net change in fund balances - total governmental funds \$ (209,775)

Amounts reported for governmental activities in the statement of activities are different because:

### Capital asset transactions

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets, which meet capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense, capitalization requirements, is allocated over their estimated useful lives and reported as depreciation expense.

|                                                            |           |           |
|------------------------------------------------------------|-----------|-----------|
| Capital outlay expenditures                                | 513,072   |           |
| Depreciation                                               | (960,609) |           |
| Net loss on retirement/sale of governmental capital assets | (29,568)  |           |
| Net capital asset transactions                             |           | (477,105) |

Transfers of capital assets from governmental activities to business type activities are reported as transfers, whereas in the governmental funds, there is no event to report as there was no outward flow of current financial resources.

### Revenues

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

|                                 |           |
|---------------------------------|-----------|
| Long-term receivables           | (31,437)  |
| Special assessments receivables | (219,511) |

### Long-term debt

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of debt principal is an expenditure in the governmental funds, but in the Statement of Net Assets, the repayment reduces long-term liabilities.

|                                                          |           |
|----------------------------------------------------------|-----------|
| General obligation and sales tax bond principal payments | 1,600,000 |
| Capital lease payments                                   | 159,516   |
| KDOT TRF loan principal payments                         | 35,038    |
| Long term contractual payments                           | 32,507    |
| General obligation refunding bond premium                | (8,180)   |

### Reclassification of cash transfers for general obligation debt payments

General obligation debt for water utility improvements is recognized as debt in the water utility fund. Under modified accrual accounting, the bond and interest fund receives cash transfers from the water fund to make the GO bond debt payments.

(569,886)

### Accrual of non-current items

The amounts below are included in the statement of activities, but do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

|                                     |          |
|-------------------------------------|----------|
| Compensated absences                | (26,342) |
| Net OPEB obligation                 | (32,824) |
| Interest payable                    | 15,903   |
| Amortization of debt issuance costs | (12,766) |
| Amortization of debt premium        | 3,055    |
| Deferred revenues                   | 51,921   |

### Stormwater drainage fund reclassified as governmental-type activity

The stormwater drainage fund is included as a proprietary fund in the Proprietary Funds' Statement of Net Assets, and Statement of Revenues, Expenses and Changes in Fund Net Assets. It is reclassified as a governmental-type fund for the government-wide Statement of Net Assets and Statement of Activities, defined as a 'public works/stormwater' function.

6,683

### Allocation of internal service funds activity

Internal service funds are used by management to charge the costs of certain activities, such as management services and insurance, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities

(64,211)

### Change in net assets of governmental activities

\$ 252,586

See accompanying notes to financial statements



# CITY OF WINFIELD, KANSAS

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - BUDGETARY BASIS FOR THE YEAR ENDED DECEMBER 31, 2011 (Original and Final Budget)

|                                                                                | Budget            | Amended<br>Budget | Actual            | Variance<br>with amended<br>Budget |
|--------------------------------------------------------------------------------|-------------------|-------------------|-------------------|------------------------------------|
| <b>Revenues and other sources:</b>                                             |                   |                   |                   |                                    |
| Taxes:                                                                         |                   |                   |                   |                                    |
| Property                                                                       | \$ 2,713,403      | \$ 2,713,403      | \$ 2,764,342      | \$ 50,939                          |
| Sales                                                                          | 1,720,000         | 1,720,000         | 1,781,423         | 61,423                             |
| Franchise                                                                      | 215,570           | 215,570           | 209,479           | (6,091)                            |
| Licenses and permits                                                           | 55,950            | 55,950            | 70,546            | 14,596                             |
| Intergovernmental                                                              | 401,406           | 401,406           | 407,247           | 5,841                              |
| Rentals, charges for services and sales                                        | 738,040           | 738,040           | 732,952           | (5,088)                            |
| Fines and penalties                                                            | 137,500           | 137,500           | 134,467           | (3,033)                            |
| Interest earnings                                                              | 3,000             | 3,000             | 2,291             | (709)                              |
| Miscellaneous                                                                  | 27,000            | 27,000            | 61,708            | 34,708                             |
| Payments in lieu of taxes - utilities                                          | 2,074,808         | 2,074,808         | 2,090,193         | 15,385                             |
| Transfers from other funds                                                     | 75,000            | 75,000            | 75,000            | -                                  |
| <b>Total revenues and other sources</b>                                        | <u>8,161,677</u>  | <u>8,161,677</u>  | <u>8,329,648</u>  | <u>167,971</u>                     |
| <b>Expenditures and other uses:</b>                                            |                   |                   |                   |                                    |
| General government:                                                            |                   |                   |                   |                                    |
| Legal                                                                          | 63,973            | 63,973            | 56,988            | 6,985                              |
| Administrative                                                                 | 576,979           | 576,979           | 938,107           | (361,128)                          |
| Cemetery maintenance                                                           | 158,736           | 158,736           | 154,220           | 4,516                              |
| Public safety:                                                                 |                   |                   |                   |                                    |
| Police department                                                              | 2,352,940         | 2,352,940         | 2,340,860         | 12,080                             |
| Fire department                                                                | 1,777,144         | 1,777,144         | 1,696,863         | 80,281                             |
| Building inspection                                                            | 302,223           | 302,223           | 278,657           | 23,566                             |
| Parking                                                                        | 28,940            | 28,940            | 20,803            | 8,137                              |
| Culture and recreation:                                                        |                   |                   |                   |                                    |
| City lake                                                                      | 283,750           | 283,750           | 279,489           | 4,261                              |
| Park maintenance                                                               | 731,805           | 731,805           | 750,277           | (18,472)                           |
| Baden Square                                                                   | 177,984           | 177,984           | 200,202           | (22,218)                           |
| Aquatic facility                                                               | 181,753           | 181,753           | 184,141           | (2,388)                            |
| Transfers to other funds                                                       | 1,537,824         | 1,612,170         | 1,241,302         | 370,868                            |
| <b>Total expenditures and other uses</b>                                       | <u>8,174,051</u>  | <u>8,248,397</u>  | <u>8,141,909</u>  | <u>106,488</u>                     |
| <b>Revenues and other sources over<br/>(under) expenditures and other uses</b> | (12,374)          | (86,720)          | 187,739           | 274,459                            |
| <b>Unencumbered fund balance, Jan 1</b>                                        | <u>221,544</u>    | <u>221,544</u>    | <u>9,259</u>      | <u>(212,285)</u>                   |
| <b>Unencumbered fund balance, Dec 31</b>                                       | <u>\$ 209,170</u> | <u>\$ 134,824</u> | <u>\$ 196,998</u> | <u>\$ 62,174</u>                   |

See accompanying notes to financial statements

# CITY OF WINFIELD, KANSAS

## PROPRIETARY FUNDS STATEMENT OF NET ASSETS December 31, 2011

|                                   | Enterprise Funds            |                                          |                        |
|-----------------------------------|-----------------------------|------------------------------------------|------------------------|
|                                   | Electric<br>Utility<br>Fund | Electric<br>Depreciation<br>Reserve Fund | Gas<br>Utility<br>Fund |
| <b>Assets</b>                     |                             |                                          |                        |
| <b>Current assets</b>             |                             |                                          |                        |
| Pooled cash and investments       | \$ 2,615,737                | \$ 2,403,632                             | \$ 670,011             |
| Utility billing receivables, net  | 2,481,146                   | -                                        | 1,044,724              |
| Accounts receivable, net          | 21,875                      | -                                        | 1,395                  |
| Due from other governments        | -                           | -                                        | -                      |
| Due from other funds              | 26,813                      | -                                        | -                      |
| Inventories                       | 1,098,193                   | -                                        | 275,126                |
| Total current assets              | <u>6,243,764</u>            | <u>2,403,632</u>                         | <u>1,991,256</u>       |
| <b>Noncurrent assets</b>          |                             |                                          |                        |
| Capital assets                    |                             |                                          |                        |
| Land                              | 382,366                     | -                                        | 6,303                  |
| Buildings and improvements        | 3,399,907                   | -                                        | 935                    |
| Improvements other than buildings | 26,693,430                  | -                                        | 7,003,629              |
| Machinery, equipment, other       | 18,764,711                  | -                                        | 956,818                |
| Less accumulated depreciation     | (28,836,678)                | -                                        | (3,463,528)            |
| Net capital assets                | <u>20,403,736</u>           | <u>-</u>                                 | <u>4,504,157</u>       |
| Other assets                      |                             |                                          |                        |
| Advances to other funds           | 73,752                      | -                                        | 6,645                  |
| Investment in joint venture       | -                           | -                                        | -                      |
| Other investments                 | 11,957                      | -                                        | -                      |
| Unamortized issuance costs        | -                           | -                                        | -                      |
| Total other assets                | <u>85,709</u>               | <u>-</u>                                 | <u>6,645</u>           |
| Total noncurrent assets           | <u>20,489,445</u>           | <u>-</u>                                 | <u>4,510,802</u>       |
| <b>Total Assets</b>               | <u>26,733,209</u>           | <u>2,403,632</u>                         | <u>6,502,058</u>       |

See accompanying notes to financial statements

**Enterprise Funds**

| <b>Water<br/>Utility<br/>Fund</b> | <b>Wastewater<br/>Utility<br/>Fund</b> | <b>Other<br/>Enterprise<br/>Funds</b> | <b>Total<br/>Enterprise<br/>Funds</b> | <b>Internal Service<br/>Funds</b> |
|-----------------------------------|----------------------------------------|---------------------------------------|---------------------------------------|-----------------------------------|
| \$ 336,219                        | \$ 96,747                              | \$ 892,715                            | \$ 7,015,061                          | \$ 1,489,328                      |
| 253,439                           | 204,736                                | 141,549                               | 4,125,594                             | 61,962                            |
| -                                 | 10,861                                 | -                                     | 34,131                                | 20,737                            |
| -                                 | -                                      | -                                     | -                                     | 197,840                           |
| -                                 | -                                      | -                                     | 26,813                                | -                                 |
| 104,869                           | 32,568                                 | 28,191                                | 1,538,947                             | 142,554                           |
| <u>694,527</u>                    | <u>344,912</u>                         | <u>1,062,455</u>                      | <u>12,740,546</u>                     | <u>1,912,421</u>                  |
| 8,801                             | 23,355                                 | 403,452                               | 824,277                               | 6,500                             |
| 1,500,773                         | 5,834,248                              | 574,793                               | 11,310,656                            | 1,978,735                         |
| 9,958,810                         | 11,569,489                             | 7,326,922                             | 62,552,280                            | 101,836                           |
| 5,382,816                         | 2,309,234                              | 1,640,046                             | 29,053,625                            | 1,749,417                         |
| (6,095,453)                       | (9,404,627)                            | (4,332,267)                           | (52,132,553)                          | (2,190,969)                       |
| <u>10,755,747</u>                 | <u>10,331,699</u>                      | <u>5,612,946</u>                      | <u>51,608,285</u>                     | <u>1,645,519</u>                  |
| 2,969                             | 4,912                                  | 7,620                                 | 95,898                                | -                                 |
| -                                 | -                                      | 45,817                                | 45,817                                | -                                 |
| -                                 | -                                      | -                                     | 11,957                                | -                                 |
| 96,111                            | -                                      | 5,651                                 | 101,762                               | -                                 |
| <u>99,080</u>                     | <u>4,912</u>                           | <u>59,088</u>                         | <u>255,434</u>                        | <u>-</u>                          |
| <u>10,854,827</u>                 | <u>10,336,611</u>                      | <u>5,672,034</u>                      | <u>51,863,719</u>                     | <u>1,645,519</u>                  |
| <u>11,549,354</u>                 | <u>10,681,523</u>                      | <u>6,734,489</u>                      | <u>64,604,265</u>                     | <u>3,557,940</u>                  |

(Continued)

# CITY OF WINFIELD, KANSAS

## PROPRIETARY FUNDS STATEMENT OF NET ASSETS DECEMBER 31, 2011

|                                                 | Enterprise Funds            |                                          |                        |
|-------------------------------------------------|-----------------------------|------------------------------------------|------------------------|
|                                                 | Electric<br>Utility<br>Fund | Electric<br>Depreciation<br>Reserve Fund | Gas<br>Utility<br>Fund |
| <b>Liabilities</b>                              |                             |                                          |                        |
| <b>Current liabilities</b>                      |                             |                                          |                        |
| Accounts payable                                | \$ 1,205,231                | \$ -                                     | \$ 526,760             |
| Accrued interest payable                        | -                           | -                                        | -                      |
| Current portion of compensated absences payable | 80,284                      | -                                        | 28,960                 |
| Current portion of long-term debt               | -                           | -                                        | -                      |
| Total current liabilities                       | <u>1,285,515</u>            | <u>-</u>                                 | <u>555,720</u>         |
| <b>Noncurrent liabilities</b>                   |                             |                                          |                        |
| State of Kansas KDHE loans                      | -                           | -                                        | -                      |
| General obligation bonds                        | -                           | -                                        | -                      |
| Deferred premium on refunding bonds             | -                           | -                                        | -                      |
| Accrued compensated absences                    | 22,479                      | -                                        | 19,515                 |
| Net OPEB obligation                             | 46,179                      | -                                        | 16,139                 |
| Advances from other funds                       | -                           | -                                        | -                      |
| Total noncurrent liabilities                    | <u>68,658</u>               | <u>-</u>                                 | <u>35,654</u>          |
| <b>Total liabilities</b>                        | <u>1,354,173</u>            | <u>-</u>                                 | <u>591,374</u>         |
| <b>Net Assets</b>                               |                             |                                          |                        |
| Invested in capital assets                      | -                           | -                                        | 4,504,157              |
| Invested in capital assets, net of related debt | 20,403,736                  | -                                        | -                      |
| Restricted by debt covenants                    | -                           | -                                        | -                      |
| Unrestricted                                    | <u>4,975,300</u>            | <u>2,403,632</u>                         | <u>1,406,527</u>       |
| <b>Total net assets</b>                         | <u>\$ 25,379,036</u>        | <u>\$ 2,403,632</u>                      | <u>\$ 5,910,684</u>    |
| <b>Total liabilities and net assets</b>         | <u>\$ 26,733,209</u>        | <u>\$ 2,403,632</u>                      | <u>\$ 6,502,058</u>    |

See accompanying notes to financial statements

| Enterprise Funds         |                               |                              |                              |                           |
|--------------------------|-------------------------------|------------------------------|------------------------------|---------------------------|
| Water<br>Utility<br>Fund | Wastewater<br>Utility<br>Fund | Other<br>Enterprise<br>Funds | Total<br>Enterprise<br>Funds | Internal Service<br>Funds |
| \$ 41,734                | \$ 39,706                     | \$ 53,465                    | \$ 1,866,896                 | \$ 214,018                |
| 50,177                   | 38,022                        | 2,907                        | 91,106                       | 165                       |
| 28,724                   | 14,971                        | 22,819                       | 175,758                      | 98,428                    |
| 422,915                  | 452,694                       | 83,755                       | 959,364                      | 17,306                    |
| <u>543,550</u>           | <u>545,393</u>                | <u>162,946</u>               | <u>3,093,124</u>             | <u>329,917</u>            |
| -                        | 3,046,294                     | -                            | 3,046,294                    | -                         |
| 5,773,979                | -                             | 352,286                      | 6,126,265                    | -                         |
| 47,990                   | -                             | 3,199                        | 51,189                       | -                         |
| 17,260                   | -                             | 12,148                       | 71,402                       | 114,703                   |
| 19,403                   | 14,033                        | 17,500                       | 113,254                      | 55,302                    |
| -                        | -                             | -                            | -                            | 116,165                   |
| <u>5,858,632</u>         | <u>3,060,327</u>              | <u>385,133</u>               | <u>9,408,404</u>             | <u>286,170</u>            |
| <u>6,402,182</u>         | <u>3,605,720</u>              | <u>548,079</u>               | <u>12,501,528</u>            | <u>616,087</u>            |
| -                        | -                             | -                            | 4,504,157                    | 1,187,059                 |
| 4,606,974                | 6,818,678                     | 5,173,706                    | 37,003,094                   | 441,154                   |
| -                        | -                             | -                            | -                            | -                         |
| <u>540,198</u>           | <u>257,125</u>                | <u>1,012,704</u>             | <u>10,595,486</u>            | <u>1,313,640</u>          |
| <u>\$ 5,147,172</u>      | <u>\$ 7,075,803</u>           | <u>\$ 6,186,410</u>          | <u>\$ 52,102,737</u>         | <u>\$ 2,941,853</u>       |
| <u>\$ 11,549,354</u>     | <u>\$ 10,681,523</u>          | <u>\$ 6,734,489</u>          | <u>\$ 64,604,265</u>         | <u>\$ 3,557,940</u>       |

Total net assets \$ 52,102,737

Some amounts reported for business-type activities in the statement

of net assets are different because certain internal service fund

assets and liabilities are included with business-type 1,464,094

Reclassification of due from governmental fund (26,813)

Reclassification of stormwater drainage fund net assets

to governmental activities net assets (3,941,743)

Net assets of business-type activities \$ 49,598,275

(Concluded)



# CITY OF WINFIELD, KANSAS

## PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                  | Enterprise Funds            |                                          |                        |
|--------------------------------------------------|-----------------------------|------------------------------------------|------------------------|
|                                                  | Electric<br>Utility<br>Fund | Electric<br>Depreciation<br>Reserve Fund | Gas<br>Utility<br>Fund |
| <b>Operating revenues</b>                        |                             |                                          |                        |
| Charges for services and sales                   | \$ 24,467,776               | \$ -                                     | \$ 4,936,820           |
| Other                                            | 182,203                     | -                                        | 19,133                 |
| Total operating revenues                         | <u>24,649,979</u>           | <u>-</u>                                 | <u>4,955,953</u>       |
| <b>Operating expenses</b>                        |                             |                                          |                        |
| Services and supplies                            | 21,025,415                  | -                                        | 4,014,746              |
| Depreciation                                     | 1,245,008                   | -                                        | 130,947                |
| Total operating expenses                         | <u>22,270,423</u>           | <u>-</u>                                 | <u>4,145,693</u>       |
| Operating income (loss)                          | <u>2,379,556</u>            | <u>-</u>                                 | <u>810,260</u>         |
| <b>Non-operating revenues (expenses)</b>         |                             |                                          |                        |
| Investment income                                | 5,729                       | 5,835                                    | 4,659                  |
| Loss on joint venture                            | -                           | -                                        | -                      |
| Amortization of debt issuance costs              | (62)                        | -                                        | -                      |
| Interest expense                                 | (933)                       | -                                        | -                      |
| Other                                            | 3,911                       | -                                        | (14,980)               |
| Total non-operating revenues (expenses)          | <u>8,645</u>                | <u>5,835</u>                             | <u>(10,321)</u>        |
| Income (loss) before contributions and transfers | <u>2,388,201</u>            | <u>5,835</u>                             | <u>799,939</u>         |
| <b>Capital contributions and transfers:</b>      |                             |                                          |                        |
| Capital contributions                            | 70,650                      | -                                        | 7,522                  |
| Transfers- payments in lieu of franchise fees    | (1,608,915)                 | -                                        | (287,564)              |
| Transfers in - cash                              | -                           | 516,000                                  | -                      |
| Transfers out - cash                             | (766,552)                   | -                                        | (770,400)              |
| Transfers in - capital assets                    | 50,324                      | -                                        | -                      |
| Transfers out - capital assets                   | (482)                       | (50,324)                                 | -                      |
| <b>Change in net assets</b>                      | <u>133,226</u>              | <u>471,511</u>                           | <u>(250,503)</u>       |
| Total net assets - beginning                     | <u>25,245,810</u>           | <u>1,932,121</u>                         | <u>6,161,187</u>       |
| <b>Total net assets - ending</b>                 | <u>\$ 25,379,036</u>        | <u>\$ 2,403,632</u>                      | <u>\$ 5,910,684</u>    |

See accompanying notes to financial statements

**Enterprise Funds**

| <b>Water<br/>Utility<br/>Fund</b> | <b>Wastewater<br/>Utility<br/>Fund</b> | <b>Other<br/>Enterprise<br/>Funds</b> | <b>Total<br/>Enterprise<br/>Funds</b> | <b>Internal Service<br/>Funds</b> |
|-----------------------------------|----------------------------------------|---------------------------------------|---------------------------------------|-----------------------------------|
| \$ 2,342,802                      | \$ 1,936,733                           | \$ 1,991,242                          | \$ 35,675,373                         | \$ 2,870,489                      |
| 33,166                            | 6,025                                  | 12,210                                | 252,737                               | 1,930,580                         |
| <u>2,375,968</u>                  | <u>1,942,758</u>                       | <u>2,003,452</u>                      | <u>35,928,110</u>                     | <u>4,801,069</u>                  |
| 1,742,530                         | 1,064,158                              | 1,821,452                             | 29,668,301                            | 4,782,291                         |
| 454,836                           | 664,880                                | 290,681                               | 2,786,352                             | 148,404                           |
| <u>2,197,366</u>                  | <u>1,729,038</u>                       | <u>2,112,133</u>                      | <u>32,454,653</u>                     | <u>4,930,695</u>                  |
| 178,602                           | 213,720                                | (108,681)                             | 3,473,457                             | (129,626)                         |
| -                                 | 71                                     | 2,519                                 | 18,813                                | 4,124                             |
| -                                 | -                                      | (767)                                 | (767)                                 | -                                 |
| (3,829)                           | -                                      | (6,494)                               | (10,385)                              | -                                 |
| (152,096)                         | (120,050)                              | (12,976)                              | (286,055)                             | (1,095)                           |
| (1,307)                           | -                                      | (985)                                 | (13,361)                              | -                                 |
| <u>(157,232)</u>                  | <u>(119,979)</u>                       | <u>(18,703)</u>                       | <u>(291,755)</u>                      | <u>3,029</u>                      |
| 21,370                            | 93,741                                 | (127,384)                             | 3,181,702                             | (126,597)                         |
| 22,908                            | 12,150                                 | -                                     | 113,230                               | -                                 |
| (128,868)                         | -                                      | (64,846)                              | (2,090,193)                           | -                                 |
| 631,000                           | -                                      | 363,300                               | 1,510,300                             | -                                 |
| (48,278)                          | -                                      | (20,000)                              | (1,605,230)                           | -                                 |
| -                                 | -                                      | -                                     | 50,324                                | 839                               |
| <u>-</u>                          | <u>-</u>                               | <u>-</u>                              | <u>(50,806)</u>                       | <u>-</u>                          |
| 498,132                           | 105,891                                | 151,070                               | 1,109,327                             | (125,758)                         |
| 4,649,040                         | 6,969,912                              | 6,035,340                             | 50,993,410                            | 3,067,611                         |
| <u>\$ 5,147,172</u>               | <u>\$ 7,075,803</u>                    | <u>\$ 6,186,410</u>                   | <u>\$ 52,102,737</u>                  | <u>\$ 2,941,853</u>               |

Increase in net assets, per fund statements \$ 1,109,327

Some amounts reported for business-type activities in the statement

of activities are different because the net revenue (expense) of certain

internal service funds is reported with business-type ε (61,544)

Reclassification of due from governmental fund (26,813)

Reclassification of stormwater drainage fund activities to

governmental activities (6,683)

Change In net assets of business-type activities \$ 1,014,287

**CITY OF WINFIELD, KANSAS**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

|                                                                                 | <b>Enterprise Funds</b>              |                                                   |                                 |
|---------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------------|---------------------------------|
|                                                                                 | <b>Electric<br/>Utility<br/>Fund</b> | <b>Electric<br/>Depreciation<br/>Reserve Fund</b> | <b>Gas<br/>Utility<br/>Fund</b> |
| <b>Cash flows from operating activities</b>                                     |                                      |                                                   |                                 |
| Payments to suppliers                                                           | \$ (19,003,412)                      | \$ -                                              | \$ (3,343,846)                  |
| Payments to employees                                                           | (1,863,417)                          | -                                                 | (640,750)                       |
| Payments of claims                                                              | -                                    | -                                                 | -                               |
| Internal activity-receipts from other funds                                     | -                                    | -                                                 | -                               |
| Receipts from customers                                                         | 23,949,030                           | -                                                 | 5,008,015                       |
| Other receipts (expenses)                                                       | 182,097                              | -                                                 | 18,483                          |
| Net cash provided by operating activities                                       | <u>3,264,298</u>                     | <u>-</u>                                          | <u>1,041,902</u>                |
| <b>Cash flows from noncapital financing activities</b>                          |                                      |                                                   |                                 |
| Advances from ( to) other funds                                                 | (19,286)                             | -                                                 | -                               |
| Internal activity-payments in lieu of franchise fees                            | (1,608,915)                          | -                                                 | (287,564)                       |
| Due from (to) other funds                                                       | -                                    | -                                                 | -                               |
| Transfers (to) from other funds for debt payments                               | -                                    | -                                                 | -                               |
| Transfers (to) from other funds for capital acquisition                         | (516,000)                            | 516,000                                           | -                               |
| Operating subsidies and transfers from (to) other funds                         | (250,552)                            | -                                                 | (770,400)                       |
| Net cash used by noncapital financing activities                                | <u>(2,394,753)</u>                   | <u>516,000</u>                                    | <u>(1,057,964)</u>              |
| <b>Cash flows from capital and related<br/>financing activities</b>             |                                      |                                                   |                                 |
| Debt payments - principal                                                       | -                                    | -                                                 | -                               |
| Debt payments - interest                                                        | -                                    | -                                                 | -                               |
| Capital lease and cert of part payments - principal                             | (93,315)                             | -                                                 | -                               |
| Capital lease and cert of part payments - interest                              | (1,866)                              | -                                                 | -                               |
| Capital contributions                                                           | 70,650                               | -                                                 | 7,522                           |
| Proceeds from sale of capital assets                                            | 4,378                                | -                                                 | -                               |
| Acquisition of capital assets                                                   | (115,691)                            | (50,324)                                          | (105,502)                       |
| Net cash used by capital and related financing activities                       | <u>(135,844)</u>                     | <u>(50,324)</u>                                   | <u>(97,980)</u>                 |
| <b>Cash flows from investing activities</b>                                     |                                      |                                                   |                                 |
| Investment income                                                               | <u>5,729</u>                         | <u>5,835</u>                                      | <u>4,659</u>                    |
| Net cash provided from investing activities                                     | <u>5,729</u>                         | <u>5,835</u>                                      | <u>4,659</u>                    |
| <b>Net increase (decrease) in cash and cash equivalents</b>                     | <u>739,430</u>                       | <u>471,511</u>                                    | <u>(109,383)</u>                |
| Balances - beginning of the year<br>(includes \$200,000 in restricted accounts) | <u>1,792,962</u>                     | <u>1,932,121</u>                                  | <u>779,394</u>                  |
| Balances - end of the year                                                      | <u>\$ 2,532,392</u>                  | <u>\$ 2,403,632</u>                               | <u>\$ 670,011</u>               |

| Enterprise Funds         |                               |                              |                              |                           |  |
|--------------------------|-------------------------------|------------------------------|------------------------------|---------------------------|--|
| Water<br>Utility<br>Fund | Wastewater<br>Utility<br>Fund | Other<br>Enterprise<br>Funds | Total<br>Enterprise<br>Funds | Internal Service<br>Funds |  |
| \$ (1,046,401)           | \$ (516,324)                  | \$ (1,209,158)               | \$ (25,119,141)              | \$ (2,927,426)            |  |
| (700,783)                | (536,364)                     | (634,400)                    | (4,375,714)                  | (1,636,100)               |  |
| -                        | -                             | -                            | -                            | (273,685)                 |  |
| -                        | -                             | -                            | -                            | 4,351,647                 |  |
| 2,325,529                | 1,918,563                     | 1,990,018                    | 35,191,155                   | 7,766                     |  |
| 36,697                   | (4,496)                       | 8,691                        | 241,472                      | 443,675                   |  |
| 615,042                  | 861,379                       | 155,151                      | 5,937,772                    | (34,123)                  |  |
|                          |                               |                              |                              |                           |  |
| -                        | -                             | -                            | (19,286)                     | (7,766)                   |  |
| (128,868)                | -                             | (64,846)                     | (2,090,193)                  | -                         |  |
| (111,202)                | -                             | -                            | (111,202)                    | -                         |  |
| -                        | -                             | (20,000)                     | (20,000)                     | -                         |  |
| -                        | -                             | -                            | -                            | -                         |  |
| 582,722                  | -                             | 363,300                      | (74,930)                     | -                         |  |
| 342,652                  | -                             | 278,454                      | (2,315,611)                  | (7,766)                   |  |
|                          |                               |                              |                              |                           |  |
| (421,323)                | (438,287)                     | (475,176)                    | (1,334,786)                  | -                         |  |
| (148,562)                | (124,815)                     | (17,689)                     | (291,066)                    | -                         |  |
| -                        | -                             | -                            | (93,315)                     | (16,678)                  |  |
| -                        | -                             | -                            | (1,866)                      | (1,285)                   |  |
| 22,908                   | 12,150                        | -                            | 113,230                      | -                         |  |
| -                        | -                             | -                            | 4,378                        | -                         |  |
| (74,498)                 | (213,751)                     | (113,604)                    | (673,370)                    | (46,209)                  |  |
| (621,475)                | (764,703)                     | (606,469)                    | (2,276,795)                  | (64,172)                  |  |
|                          |                               |                              |                              |                           |  |
| -                        | 71                            | 2,519                        | 18,813                       | 4,124                     |  |
| -                        | 71                            | 2,519                        | 18,813                       | 4,124                     |  |
| 336,219                  | 96,747                        | (170,345)                    | 1,364,179                    | (101,937)                 |  |
|                          |                               |                              |                              |                           |  |
| -                        | -                             | 1,063,060                    | 5,567,537                    | 1,591,265                 |  |
| \$ 336,219               | \$ 96,747                     | \$ 892,715                   | \$ 6,931,716                 | \$ 1,489,328              |  |
| (Continued)              |                               |                              |                              |                           |  |

(Continued)

**CITY OF WINFIELD, KANSAS**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

|                                                                                               | Enterprise Funds            |                                          |                        |
|-----------------------------------------------------------------------------------------------|-----------------------------|------------------------------------------|------------------------|
|                                                                                               | Electric<br>Utility<br>Fund | Electric<br>Depreciation<br>Reserve Fund | Gas<br>Utility<br>Fund |
| <b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b> |                             |                                          |                        |
| Operating income (loss)                                                                       | \$ 2,379,556                | \$ -                                     | \$ 810,260             |
| Adjustments to reconcile operating income to<br>net cash provided by operating activities:    |                             |                                          |                        |
| Depreciation                                                                                  | 1,245,008                   | -                                        | 130,947                |
| Changes in assets and liabilities:                                                            |                             |                                          |                        |
| Receivables, net                                                                              | (518,852)                   | -                                        | 70,815                 |
| Inventories/ prepaids                                                                         | (1,258)                     | -                                        | 22,110                 |
| Compensated absences                                                                          | 2,384                       | -                                        | (2,548)                |
| Net OPEB obligations                                                                          | 14,662                      | -                                        | 4,620                  |
| Accounts and other payables                                                                   | 142,798                     | -                                        | 5,698                  |
| Total adjustments                                                                             | 884,742                     | -                                        | 231,642                |
| <b>Net cash provided (used) by operating activities</b>                                       | <b>\$ 3,264,298</b>         | <b>\$ -</b>                              | <b>\$ 1,041,902</b>    |

**Noncash Transactions**

|                                                         |         |   |   |
|---------------------------------------------------------|---------|---|---|
| Assets contributed from other funds                     | 296,895 | - | - |
| Assets contributed to other funds                       | (482)   | - | - |
| Loss on joint venture                                   | -       | - | - |
| Amortization of premium on bond issuance                | -       | - | - |
| Amortization of deferred (loss) gain on debt defeasance | -       | - | - |
| Amortization of debt issue costs                        | -       | - | - |

See accompanying notes to financial statements



| Water<br>Utility<br>Fund | Enterprise Funds              |                              |                              | Internal Service<br>Funds |
|--------------------------|-------------------------------|------------------------------|------------------------------|---------------------------|
|                          | Wastewater<br>Utility<br>Fund | Other<br>Enterprise<br>Funds | Total<br>Enterprise<br>Funds |                           |
| <u>\$ 178,602</u>        | <u>\$ 213,720</u>             | <u>\$ (108,681)</u>          | <u>\$ 3,473,457</u>          | <u>\$ (129,626)</u>       |
| 454,836                  | 664,880                       | 290,681                      | 2,786,352                    | 148,404                   |
| (13,742)                 | (28,691)                      | (810)                        | (491,280)                    | 2,019                     |
| (12,187)                 | (2,684)                       | 12,025                       | 18,006                       | (116,390)                 |
| (13,280)                 | (2,545)                       | (3,001)                      | (18,990)                     | (566)                     |
| 7,143                    | 4,726                         | 5,626                        | 36,777                       | 16,988                    |
| <u>13,670</u>            | <u>11,973</u>                 | <u>(40,689)</u>              | <u>133,450</u>               | <u>45,048</u>             |
| <u>436,440</u>           | <u>647,659</u>                | <u>263,832</u>               | <u>2,464,315</u>             | <u>95,503</u>             |
| <u>\$ 615,042</u>        | <u>\$ 861,379</u>             | <u>\$ 155,151</u>            | <u>\$ 5,937,772</u>          | <u>\$ (34,123)</u>        |
| -                        | -                             | -                            | 296,895                      | -                         |
| -                        | -                             | -                            | (482)                        | 839                       |
| -                        | -                             | (767)                        | (767)                        | -                         |
| 3,880                    | -                             | (577)                        | 3,303                        | -                         |
| -                        | -                             | (4,494)                      | (4,494)                      | -                         |
| (770)                    | -                             | (1,424)                      | (2,194)                      | -                         |

(Concluded)

# CITY OF WINFIELD

## FIDUCIARY FUNDS STATEMENT OF FIDUCIARY NET ASSETS DECEMBER 31, 2011

|                             | <u>Agency<br/>Funds</u> |
|-----------------------------|-------------------------|
| <b>Assets</b>               |                         |
| Pooled cash and investments | \$     44               |
| Other receivables           | <u>53,464</u>           |
| Total assets                | <u>53,508</u>           |
| <b>Liabilities</b>          |                         |
| Accounts payable            | <u>53,508</u>           |
| Total liabilities           | <u>53,508</u>           |
| <b>Net Assets</b>           | <u><u>\$     -</u></u>  |

See accompanying notes to financial statements

# **CITY OF WINFIELD KANSAS**

## **NOTES TO THE FINANCIAL STATEMENTS INDEX FOR THE YEAR ENDED DECEMBER 31, 2011**

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# **CITY OF WINFIELD KANSAS**

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# CITY OF WINFIELD, KANSAS

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED DECEMBER 31, 2011

#### 1. Summary of Significant Accounting Policies

The City of Winfield, Kansas was founded in 1869. Located in the northern half of Cowley County, Winfield has a population of 12,301 living within an area of 12 square miles. The City operates under a charter adopted February 2, 1873, and a Commission/Manager form of government.

##### A. Financial Reporting Entity

The City's combined financial statements include the account of all City operation. The criteria for including organizations as component units within the City's reporting entity, as set forth in section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can use and be sued in their own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City

Based on the aforementioned criteria, the City of Winfield has three discretely presented component units. The discretely presented component units are reported in a separate column in the government-wide financial statements.

##### 1) Discretely Presented Component Units

*Winfield Area Emergency Medical Service (WAEMS)* – operates the local area ambulance service. The City appoints the Winfield Newton Memorial Hospital (WNMH) board, a related organization, who oversee the WAEMS operations.

*Winfield Public Library* - operates the City's public library. The library has its own financing levy under Kansas Statutes, and the Library tax levy is included in the total City tax levy. Library tax distributions are paid to the City, and the City in turn distributes to the Library. The City appoints all Library Board members, and the City must approve acquisition or disposition of real property by the Library Board.

*Winfield Housing Authority* - operates the City's housing projects. The City created the Winfield Housing Authority as its agent in 1978, under K.S.A 17-2340. The City appoints all Housing Authority board members. Although the City does not have the authority to approve or modify the Housing Authority's operational and capital budgets, and the Housing Authority has the authority to issue bonded debt, the City is fiscally responsible for the Housing Authority, since it was created as an agent of the City. The City has delegated to the Housing Authority the power to operate and manage the low-rent housing projects of the City. The Housing Authority is on a June 30 fiscal year end. Data included in these financial statements are for the fiscal year ended June 30, 2011.

All component units of the City are considered to be non-major funds. Complete financial statements of the individual component units can be obtained from their respective administrative offices listed below:

Winfield Area Emergency  
Medical Services  
1300 East 5<sup>th</sup>  
Winfield, KS 67156

Winfield Public Library  
605 College  
Winfield, KS 67156

Winfield Housing Authority  
1417 Pine Terrace  
Winfield, KS 67156



## 2) Joint Ventures

A joint venture is a legal entity or other organization that results from a contractual arrangement (or interlocal agreement) and is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control. The participants retain (a) an on-going financial interest or, (b) an on-going financial responsibility. The City participates in the following joint ventures:

*Strother Field Airport and Industrial Park* – The Cities of Winfield and Arkansas City, Kansas entered into an interlocal agreement to create the Strother Field Commission. Three commissioners from both cities comprise the Strother Field governing body, along with one Cowley County commissioner. The two cities jointly own Strother Field. The cities provide no financial support to Strother Field. Separate audited financial statements are available from Strother Field Airport and Industrial Park.

*Arkansas City/Winfield Recycling Center* – The Cities of Winfield and Arkansas City, Kansas entered into an interlocal agreement to jointly purchase and operate a recycling center. Records are maintained by the City of Winfield; both cities share equally in the costs and recycling revenues. No financial statements are prepared for this joint venture. Further financial information can be obtained through the City of Winfield, 200 E. 9<sup>th</sup> Ave, Winfield, KS 67156. Below is a summary of 2011 revenues and expenses for the recycling center.

|                      |    |        |
|----------------------|----|--------|
| Recycling revenues   | \$ | 74,981 |
| Recycling expenses   |    | 96,932 |
| Depreciation expense |    | 1,534  |

## 3) Related Organizations

A related organization is an organization for which a primary government is accountable because that government appoints a voting majority of the Board, but is not financially accountable.

*William Newton Memorial Hospital* – The City Commission is responsible for appointing the Board members of the Hospital, but the City's accountability for this organization does not extend beyond making appointments.

## B. Government-Wide and Fund Financial Statements

The government-wide financial statements report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported discretely from the legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include [1] charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and [2] grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

## C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The *government-wide financial statements* are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

*Governmental fund financial statements* are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the payment is due.

Sales tax and other taxes, franchise fees, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Special assessments receivable that are not due within the current fiscal period and not susceptible to accrual are recorded as deferred revenue. All other revenue items are considered to be measurable and available only when cash is received.

The following major governmental funds are reported:

The General fund is the principal fund of the City that 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. Its revenues consist primarily of taxes, investment income, licenses and permits, intergovernmental shared revenues, charges for services, fines, and payments in lieu of taxes from both City-owned and external utilities. General fund expenditures represent the general administration costs of government, and public safety (fire, police, and buildings inspection), parks and recreational facilities, and cemetery maintenance.

The Debt Service fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The Capital Improvements fund accounts for many of the major capital improvements of the City (other than those financed in proprietary funds), financed primarily through one-half of the local sales tax revenues, issuance of general obligation bonds, and other City transfers.

The City reports the following major proprietary funds:

The Electric Utility fund accounts for the operation and maintenance of the City's electric generation and distributions system. The City purchases electricity, and maintains a 65 KW generation capacity. Electric service is provided to more than 7,300 meters both within the City and in surrounding areas, and sold wholesale to a neighboring city.

The Gas Utility fund accounts for the operation and maintenance of the City's gas distribution system. The City purchases natural gas, and provides service to approximately 5,140 meters.

The Water Utility fund accounts for the operation and maintenance of the City's water treatment plant and the water distribution system. The Winfield City Lake provides an adequate quality water supply of water to Winfield citizens, providing water to approximately 5,100 meters. The City also provides access to water for five rural water districts and two neighboring towns.

The Wastewater Utility fund accounts for the operation and maintenance of the City's wastewater collection system and wastewater treatment plant. The City collects and treats effluent of City residents, providing service throughout the City to approximately 5,000 households.

The City also reports the following fund types:

A permanent fund is used to report an endowment restricted to the perpetual care of municipal cemeteries.

Capital project funds are used to account financial resources used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis and to account for the City's self-insurance activities.

Agency funds are used to report resources held by the City in a custodial capacity for remittance of fiduciary resources to individuals, private organizations or other governments. The City has two agency funds – Sales tax: to collect and pass through sales taxes, and Payroll claims: to collect and pass through payroll related liabilities and taxes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financials statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the City has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes between the City's enterprise funds and the general fund. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include [1] charges to customers or applicants for goods, services, or privileges provided, [2] operating grants and contributions, and [3] capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. Principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting these criteria are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **D. Pooled Cash and Temporary Investments**

Cash resources of the individual funds are combined to form a pool of cash and temporary investments. In addition to City-owned money-market and checking accounts, investments of the pooled accounts consist primarily of certificates of deposits and repurchase agreements. Interest income is allocated to the appropriate funds, based on the ratio of each individual fund cash balance to the total cash balance.

#### **E. Property Taxes and Other Receivables**

In accordance with State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and are levied and become a lien on the property on November 1 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 the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1 of the ensuing year. Consequently, for revenue recognition purposes, the 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 and are recorded as taxes receivable, net of anticipated delinquencies, with a corresponding amount recorded as deferred revenue

on the balance sheet of the appropriate funds. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the year and, further, the amounts thereof are not material in relationship to the financial statements taken as a whole.

Recognized State-shared taxes represent payments received during the current fiscal period, and amounts collected or due to the State on behalf of the City at year-end.

Federal and state grant aid is reported as revenue when the related reimbursable expenditures are incurred. Unrestricted aid is reported as revenue in the fiscal year the entitlement is received.

#### **F. Revenue Recognition for Proprietary Funds**

The proprietary funds follow the policy of recognizing revenue on sales when services are rendered. The electric, gas, water, refuse, wastewater, and stormwater drainage utilities recognize revenues for unbilled services. All users, including other City departments, are charged for services provided by the respective proprietary funds. Account receivable represent uncollected charges (both billed and unbilled) at December 31, net of amounts estimated to be uncollectible.

#### **G. Special assessments receivable**

State statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds, which are secured by the full faith, and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of general obligation bonds are recorded as revenue in the debt service fund. State statutes allow levying additional ad valorem property taxes in the City's debt service fund to finance delinquent special assessments receivable, if necessary. Special assessments receivable are accounted for within the debt service fund. Special assessments are levied over a ten-year period and the annual installments are due and payable with annual ad valorem property taxes. Delinquent assessments against property benefited by special assessments constitute a lien against such property. When assessments are two years in arrears, they may be collected by foreclosure. At December 31, the special assessment taxes levied are a lien on the property and are recorded as special assessments receivable in the debt service fund with a corresponding amount recorded as deferred revenue.

#### **H. Inventories, Advances, and Prepaid Expenses**

As a general rule, inventories and prepaid expenses that benefit future periods, other than those recorded in the proprietary fund types, are recorded as expenditures during the year of purchase. Inventories are stated at the lower of cost or market, cost being determined by the average unit cost method.

#### **I. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$500, and dependent on the type of asset. Donated capital assets are recorded at their estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of an asset are not capitalized.

With the implementation of GASB Statement 34, the City has recorded all its public domain (infrastructure) capital assets placed in service after January 1, 1980, which includes roads, bridges, curbs and gutters, streets and sidewalks, and drainage systems.

Interest incurred during the construction phase of capital assets of business-type assets is included as part of the capitalized value of the assets constructed. During 2011, the City had no net interest costs subject to capitalization.

Major outlays for capital assets and improvements are capitalized as projects are completed. For proprietary funds, interest costs incurred to bring certain assets to the condition and location necessary for their intended use are capitalized as part of the historical cost of acquiring the assets.

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

|                                       | <u>Asset</u>                         | <u>Life<br/>(Years)</u> |
|---------------------------------------|--------------------------------------|-------------------------|
| For all funds:                        | Buildings and improvements           | 40-50                   |
|                                       | Equipment                            | 5-15                    |
|                                       | Vehicles                             | 8                       |
|                                       | Meters                               | 20-30                   |
| Specific to governmental activities:  |                                      |                         |
|                                       | Asphalt and concrete streets         | 40-50                   |
|                                       | Sidewalks and curb and gutter        | 40-50                   |
|                                       | Park and recreational infrastructure | 20-30                   |
| Specific to business-type activities: |                                      |                         |
| Electric utility                      | Electric generation plants           | 30-35                   |
|                                       | Transformers                         | 15-20                   |
|                                       | Electric poles                       | 25                      |
|                                       | Conductors and related equipment     | 35                      |
| Gas utility                           | Gas lines and infrastructure         | 40-75                   |
| Water utility                         | Water treatment plant                | 30-50                   |
|                                       | Water lines and infrastructure       | 30-65                   |
| Sewer utility                         | Sewer lines and infrastructure       | 50-75                   |
|                                       | Lift stations                        | 25                      |
|                                       |                                      |                         |
|                                       | <u>Asset</u>                         | <u>Life (Years)</u>     |
| For all funds:                        | Buildings and improvements           | 40-50                   |
|                                       | Equipment                            | 5-15                    |
|                                       | Vehicles                             | 8                       |
|                                       | Meters                               | 20-30                   |
| Specific to governmental activities:  |                                      |                         |
|                                       | Asphalt and concrete streets         | 40-50                   |
|                                       | Sidewalks and curb/gutter            | 40-50                   |
|                                       | Park/recreational infrastructure     | 20-30                   |
| Specific to business-type activities: |                                      |                         |
| Electric utility                      | Electric generation plants           | 30-35                   |
|                                       | Transformers                         | 15-20                   |
|                                       | Electric poles                       | 25                      |
|                                       | Conductors/related equipment         | 35                      |
| Gas utility                           | Gas lines/infrastructure             | 40-75                   |
| Water utility                         | Water treatment plant                | 30-50                   |
|                                       | Water lines/infrastructure           | 30-65                   |
| Sewer utility                         | Sewer lines/ infrastructure          | 50-75                   |
|                                       | Life stations                        | 25                      |

#### **J. Payments in Lieu of Franchise Fees**

The electric, gas, water, and refuse utilities pay monthly in lieu of franchise fees monthly to the general fund, in amounts ranging from 4% to 6.9% of gross sales. The 'payments in lieu of' mirror the payments in lieu of assessed to external utilities providing services within the City, such as telephone and cable services, and are reflected as interfund transfers in the financial statements, in accordance with GASB-S34: 112b(1).

#### **K. Compensated Absences**

- 1) **Vacation** - All permanent full-time employees of the City are eligible for vacation benefits. Employees with less than ten years employment service for the City have vacation days accumulated at the rate of one day for each month of employment, with a maximum of eighteen days. If employed ten years or more, the rate is one-and-a-half days per month, with a maximum of twenty-four days. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements.
- 2) **Sick Leave** - Sick leave is accumulated at the rate of one day per month, regardless of the length of employment, with the accumulated carryover not to exceed ninety days. Accumulated sick leave is not paid to employees separating from service, prior to retirement. No liability is reported in the financial statements of accrued sick leave, unless an employee is entitled to the payout due to retirement.
- 3) **Sick Leave Reserve** – Employees who have accrued the maximum ninety days of sick leave are eligible to accrue sick leave in a reserve account. Reserve sick leave is credited for 25% of each eight hours sick leave that would have accrued had the ninety days maximum accrual not been reached. There is no maximum as to the number of reserve sick leave hours that may be accumulated, and sick leave reserve hours accumulated by employees eligible for retirement are reflected as accrued liabilities in the financial statements.
- 4) **Sick Leave Bonus** – Any permanent full time employee who has reached the maximum ninety days sick leave accrual is eligible for the annual sick leave bonus program. For each pay period that an employee begins and ends with ninety days maximum accrued sick leave, they accrue one hour's pay at the regular rate of pay. This bonus is paid out to those employees annually.

#### **L. Statement of Cash Flows**

The reporting entity defines cash and cash equivalents used in the statement of cash flows as all cash and temporary investments (both restricted and unrestricted).

#### **M. Estimates**

Preparation of financial statements in conformity with GAAP requires making estimates and assumptions that affect: [1] the reported amounts of assets and liabilities, [2] disclosures such as contingencies, and [3] the reported amounts of revenues and expenditures or expenses included in the financial statements. Actual results could differ from those estimates.

#### **N. Pending Governmental Accounting Standards Board Statements Affecting Financial Statements**

GASB Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangement" addresses service concession arrangements (SCAs), a type of public-private or public-public partnership. The provisions of this statement will apply to the financial statements of the city beginning with fiscal year 2012.

GASB Statement No. 61, "Omnibus- an amendment of GASB Statements No. 14 and No. 34" modifies certain requirements of inclusion of component units in the financial report entity. The provisions of this statement will apply to the financial statements of the city beginning with fiscal year 2012, and the City has elected an early adoption of this statement with the 2010 financial statements.

## 2. Budgetary Control

Applicable Kansas Statutes require that annual budgets be legally adopted for all funds (including proprietary funds) unless exempted by a specific statute. Funds exempted from legally adopted budgets include all capital project funds (including capital projects of proprietary funds); three special revenue funds: the grants and contributions fund, the energy manager grant fund, and the equipment reserve fund; the electric depreciation reserve fund; all agency and fiduciary funds; and five internal service funds: the A/R financing fund, risk management reserve fund, workers' compensation reserve fund, health insurance reserve fund, and the short-term disability reserve fund. Controls over spending in funds that are not subject to legal budgets are maintained by the use of internal spending limits established by management, federal regulations, or other statutes. K.S.A. 79-2926 et seq. provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- [1] Preparation of the budget for the succeeding calendar year on or before August 1 of each year.
- [2] Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5 of each year. A minimum of ten days' notice of public hearing, published in local newspaper, on or before August 15 of each year.
- [3] Adoption of the final budget on or before August 25 of each year.

K.S.A. 79-2927 requires that all money to be raised by taxation and from all other sources for the ensuing budget year must be appropriated. The law does not permit an appropriation for sundry or miscellaneous purposes in excess of ten percent of the total. The budget for each fund with tax levies may include a non-appropriated balance not to exceed five percent of the total of each fund.

Kansas statutes prohibit creating expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. In accordance with Kansas statutes, the legal level of control for the City is established at the individual fund level, also permitting the transfer of budgeted amounts from one object or purpose to another within the same fund. All annual appropriations lapse at the end of the year, except for outstanding encumbrances, which carryover to the following fiscal year. Kansas statutes permit original budgets to be increased for previously unbudgeted increases in revenue other than ad valorem property taxes. The City must first publish a notice of hearing to amend the budget. Ten days after publication, a public hearing is held and the governing body may amend the budget at that time. Budgetary data presented in the financial statements represent the original budgeted amounts, and reflect any revised budgeted amounts in a separate column. The City had budget revisions for seven funds in 2011.

## 3. Budget/GAAP Reconciliation – General Fund

Budgets are prepared on a basis (budgetary basis) different from generally accepted accounting principles (GAAP basis). For budgeting, revenues are recognized when received. Expenditures include cash disbursements, payables, and encumbrances (purchases orders, contracts, and other commitments). Encumbrances are reflected as a reservation of fund balance (GAAP) as opposed to the equivalent of expenditures (budgetary). Adjustments necessary to convert the net change in fund balances and the ending fund balances from GAAP basis to budgetary basis for the general fund is as follows:

|                         | Net change in<br>fund balance |
|-------------------------|-------------------------------|
| GAAP basis              | \$ 183,320                    |
| Accrued revenue:        |                               |
| December 31, 2011       | (212,456)                     |
| December 31, 2010       | 216,946                       |
| Encumbrances:           |                               |
| December 31, 2011       | (8,717)                       |
| December 31, 2010       | 8,646                         |
| Advances to other funds |                               |
| December 31, 2011       | (20,265)                      |
| December 31, 2010       | 20,265                        |
| Budgetary basis         | <u>\$ 187,739</u>             |

#### 4. Fund Balance Deficits

At December 31, 2011, fund balance deficits were as follows:

|                                 | Fund Balance<br>Deficit |
|---------------------------------|-------------------------|
| Capital Projects Fund           |                         |
| Country Club Villa Improvements | \$ (42,980)             |

The Country Club Villa Improvements fund was created in 2008, and the City has authority to issue bonds on this project. At December 31, 2011, this project is in a holding status.

#### 5. Compliance with Kansas Statutes

City of Winfield management is aware of no instances of noncompliance with Kansas statutes of the primary government during the year ended December 31, 2011.

#### 6. Pooled Cash Deposits and Investments

At year end, the reporting entity's deposits and investments were comprised of the following:

|                                                      | Cash Held by<br>Primary<br>Government | Component<br>Units | Total                |
|------------------------------------------------------|---------------------------------------|--------------------|----------------------|
| Cash on hand                                         | \$ 3,370                              | \$ -               | \$ 3,370             |
| Bank deposits                                        | 7,863,262                             | 730,127            | 8,593,389            |
| Overnight repurchase agreement                       | 2,506,149                             | -                  | 2,506,149            |
| Total                                                | <u>\$ 10,372,781</u>                  | <u>\$ 730,127</u>  | <u>\$ 11,102,908</u> |
| Reconciliation to Statement of Net Assets:           |                                       |                    |                      |
| General fund                                         |                                       |                    | \$ 347,229           |
| Capital project funds                                |                                       |                    | -                    |
| Capital improvements fund                            |                                       |                    | 257,127              |
| Special revenue funds                                |                                       |                    | 1,099,265            |
| Debt service fund                                    |                                       |                    | 158,727              |
| Permanent fund                                       |                                       |                    | 6,000                |
| Enterprise funds                                     |                                       |                    | 7,015,061            |
| Internal service funds                               |                                       |                    | <u>1,489,328</u>     |
| Total pooled cash and investments-primary government |                                       |                    | 10,372,737           |
| Fiduciary funds                                      |                                       |                    | 44                   |
| Component units                                      |                                       |                    | 686,587              |
| Fiduciary funds of component units                   |                                       |                    | <u>43,540</u>        |
| Grand Total                                          |                                       |                    | <u>\$ 11,102,908</u> |

#### *Custodial Credit risk*

Custodial credit risk is the risk that in the event of a failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The City's policy is to collateralize the demand deposits with securities held by the financial institution's agent and in the City's name. At December 31, 2011, the City's deposits were insured by federal depository insurance and uninsured deposits were fully collateralized in accordance with the City's policy.



### *Collateral*

Below is a comparison of the City's deposits balances to banks' collateral amounts at December 31, 2011:

|                                                                               |                            |
|-------------------------------------------------------------------------------|----------------------------|
| Market value of securities, held as collateral by banks' third party trustees | \$ 12,447,116              |
| FDIC coverage                                                                 | <u>750,275</u>             |
| Total coverage                                                                | 13,197,391                 |
| Total City cash deposits, per bank                                            | <u>8,130,606</u>           |
| Excess coverage, December 31, 2011                                            | <u><u>\$ 5,066,785</u></u> |

Below is a comparison of the City's repurchase agreement balance to the bank's collateral amounts at December 31, 2011:

|                                                                 |                          |
|-----------------------------------------------------------------|--------------------------|
| Market value of securities, underlying the repurchase agreement | \$ 3,473,468             |
| Repurchase agreement balance                                    | <u>2,506,149</u>         |
| Excess coverage, December 31, 2011                              | <u><u>\$ 967,319</u></u> |

### *Investments*

State laws (K.S.A. 12-1675—12-1677) allow monies, not otherwise regulated by statute, to be invested in:

- a. Temporary notes of the City of Winfield
- b. Time deposits, open accounts or certificates of deposits with maturities of not more than four years
- c. Repurchase agreements with commercial banks, state or federally chartered savings and loan associations, which have offices located in the City
- d. U.S. treasury bills or notes with maturities not exceeding four years
- e. U.S. government-agency securities with a maturity of not more than four years that do not have any more interest rate risk than U.S. government obligations or similar maturities
- f. The municipal investment pool fund operated by the State Treasurer

State law (K.S.A. 10-131) allows investment of the proceeds of bonds and temporary notes in the following, in addition to those stated above:

- g. U.S. Government and agency obligations
- h. Time deposits with banks and trust companies
- i. FNMA, FHLB and FHLMC obligations
- j. Collateralized repurchase agreements
- k. Mutual funds with portfolios consisting entirely of obligations of the U.S. government, U.S. Government agencies, FNMA, FHLB, and FHLMC
- l. Certain Kansas municipal bonds

### *Credit Risk and Concentration of Credit Risk*

The City's investment option types are very limited, which inherently reduces credit risk. State statutes do not address concentration of credit risk. The City invests monies based on highest interest rate bids from local banking institutions. Below is a summary of the City's investments at December 31, 2011:

| Investment Type              | Amount                      | Percentage         |
|------------------------------|-----------------------------|--------------------|
| Repurchase agreements        | \$ 2,506,149                | 24%                |
| Collateralized time deposits | <u>8,000,000</u>            | <u>76%</u>         |
|                              | <u><u>\$ 10,506,149</u></u> | <u><u>100%</u></u> |

### *Interest Rate Risk*

The City has no formal written investment policy addressing interest rate risk. As a means of minimizing the risk that the market value of securities in the portfolio will decline due to the changes in general interest rates, the City structures its portfolio so that securities will mature to meet cash requirements for ongoing operations, investing primarily in securities with maturities of two years or less in time deposits.

As of December 31, 2011, the City's investments portfolio had the following investments and maturities:

| Investment Type        | Total                | 6 months<br>or less | 6 to 12<br>months   |
|------------------------|----------------------|---------------------|---------------------|
| Cash and Time deposits | \$ 9,000,000         | \$ 3,000,000        | \$ 6,000,000        |
| Repurchase agreements  | 1,506,149            | 1,506,149           | -                   |
|                        | <u>\$ 10,506,149</u> | <u>\$ 4,506,149</u> | <u>\$ 6,000,000</u> |

## 7. Receivables

### A. Utility Receivables

The City operates six utilities. Prior to 2008, the utility receivables were "sold", for the estimated net amount collectible, to a consolidated Accounts Receivable Financing Fund. Beginning in 2008, a new utility billing software system allows the City to track utility receivable activity for each individual utility fund. Below is a summary of the utility receivables at December 31, 2011:

|                                                                           | Utility<br>Receivables | Less provision<br>for uncollectible<br>accounts | Net Utility<br>Receivables |
|---------------------------------------------------------------------------|------------------------|-------------------------------------------------|----------------------------|
| Electric utility                                                          | \$ 2,682,986           | \$ (201,840)                                    | \$ 2,481,146               |
| Gas utility                                                               | 1,105,447              | (60,723)                                        | 1,044,724                  |
| Water utility                                                             | 274,914                | (21,476)                                        | 253,438                    |
| Refuse utility                                                            | 139,744                | (13,956)                                        | 125,788                    |
| Wastewater utility                                                        | 223,897                | (19,161)                                        | 204,736                    |
| Stormwater utility                                                        | <u>17,409</u>          | <u>(1,647)</u>                                  | <u>15,762</u>              |
| Receivables reflected in<br>utility funds                                 | 4,444,397              | (318,803)                                       | 4,125,594                  |
| Plus Accounts receivable<br>financing fund                                | <u>283,299</u>         | <u>(237,134)</u>                                | <u>46,165</u>              |
| Total utility receivables, net of<br>provision for uncollectible accounts | <u>\$ 4,727,696</u>    | <u>\$ (555,937)</u>                             | <u>\$ 4,171,759</u>        |

The total bad debt expense on utility receivables for the fiscal year 2011 amounted to \$105,118, and is allocated to the utility funds in proportion to their utility receivable balances.

### B. Long-term Receivables

The City entered in several interlocal agreements in prior years with other local governmental entities, related to debt financing and repayment arrangements. The City included project costs of these entities in general obligation bond issues, and the interlocal agreements provide for repayment of the principal, interest, and issuance costs to the City over set time periods. These receivables are included in governmental activities of the Statement of Net Assets. Because the receivables are not considered to be available to liquidate liabilities of the current fiscal year, they are not reflected in the debt service fund in the Governmental Funds Balance Sheet.

Below is a summary of the receivables as of December 31, 2011:

|      | Total<br>Payments<br>Due | [1]Winfield<br>Public<br>Library | [2]Strother<br>Field Ind<br>Park | [3]<br>Winfield<br>USD #465 |
|------|--------------------------|----------------------------------|----------------------------------|-----------------------------|
| 2012 | \$ 31,437                | \$ 18,625                        | \$ 6,435                         | \$ 6,377                    |
| 2013 | 12,812                   | -                                | 6,435                            | 6,377                       |
| 2014 | 12,811                   | -                                | 6,434                            | 6,377                       |
| 2015 | 12,812                   | -                                | 6,435                            | 6,377                       |
| 2016 | 6,378                    | -                                | -                                | 6,378                       |
| 2017 | 6,378                    | -                                | -                                | 6,378                       |
| 2018 | 6,378                    | -                                | -                                | 6,378                       |
|      | <u>\$ 89,006</u>         | <u>\$ 18,625</u>                 | <u>\$ 25,739</u>                 | <u>\$ 44,642</u>            |

[1] Winfield Public Library is a discrete component unit of the City, and is reflected on the government-wide Statement of Net Assets as 'Due from Component Units'

[2] Strother Field Industrial Park is jointly owned by the City, with the City of Arkansas City, described further in note 1.A.3.

[3] Winfield USD #465 is the local school district.

### C. Economic Development Loan Receivable

In January 2011, the City sold Baden Hall, an unoccupied building, to Baden Hall Limited Partnership (developer) for \$1. The building was rehabilitated and developed into a 24-unit residential rental property for households with low and moderate income. In addition, the City agreed to a 30-year no-interest loan of \$248,000 to the developer. The contract was structured to require no loan payments until the end of the thirty years. The loaned funds consist of prior years' private donations to the "Baden Hall Preservation Committee for the Preservation and Renovation of Baden Hall". Because the loaned funds are not available to finance expenditures of the current fiscal year, there is a corresponding liability for deferred revenue.

## 8. Deferred Revenues

Governmental funds report deferred revenues in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. Below is a summary of the deferred revenue reported in the governmental funds:

| Fund                      | Unavailable         |
|---------------------------|---------------------|
| Property taxes receivable |                     |
| General                   | \$ 2,361,618        |
| Debt Service              | 602,512             |
| Other Governmental        | 570,118             |
| Unearned revenues         |                     |
| General                   | <u>248,000</u>      |
| Total                     | <u>\$ 3,782,248</u> |

## 9. Changes in Capital Assets

Capital asset activity of the primary government for the year ended December 31, 2011 was as follows:

|                                               | Balance<br>January 1 | Additions             | Deletions          | Transfers/<br>Reclassifications | Balance<br>December 31 |
|-----------------------------------------------|----------------------|-----------------------|--------------------|---------------------------------|------------------------|
| <b>Governmental activities:</b>               |                      |                       |                    |                                 |                        |
| <b>Capital assets, not being depreciated:</b> |                      |                       |                    |                                 |                        |
| Land                                          | \$ 1,903,464         | \$ -                  | \$ -               | \$ -                            | \$ 1,903,464           |
| Construction in progress                      | 38,914               | 748                   | -                  | -                               | 39,662                 |
| Total capital assets, not being depreciated   | <u>\$ 1,942,378</u>  | <u>\$ 748</u>         | <u>\$ -</u>        | <u>\$ -</u>                     | <u>\$ 1,943,126</u>    |
| <b>Capital assets, being depreciated:</b>     |                      |                       |                    |                                 |                        |
| Buildings                                     | \$ 9,678,625         | \$ -                  | \$ (46,340)        | \$ -                            | \$ 9,632,285           |
| Other improvements/infrastructure             | 21,222,735           | 290,768               | -                  | -                               | 21,513,503             |
| Machinery and equipment                       | 8,985,115            | 268,015               | (191,844)          | (20,935)                        | 9,040,351              |
| Total capital assets, being depreciated       | <u>39,886,475</u>    | <u>558,783</u>        | <u>(238,184)</u>   | <u>(20,935)</u>                 | <u>40,186,139</u>      |
| Less accumulated depreciation for:            |                      |                       |                    |                                 |                        |
| Buildings                                     | (3,377,220)          | (25,980)              | 21,390             | -                               | (3,381,810)            |
| Infrastructure                                | (5,218,977)          | (70,592)              | -                  | -                               | (5,289,569)            |
| Machinery and equipment                       | (5,534,643)          | (1,008,383)           | 146,626            | (2,360)                         | (6,398,760)            |
| Less accumulated depreciation                 | <u>(14,130,840)</u>  | <u>(1,104,955)</u>    | <u>168,016</u>     | <u>(2,360)</u>                  | <u>(15,070,139)</u>    |
| Total capital assets, being depreciated, net  | <u>\$ 25,755,635</u> | <u>\$ (546,172)</u>   | <u>\$ (70,168)</u> | <u>\$ (23,295)</u>              | <u>\$ 25,116,000</u>   |
| <b>Business activities:</b>                   |                      |                       |                    |                                 |                        |
| <b>Capital assets, not being depreciated:</b> |                      |                       |                    |                                 |                        |
| Land                                          | \$ 827,527           | \$ -                  | \$ -               | \$ -                            | \$ 827,527             |
| Construction in Progress                      | -                    | 10,000                | -                  | -                               | 10,000                 |
| Total capital assets, not being depreciated   | <u>\$ 827,527</u>    | <u>\$ 10,000</u>      | <u>\$ -</u>        | <u>\$ -</u>                     | <u>\$ 837,527</u>      |
| <b>Capital assets, being depreciated:</b>     |                      |                       |                    |                                 |                        |
| Buildings                                     | \$ 12,312,969        | \$ -                  | \$ (12,945)        | \$ -                            | \$ 12,300,024          |
| Other improvements/infrastructure             | 57,474,465           | 584,480               | (252,003)          | -                               | 57,806,942             |
| Machinery and equipment                       | 29,958,360           | 212,590               | (259,672)          | (3,409)                         | 29,907,869             |
| Total capital assets, being depreciated       | <u>99,745,794</u>    | <u>797,070</u>        | <u>(524,620)</u>   | <u>(3,409)</u>                  | <u>100,014,835</u>     |
| Less accumulated depreciation for:            |                      |                       |                    |                                 |                        |
| Buildings                                     | (6,541,210)          | (430,010)             | 566                | -                               | (6,970,654)            |
| Infrastructure                                | (25,497,845)         | (1,022,648)           | 241,407            | -                               | (26,279,086)           |
| Machinery and equipment                       | (18,295,381)         | (1,337,749)           | 258,607            | 2,359                           | (19,372,164)           |
|                                               | <u>(50,334,436)</u>  | <u>(2,790,407)</u>    | <u>500,580</u>     | <u>2,359</u>                    | <u>(52,621,904)</u>    |
| Total capital assets, being depreciated, net  | <u>\$ 49,411,358</u> | <u>\$ (1,993,337)</u> | <u>\$ (24,040)</u> | <u>\$ (1,050)</u>               | <u>\$ 47,392,931</u>   |

## 10. Depreciation Allocations

Depreciation expense in 2011 was charged to function/programs of the primary government, as follows:

### Governmental activities:

|                                                      |                     |
|------------------------------------------------------|---------------------|
| General government                                   | \$ 163,343          |
| Public safety                                        | 294,116             |
| Public works                                         | 345,145             |
| Cemetery                                             | 7,383               |
| Culture and recreation                               | 294,968             |
| Total depreciation expense - governmental activities | <u>\$ 1,104,955</u> |

### Business-type activities:

|                                                       |                     |
|-------------------------------------------------------|---------------------|
| Electric                                              | 1,319,210           |
| Gas                                                   | 130,947             |
| Water                                                 | 454,836             |
| Refuse                                                | 54,458              |
| Wastewater                                            | 664,880             |
| Golf course                                           | 166,076             |
| Total depreciation expense - business-type activities | <u>\$ 2,790,407</u> |

## 11. Capital Projects

At December 31, 2011, the City had the following major improvement/construction projects in progress:

|                                                                           | Amount<br>Authorized | Expenditures<br>Project<br>To-Date | Construction<br>Commitments<br>at 12-31-11 |
|---------------------------------------------------------------------------|----------------------|------------------------------------|--------------------------------------------|
| [a] Country Club Villa Water, Streets,<br>Sewer and Drainage Improvements | \$ 177,000           | \$ 42,980                          | \$ -                                       |
| [b] Water tower cleaning and re-painting                                  | 562,060              | 54,953                             | 502,730                                    |

[a] The City has authorization for debt funding. The project is to be financed with special assessments and general obligation bonds. The project was placed on hold in 2009.

[b] The project will be funded through temporary notes in 2012. See note 26.D.

## 12. Temporary Notes

Kansas law permits the issuance of temporary notes to finance certain capital improvement projects which will be refinanced with general obligation bonds. Prior to the issuance of the temporary notes, the City must take the necessary legal steps to authorize the issuance of general obligation bonds. Temporary notes issued may not exceed the aggregate amount of bonds authorized, are interest bearing and have a maturity date not later than four years from the date of issuance. At December 31, 2011, the City had no temporary notes outstanding. See note 26.D for 2012 temporary note activity.

### 13. Long-Term Debt

#### A. Capitalized Lease Obligations

The City has entered into lease agreements as lessee for financing the purchase of several assets. Such leases qualify as capital leases for accounting purposes and, accordingly, have been recorded at the present value of the minimum payments at the date of lease inception. The total cost of those assets being purchased through capital leases amount to \$1,269,205. Of that total, \$1,256,705 is governmental activities assets, and \$12,500 is business type activities assets. Below is a listing of the capital leases payable at December 31, 2011.

|                            | Interest<br>Rate | Balance<br>December 31 |
|----------------------------|------------------|------------------------|
| Governmental activities    |                  |                        |
| Aerial fire truck          | 4.57%            | \$ 550,826             |
| Street sweeper             | 3.75%            | 74,093                 |
| Park play area surfacing   | 3.73%            | 29,421                 |
| Computer hardware/software | 3.73%            | 8,653                  |
| Business activities        |                  |                        |
| Computer hardware/software | 3.73%            | 8,653                  |

The annual debt service requirements to maturity for capital lease obligations are as follows:

| Year<br>Ending<br>Dec 31 | Government activities |                   |                  |
|--------------------------|-----------------------|-------------------|------------------|
|                          | Total                 | Principal         | Interest         |
| 2012                     | \$ 204,417            | \$ 174,976        | \$ 29,441        |
| 2013                     | 164,890               | 142,877           | 22,013           |
| 2014                     | 125,719               | 109,946           | 15,773           |
| 2015                     | 125,718               | 114,970           | 10,748           |
| 2016                     | 125,718               | 120,224           | 5,494            |
|                          | <u>\$ 746,462</u>     | <u>\$ 662,993</u> | <u>\$ 83,469</u> |

| Year<br>Ending<br>Dec 31 | Business-type activities |                 |               |
|--------------------------|--------------------------|-----------------|---------------|
|                          | Total                    | Principal       | Interest      |
| 2012                     | \$ 8,981                 | \$ 8,653        | \$ 328        |
|                          | <u>\$ 8,981</u>          | <u>\$ 8,653</u> | <u>\$ 328</u> |

The City refinanced the aerial fire truck capital lease in February 2012 through a new capital lease arrangement. See footnote 26.A.

## B. General Obligation Bonds Payable

General obligation bonds outstanding at December 31, 2011 are as follows:

|     |                           | Interest<br>Rate | Final<br>Maturity<br>Date | Total<br>12/31/2011  |
|-----|---------------------------|------------------|---------------------------|----------------------|
| [1] | Series 2002B GO refunding | 3.00-4.10        | 2015                      | 645,000              |
| [2] | Series 2003A GO           | 2.00-4.00        | 2018                      | 1,155,000            |
| [3] | Series 2005A GO           | 3.70-4.30        | 2021                      | 645,000              |
| [4] | Series 2005B GO refunding | 3.35-4.00        | 2019                      | 1,480,000            |
| [5] | Series 2006A GO           | 3.60-4.50        | 2021                      | 785,000              |
| [6] | Series 2008A GO           | 3.625-4.3        | 2026                      | 3,955,000            |
| [7] | Series 2010A GO refunding | 2.00-3.10        | 2025                      | 7,905,000            |
|     |                           |                  |                           | <u>\$ 16,570,000</u> |

[1] Series 2002B GO bonds refunded the 1996 Series 154 bonds, that financed the aquatic center, and three special assessment districts. See note 26.E. for refunding bonds to retire this debt in 2012.

[2] Series 2003A GO bonds provided financing for municipal building capital improvements, and a section of Bliss Street drainage and street improvements. See note 26.E. for refunding bonds to retire this debt in 2012.

[3] Series 2005A GO bonds provided financing for several benefit district projects. Special assessments against the benefit districts' landowners will repay the City the debt costs over a fifteen year period.

[4] Series 2005B GO refunding issue refunded a portion of outstanding 1999A GO bonds. Those bonds financed Meyer hall, the Broadway Recreation Complex, and two special assessment districts.

[5] Series 2006A GO bonds financed the City's Utt business park, and three special assessment districts.

[6] Series 2008A GO bonds four special assessment districts (Cottonwood Court, Hiatt Hills, Morningview Acres, Thomas Canyon), zoysia grass replacement at the City's Quail Ridge golf course, and street/stormwater improvement projects.

[7] Series 2010A GO refunding bonds provided financing for two street improvement projects, and provided current refunding for two KDHE water loans, the 2002A GO bonds, and two KDOT street improvement loans.

All of the above general obligation bonds are capital-related debt of the governmental activities. See Note 8.B. for details on the receivable balances related to the above debt issues.

Annual debt service requirements to maturity for general obligation bonds are as follows:

| Year Ending<br>Dec 31 | Total                | Principal            | Interest            |
|-----------------------|----------------------|----------------------|---------------------|
| 2012                  | \$ 2,241,193         | \$ 1,725,000         | \$ 516,193          |
| 2013                  | 2,135,837            | 1,670,000            | 465,837             |
| 2014                  | 2,135,722            | 1,720,000            | 415,722             |
| 2015                  | 2,123,071            | 1,759,999            | 363,072             |
| 2016                  | 1,897,674            | 1,590,000            | 307,674             |
| 2017-2021             | 6,584,833            | 5,715,001            | 869,832             |
| 2022-2026             | 2,553,936            | 2,390,000            | 163,936             |
|                       | <u>\$ 19,672,266</u> | <u>\$ 16,570,000</u> | <u>\$ 3,102,266</u> |

**C. Kansas Department of Health and Environment Loans Payable**

At December 31, 2011, the City had the following loan outstanding with the Kansas Department of Health and Environment (KDHE):

|                                   | Interest<br>Rate | Final<br>Maturity<br>Date | Business-type<br>Activities |
|-----------------------------------|------------------|---------------------------|-----------------------------|
| Wastewater treatment plant improv | 3.26             | 2018                      | <u>\$ 3,498,988</u>         |

The Wastewater treatment plant improvements loan with KDHE, Project C20 1272-01, was amended in 2008, to include an additional \$445,000 of revolving loan line of credit. The funds were used to build a new sewer lift station and SCADA improvements.

The City's loan agreement with KDHE pledge the wastewater revenues as security for payment of the principal and interest amounts. In addition, the agreement directs the City to levy ad valorem taxes without limitation for debt repayment, if the system's revenues are insufficient. The City's intent is to generate adequate system's revenues to meet debt payments.

Annual debt service requirements to maturity for KDHE loans are as follows:

| Year Ending<br>Dec 31 | Total               | Principal           | Interest          |
|-----------------------|---------------------|---------------------|-------------------|
| 2012                  | \$ 563,102          | \$ 452,694          | \$ 110,408        |
| 2013                  | 563,102             | 467,572             | 95,530            |
| 2014                  | 563,102             | 482,940             | 80,162            |
| 2015                  | 563,102             | 498,812             | 64,290            |
| 2016                  | 563,101             | 515,205             | 47,896            |
| 2017-2018             | 1,126,203           | 1,081,765           | 44,438            |
|                       | <u>\$ 3,941,712</u> | <u>\$ 3,498,988</u> | <u>\$ 442,724</u> |

The City refinanced this KDHE debt through a capital lease agreement in March 2012. See footnote 26.B.

**D. Kansas Department of Transportation Loans Payable**

Below is a listing of the City's outstanding KDOT loans as of December 31, 2011:

|                           | Interest<br>Rate | Final<br>Maturity<br>Date | Governmental-<br>type<br>Activities |
|---------------------------|------------------|---------------------------|-------------------------------------|
| 2007 KLINK Project TR0065 | 3.93%            | 2012                      | <u>\$ 36,415</u>                    |

The City's intent is to repay this loan from the general bond and interest fund. The City does have the power to levy ad valorem taxes for this debt.

Annual debt service requirements to maturity for the KDOT loan is as follows:

| Year Ending<br>Dec 31 | Total            | Principal        | Interest        |
|-----------------------|------------------|------------------|-----------------|
| 2012                  | <u>\$ 37,755</u> | <u>\$ 36,415</u> | <u>\$ 1,340</u> |



### E. Other Long-Term Debt

The City has interlocal agreements with the City of Arkansas City, Kansas related to two joint projects – construction of a county-wide animal shelter and extension of water and sewer services for business expansion. The agreements provide for the City of Winfield to make annual payments to Arkansas City for an agreed-upon share of the costs. The City's general fund provides funding for these payments.

Below is a summary of these liabilities at December 31, 2011:

|                        | Governmental<br>Activities |
|------------------------|----------------------------|
| Animal shelter         | \$ 26,104                  |
| Water/sewer extensions | 12,910                     |
|                        | <u>\$ 39,014</u>           |

The contractual payments to maturity of these interlocal agreements are as follows:

| Year Ending<br>Dec 31 | Total            |
|-----------------------|------------------|
| 2012                  | \$ 32,524        |
| 2013                  | 6,490            |
|                       | <u>\$ 39,014</u> |

### F. Changes in Long-Term Debt

Long-term debt activity for the year ended December 31, 2011 is as follows:

|                                                          | Balance<br>January 1 | Additions         | Payments         | Balance<br>December 31 | Due within<br>one year |
|----------------------------------------------------------|----------------------|-------------------|------------------|------------------------|------------------------|
| <b>Governmental Activities</b>                           |                      |                   |                  |                        |                        |
| General obligation bonds                                 | \$ 11,551,783        | \$ -              | \$ 1,178,676     | \$ 10,373,107          | \$ 1,302,085           |
| Capital leases                                           | 830,849              | -                 | 167,856          | 662,993                | 166,323                |
| KDOT loans                                               | 71,452               | -                 | 35,038           | 36,414                 | 36,414                 |
| Interlocal agreement debt                                | 71,521               | -                 | 32,507           | 39,014                 | 30,911                 |
| Net unamortized premiums                                 | 22,085               | -                 | 3,808            | 18,277                 | 3,808                  |
| Employee compensated<br>absences                         | 287,771              | 233,359           | 207,299          | 313,831                | 182,031                |
| Net other post employment<br>benefits obligation         | 87,257               | 41,319            | -                | 128,576                | -                      |
| Total long-term liabilities -<br>governmental activities | <u>\$ 12,922,718</u> | <u>\$ 274,678</u> | <u>1,625,184</u> | <u>\$ 11,572,212</u>   | <u>\$ 1,721,572</u>    |

|                                                           | Balance<br>January 1 | Additions         | Payments         | Balance<br>December 31 | Due within<br>one year |
|-----------------------------------------------------------|----------------------|-------------------|------------------|------------------------|------------------------|
| <b>Business-type Activities</b>                           |                      |                   |                  |                        |                        |
| KDHE loans                                                | \$ 3,937,275         | \$ -              | 438,287          | \$ 3,498,988           | \$ 452,694             |
| General obligation bonds                                  | 6,618,217            | -                 | 421,323          | 6,196,894              | 422,915                |
| Refunding cert of participation                           | 445,000              | -                 | 445,000          | -                      | -                      |
| Capital leases                                            | 57,987               | -                 | 49,334           | 8,653                  | 8,653                  |
| Net unamortized premiums                                  | 51,870               | -                 | 3,880            | 47,990                 | 3,880                  |
| Employee compensated<br>absences                          | 372,999              | 238,561           | 257,834          | 353,726                | 224,973                |
| Net other post employment<br>benefits obligation          | 95,633               | 45,273            | -                | 140,906                | -                      |
| Total long-term liabilities -<br>business-type activities | <u>\$ 11,578,981</u> | <u>\$ 283,834</u> | <u>1,615,658</u> | <u>\$ 10,247,157</u>   | <u>\$ 1,113,115</u>    |

Compensated absences and post employment pension liabilities are paid from the specific governmental funds that pay the employees' salaries and benefits.

#### **G. Conduit Debt Obligations**

From time to time the City has issued industrial revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. These are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At December 31, 2011, there were seven series of Industrial Revenue Bonds (IRBs) outstanding, with an aggregate principal amount payable of \$24,846,074. During 2011, \$4.94 million of IRBs were refunded with \$5.24 million new IRB debt. \$1 million of new IRB debt was issued in 2011.

### **14. Interest Expense**

Below is a summary of the interest expense related to debt for the fiscal year 2011:

|                                | Total Interest<br>Expense | Governmental<br>Activities | Business<br>Activities |
|--------------------------------|---------------------------|----------------------------|------------------------|
| General obligation bonds       | \$ 541,212                | \$ 389,116                 | \$ 152,096             |
| KDOT TRF loans                 | 2,196                     | 2,196                      | -                      |
| KDHE revolving loans           | 115,177                   | -                          | 115,177                |
| Capital leases                 | 33,000                    | 32,000                     | 1,000                  |
| Certification of Participation | 4,450                     | -                          | 4,450                  |
|                                | <u>\$ 696,035</u>         | <u>\$ 423,312</u>          | <u>\$ 272,723</u>      |

### **15. Long-Term Operating Leases**

The City leases certain equipment and real estate under long-term non-cancelable operating leases from third-party vendors. Below is a summary of the non-cancelable minimum future rental payments at December 31, 2011:

| Year Ending<br>December 31   | Total             | Governmental<br>Activities | Business-type<br>Activities |
|------------------------------|-------------------|----------------------------|-----------------------------|
| 2012                         | \$ 36,387         | \$ 27,987                  | \$ 8,400                    |
| 2013                         | 36,387            | 27,987                     | 8,400                       |
| 2014                         | 26,252            | 17,852                     | 8,400                       |
| 2015                         | 26,252            | 17,852                     | 8,400                       |
| 2016                         | 8,400             | -                          | 8,400                       |
| 2017-2018                    | 14,700            | -                          | 14,700                      |
| Total minimum future rentals | <u>\$ 148,378</u> | <u>\$ 91,678</u>           | <u>\$ 56,700</u>            |

Expenditures in the government-wide governmental and business-type activities for 2011 include \$28,640 and \$8,400 respectively, of operating lease payments.

### **16. Inter-fund Transfers**

Interfund transfers reflect the flow of resources from one fund to another fund, generally from the fund in which the resources are received or reside to the fund in which the resources will be expended. All transfers were budgeted transfers, transfers of resources to the funds actually expending the funds, or construction

fund balances transferred to the bond and interest fund for debt repayment. Below is a summary of 2011 inter-fund cash transfers:

| <u>Transfers from</u>  | <u>Transfers to</u> |                   |                   |                   |
|------------------------|---------------------|-------------------|-------------------|-------------------|
|                        | General             | Bond and Interest | Capital Improv    | Nonmajor Govt'l   |
| Primary Government:    |                     |                   |                   |                   |
| General                | \$ -                | \$ -              | \$ 890,712        | \$ 350,590        |
| Capital Improv         | 75,000              | 498,646           | -                 | -                 |
| Nonmajor Govt'l        | -                   | 127,519           | 30,537            | 20,000            |
| Electric               | 1,608,915           | -                 | -                 | 20,652            |
| Gas                    | 287,564             | -                 | -                 | 369,300           |
| Water                  | 128,868             | -                 | -                 | 48,278            |
| Refuse                 | 64,846              | -                 | -                 | -                 |
| Cemetery Endow         | -                   | -                 | -                 | 17                |
| Total Reporting Entity | <u>\$ 2,165,193</u> | <u>\$ 626,165</u> | <u>\$ 921,249</u> | <u>\$ 808,837</u> |

| <u>Transfers from</u>  | <u>Transfers to (continued)</u> |                   |                     |
|------------------------|---------------------------------|-------------------|---------------------|
|                        | Electric                        |                   | Totals              |
|                        | Water                           | Deprec Res        |                     |
| General                | \$ -                            | \$ -              | \$ 1,241,302        |
| Capital Improvements   | -                               | -                 | 573,646             |
| Nonmajor Governmental  | -                               | -                 | 178,056             |
| Electric               | 229,900                         | 516,000           | 2,375,467           |
| Gas                    | 401,100                         | -                 | 1,057,964           |
| Water                  | -                               | -                 | 177,146             |
| Refuse                 | -                               | -                 | 64,846              |
| Cemetery Endow         | -                               | -                 | 17                  |
| Total Reporting Entity | <u>\$ 631,000</u>               | <u>\$ 516,000</u> | <u>\$ 5,668,444</u> |

In addition, the City transferred funds to the following component units in 2011:

| <u>Transfers from</u> | Winfield Public Library | Winfield Emer Mgmt Services |
|-----------------------|-------------------------|-----------------------------|
|                       |                         |                             |
| Primary Government:   |                         |                             |
| Library Fund          | \$ 499,085              |                             |
| General fund          |                         | \$ 263,000                  |

## 17. Interfund Receivables/Payables

### A. Advances to/Advances from Other Funds

The City utilizes two internal service funds to account for utility receivables (see note 7.A.) and fleet management inventories. Advances from the general fund and the enterprise utility funds were used to create the internal service funds. These advances are considered to be long-term, and the intent is not to repay these amounts within one year. Below is a summary of the advances to the internal service funds:

|                               | Interfund<br>Advances from | Interfund<br>Advances to |
|-------------------------------|----------------------------|--------------------------|
| Governmental funds:           |                            |                          |
| General Fund                  | \$ 20,265                  | \$ -                     |
| Business-type funds:          |                            |                          |
| Electric                      | 73,753                     | -                        |
| Gas                           | 6,645                      | -                        |
| Water                         | 2,970                      | -                        |
| Sewer                         | 4,912                      | -                        |
| Subtotal                      | <u>108,545</u>             | <u>-</u>                 |
| Nonmajor business-type funds: |                            |                          |
| Refuse                        | <u>7,620</u>               | <u>-</u>                 |
| Subtotal                      | <u>7,620</u>               | <u>-</u>                 |
| Internal Service funds:       |                            |                          |
| Fleet management              | -                          | 70,000                   |
| Utility receivables financing | -                          | 46,165                   |
| Subtotal                      | <u>-</u>                   | <u>116,165</u>           |
| Total                         | <u>\$ 116,165</u>          | <u>\$ 116,165</u>        |

#### B. Due to/Due from other Funds

Below is a summary of the due to/due from balances between funds at December 31, 2011:

|                                                | Due to          | Due from        |
|------------------------------------------------|-----------------|-----------------|
| Major Enterprise fund - Electric fund          | \$ 26,813       | \$ -            |
| Nonmajor Governmental Fund - Energy grant fund | -               | 26,813          |
|                                                | <u>\$26,813</u> | <u>\$26,813</u> |

### 18. Net Assets and Fund Balances

#### A. Net Assets

Net Assets are the excess of all the City's assets over all its liabilities, regardless of fund. Net Assets are divided into three captions under GASB Statement 34. These captions apply only to Net Assets, which are determined only at the Government-wide level, and are described below:

*Invested in Capital Assets, net of related debt* describes the portion of Net Assets which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

*Restricted* describes the portion of Net Assets whose use is not subject solely to the City's own discretion. This includes resources subject to externally imposed restrictions, such as creditors, grantors, contributors, other governments' regulations, and other enabling legislation. Included in governmental-type restricted assets is \$663,551 of net assets restricted by legally enforceable enabling legislation

*Unrestricted* describes the portion of Net Assets that is not restricted as to use.

It is the City's policy to apply restricted resources prior to the use of unrestricted resources, when the option is available.

#### B. Fund Balances

Government Accounting Standards Board (GASB) 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, became effective for the City beginning with fiscal year 2011. The purpose of GASB Statement 54 is to improve the reporting of fund balance. This statement also clarifies certain terms used in the definition of existing governmental fund types so that classifications are more easily understood and can be applied consistently between information reported in the government-wide financial statements and the governmental fund financial statements.

In accordance with GASB Statement 54, the City classifies governmental fund balances as follows:

1. Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
2. Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
3. Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority, the city commission, and do not lapse at year-end.
4. Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balances may be assigned by city management.
5. Unassigned includes positive fund balance within the general fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

The governmental fund balance classifications and amounts at December 31, 2011, are shown in the following table:

|                             | Total<br>Governmental<br>Funds | General           | Bond and<br>Interest | Capital<br>Improvements | Other<br>Non-major<br>Governmental |
|-----------------------------|--------------------------------|-------------------|----------------------|-------------------------|------------------------------------|
| Nonspendable:               |                                |                   |                      |                         |                                    |
| Advance to Other Funds      | \$ 20,265                      | \$ 20,265         | \$ -                 | \$ -                    | \$ -                               |
| Cemetery                    | 6,000                          | -                 | -                    | -                       | 6,000                              |
|                             | <u>26,265</u>                  | <u>20,265</u>     | <u>-</u>             | <u>-</u>                | <u>6,000</u>                       |
| Restricted for:             |                                |                   |                      |                         |                                    |
| Capital Improvements        | 170,974                        | -                 | -                    | 170,974                 | -                                  |
| Court Programs              | 4,276                          | -                 | -                    | -                       | 4,276                              |
| Culture/Recreation          | 79,221                         | -                 | -                    | -                       | 79,221                             |
| Debt Service                | 158,727                        | -                 | 158,727              | -                       | -                                  |
| Drug/Alcohol Programs       | 2,425                          | -                 | -                    | -                       | 2,425                              |
| Energy Grant                | 1,129                          | -                 | -                    | -                       | 1,129                              |
| Equipment Acquisition       | 97,645                         | -                 | -                    | -                       | 97,645                             |
| Legal/Uninsured Liabilities | 289,521                        | -                 | -                    | -                       | 289,521                            |
| Levee Maintenance           | 59,551                         | -                 | -                    | -                       | 59,551                             |
| Library                     | 10,094                         | -                 | -                    | -                       | 10,094                             |
| Police/Public Safety        | 13,397                         | -                 | -                    | -                       | 13,397                             |
| Tourism Development         | 108,183                        | -                 | -                    | -                       | 108,183                            |
|                             | <u>995,143</u>                 | <u>-</u>          | <u>158,727</u>       | <u>170,974</u>          | <u>665,442</u>                     |
| Committed for:              |                                |                   |                      |                         |                                    |
| Capital Improvements        | 41,601                         | -                 | -                    | -                       | 41,601                             |
| Cemetery Improvements       | 86,750                         | -                 | -                    | -                       | 86,750                             |
| Fairgrounds Improvements    | 78,742                         | -                 | -                    | -                       | 78,742                             |
| Streets Maintenance         | 169,794                        | -                 | -                    | -                       | 169,794                            |
| Water Quality Programs      | 45,252                         | -                 | -                    | -                       | 45,252                             |
|                             | <u>422,139</u>                 | <u>-</u>          | <u>-</u>             | <u>-</u>                | <u>422,139</u>                     |
| Assigned for:               |                                |                   |                      |                         |                                    |
| Capital Projects            | (42,980)                       | -                 | -                    | -                       | (42,980)                           |
| Senior Citizens Programs    | 9,056                          | -                 | -                    | -                       | 9,056                              |
|                             | <u>(33,924)</u>                | <u>-</u>          | <u>-</u>             | <u>-</u>                | <u>(33,924)</u>                    |
| Unassigned                  | <u>418,171</u>                 | <u>418,171</u>    | <u>-</u>             | <u>-</u>                | <u>-</u>                           |
| Totals                      | <u>\$ 1,827,794</u>            | <u>\$ 438,436</u> | <u>\$ 158,727</u>    | <u>\$ 170,974</u>       | <u>\$ 1,059,657</u>                |

The City uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as a grant agreement requiring dollar for dollar spending. Additionally, the City would first use committed then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. The City does not have a formal minimum fund balance policy.

## **19. Defined Benefit Pension Plan**

### *Plan description*

The City of Winfield participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are cost sharing multiple-employer defined benefit pension plans as provided by K.S.A. 74-4901, et seq. KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available financial report that includes financial statements and require supplementary information. Those may be obtained by writing to KPERS (611 South Kansas Avenue, Suite 100, Topeka, KS 66603-3803) or by calling 1-888-275-5737.

### *Funding policy*

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4-6% of covered salary. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution 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 for KPERS employers. The KPERS employer rate established for the period January 1, 2011 through December 31, 2011 is 7.74%. The City of Winfield employer contributions to KPERS for the years ended December 31, 2011, 2010, and 2009 were \$425,636, \$394,215, and \$359,083, respectively, equal to the statutory required contributions for each year. The KP&F employer rate established for fiscal years beginning in 2011 is 14.57%. 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 of Winfield contributions to KP&F for the years ended December 31, 2011, 2010, and 2009, were \$377,193, \$364,773, and \$362,978, respectively, equal to the statutory required contributions for each year.

## **20. Defined Contribution Plan**

The City established a 401(a) money purchase deferred compensation plan in 2004 for the benefit of employees. Employees who have reached the top step in their position's pay range, and make a minimum contribution of \$20 per pay period into the City-sponsored 457 plan, are eligible for employer contributions into the 401(a) plan. The plan provides that the City make a matching contribution, up to \$20 per pay period. The City contributed \$68,290 to employee accounts in 2011. The City of Winfield administers the plan, and has the authority for establishing and amending the plan's provisions and contribution requirements. Employees have the option of investing contributions in ING Life Insurance and Annuity Company investments (ING) or IMCA-RC investments.

## **21. Deferred Compensation Plan**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. Employees may choose between the State of Kansas ING 457 plan, or the ICMA plan. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Assets of the plan, valued at current market prices, are held in trust for the benefit of the participants.

All amounts of compensation deferred under the plan as well as earnings attributable to those amounts, are solely the property of the participant employees. Accordingly, the assets and related liabilities for the plan are not recorded in the accompanying financial statements.

## 22. Flexible Benefit Plan (I.R.C. Section 125)

In a prior year, the City Commission adopted by resolution a salary reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All permanent full-time employees are eligible to participate in the Plan beginning after one full month of employment. Each participant may elect to reduce his or her salary to purchase benefits offered through the Plan. Benefits offered through the Plan include various health and disability benefits.

## 23. Postemployment Health Care Plan

### *Plan Description*

The City sponsors a single-employer, defined benefit healthcare plan that provides healthcare benefits to eligible early retirees, including medical and dental coverage. K.S.A. 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. No separate financial report is issued for the Plan

The City requires retirees to pay the same premiums charged to COBRA participants with a 2% additional charge for administrative expenses. The rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. The difference between these amounts is the implicit rate subsidy, which is considered other post employment benefits (OPEB) under Governmental Accounting Standards Board Statement No. 45 (GASB Statement 45).

Retirees and spouses have the same benefits as active employees. Retiree coverage terminates either when the retiree becomes covered under another employer health plan, or when the retiree reaches Medicare eligibility age which is currently age 65. Spousal coverage is available until the retiree becomes covered under another employer health plan, attains Medicare eligibility age, or dies.

### *Funding Policy*

GASB Statement 45 does not require funding of the OPEB liability, and the City has chosen not to fund it. City policy dictates the payment of retiree claims as they become due. Plan participants contributed approximately \$93,200 to the Plan (102% of total premiums) through their required contribution of \$937.33 per month for family coverage and \$408 for retiree-only coverage.

### *Annual OPEB Cost and Net OPEB Obligation*

The City's annual OPEB cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. GASB Statement 45 requires an actuarial study to be performed at a minimum biennially. The latest actuarial valuation date is January 1, 2010. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years.

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the Plan:

|                                            |                   |
|--------------------------------------------|-------------------|
| Annual required contribution (ARC)         | \$ 116,719        |
| Interest on net OPEB obligation            | 4,815             |
| Adjustment to annual required contribution | <u>(6,265)</u>    |
| Annual OPEB cost (expense)                 | 115,269           |
| Expected employer contribution, net        | <u>(28,678)</u>   |
| Change in net OPEB obligation              | 86,591            |
| Net OPEB obligation - beginning of year    | <u>182,891</u>    |
| Net OPEB obligation - end of year          | <u>\$ 269,482</u> |

#### *Funded Status and Funding Progress*

The city's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended December 31, 2011 was as follows:

| Fiscal<br>Year<br>Ended | Annual<br>OPEB<br>Cost | Net<br>Employer<br>Contributions | Net<br>OPEB<br>Obligation |
|-------------------------|------------------------|----------------------------------|---------------------------|
| 12-31-2008              | \$ 96,300              | \$ 18,334                        | \$ 77,966                 |
| 12-31-2009              | 18,334                 | -                                | 96,300                    |
| 12-31-2010              | 115,269                | 28,678                           | 182,891                   |
| 12-31-2011              | 115,269                | 28,678                           | 269,482                   |

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

#### *Actuarial Methods and Assumptions*

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2010 actuarial valuation, the projected unit credit method was applied. The actuarial assumptions included a 5 percent investment rate of return, which is a blended rate of the expected long-term investment returns on the City's pooled funds and investments. The valuation assumed annual healthcare cost trend rates of six to seven percent in years 2010-2011, and an ultimate rate of five percent after 2011. Salaries expense and inflation are projected to increase four percent annually. The valuation followed generally accepted actuarial methods and included tests as considered necessary to assure the accuracy of the results. The UAAL is being amortized as a level dollar over an open thirty-year period.

## **24. Risk Management**

The City's insurance coverage consists of both self-insurance and policies maintained with various carriers. The City uses four internal service funds to address four risk areas – general risk management, workers' compensation, health insurance, and short-term disability insurance. The City records liabilities for known claims and estimated liabilities incurred but not reported at year-end. These claims are reflected under accounts payable and accrued liabilities in the internal service funds.

### **A. Risk Management Reserve**

Established in 1987 according to the provisions of K.S.A. 12-2615, this fund provides for paying for insurance premiums, deductibles, excess liability losses, uninsured losses, and insurable losses not otherwise covered. Insurance deductibles vary by type of property insurance coverage. The City purchases commercial insurance coverage for all substantial areas of risk, including property loss, auto liability, boiler and machinery, general and public officials' liability. Insurance policy premiums are paid through both individual funds and the risk management fund. Insurance settlements did not exceed insurance coverage in 2011 or the prior two years.



The following is a summary in changes of liability activity under the plan for 2011 and the prior two years:

|                                     | 2011             | 2010            | 2009          |
|-------------------------------------|------------------|-----------------|---------------|
| Liability balance, beginning        | \$ 2,601         | \$ 350          | \$ -          |
| Claims                              | 161,437          | 125,914         | 361,143       |
| Less insurance/other reimbursements | (180,903)        | (221,279)       | (380,533)     |
| Total costs incurred                | (16,865)         | (95,015)        | (19,390)      |
| Less claims paid                    | 28,055           | 97,616          | 19,740        |
| Liability balance, ending           | <u>\$ 11,190</u> | <u>\$ 2,601</u> | <u>\$ 350</u> |

#### B. Workers' Compensation Fund

In past years, the City has maintained a partially self-funded workers' compensation program to cover substantially all full-time and part-time employees of the City. On September 24, 2011, the City obtained full workers' compensation insurance coverage through the Kansas Eastern Region Insurance Trust (KERIT). All claims incurred after September 24, 2011 are covered through the KERIT insurance coverage. For the period January 1, 2011 through September 24, 2011, the City had insurance coverage for excess claims, as summarized below:

|                            |            |
|----------------------------|------------|
| All employee               | \$ 350,000 |
| Employers' liability limit | 1,000,000  |
| Aggregate retention        | 1,421,546  |

Workers' Compensation Insurance settlements did not exceed insurance coverage in 2011 or the prior two years. Two employees' cumulative claims stemming from prior years' work-injury incidents did exceed the City's excess claims coverage. All claims related to these two incidents, originating in 1998 and 2001, are being paid through the excess coverage insurance policy, and not a claims liability for the City.

The following represents the changes in the liability activity of the self-funded worker's compensation program for 2011 (through September 24) and the prior two years:

|                                        | 2011              | 2010             | 2009            |
|----------------------------------------|-------------------|------------------|-----------------|
| Liability balance, beginning           | \$ 67,252         | \$ 6,969         | \$ 9,650        |
| Claims incurred                        | 147,192           | 155,171          | 139,283         |
| Less insurance coverage reimbursements | (9,381)           | (6,969)          | (56,624)        |
| Total costs incurred                   | 205,063           | 155,171          | 92,309          |
| Less claims paid                       | (103,070)         | (87,919)         | (85,340)        |
| Liability balance, ending              | <u>\$ 101,993</u> | <u>\$ 67,252</u> | <u>\$ 6,969</u> |

#### C. Health Insurance Reserve

The City created the health insurance reserve in 1993, the purpose to accumulate monies to eventually fund a partially self-insured health insurance program. Funds accumulated may be used to pay excess losses, health claims, partial payments of health insurance premiums for employees, and other miscellaneous health insurance related expenses. Annual funding is provided by contributions from other funds, as determined by management in the budgeting process. Health insurance premiums are paid through this reserve fund, and funding is handled through contributions from other funds. The employee health insurance program is a fully insured program with health insurance offered to substantially all full-time employees of the City. Employee health insurance in 2011 was provided through Blue Cross Blue Shield. At December 31, 2011, the City had \$138,306 of net assets available for future health insurance premiums. The funds are being retained to stabilize future premium increases and provide a reserve, if the City should choose to self-insure in the future.

#### D. Short Term Disability Reserve

This reserve was created in 1997 to provide financial assistance to regular employees following sixty days of continuous disability. The benefit amounts to 50% of pre-disability weekly gross earnings up to a maximum weekly benefit of \$650, and is payable to an employee for a maximum of twenty-six weeks immediately following completion of the sixty-day waiting period. An employee may receive this benefit for a maximum of

fifty-two weeks over his/her career with the City. At December 31, 2011, the City had \$205,351 of net assets available for short term disability benefits to employees.

## 25. Contingencies and Commitments

### A. Encumbrances:

At December 31, 2011, the City had the following amounts encumbered:

|                                |                         |
|--------------------------------|-------------------------|
| Governmental-type Funds:       |                         |
| General Fund                   | \$ 8,717                |
| Capital Improvements           | 56,413                  |
| NonMajor Funds:                |                         |
| Special Streets                | 20,692                  |
| Business-type Funds:           |                         |
| Electric utility fund          | 276,661                 |
| Gas utility fund               | 658                     |
| Water utility fund             | 459,392                 |
| Wastewater utility fund        | 660                     |
| Internal Service funds:        |                         |
| Management Services            | 1,055                   |
| Risk Management                | <u>145,476</u>          |
| Total entity-wide encumbrances | <u><u>\$969,724</u></u> |

### B. Electric Purchase Commitments

#### ***Kansas Power Pool***

The City became a member of the Kansas Power Pool (KPP), a municipal energy agency, in January of 2005. KPP was created to provide economic benefits to its member cities, through coordination of collective electrical resources, facilities and loads. The city has power supply contracts with the Kansas Municipal Energy Agency (KMEA) for power supply from the Grand River Dam Authority (GRDA), and the Kansas City, Kansas Board of Public Utilities' Nearman Generation. The scheduling responsibilities for those contracts and the City's contract with the Southwestern Power Administration (SPA) have been assigned to KPP. That agency manages power supply on behalf of the City. The contracts with KMEA for GRDA Power and for Nearman Generation are in force through December 31, 2018 and May 31, 2022, respectively. KPP has entered into transmission arrangements with the Southwest Power Pool on behalf of the City. The City terminated its SPA power supply arrangement through KMEA in 2010, and entered into a contract directly with SPA. This contract is in force through May 31, 2025. In September 2011, the City entered into a twenty-year power purchase contract with KPP, to purchase all of the City's required electrical power.

The payment and scheduling responsibilities under all these contracts have all been assigned to KPP, and all billings and payments are handled through KPP. Payment responsibility for each of these contracts remains with the city for the full term of each contract and would be under the respective contract conditions should the city withdraw from KPP.

### C. Gas Purchase Commitments

At December 31, 2011, the City was committed to purchase the following gas volumes for 2012:

|                      |                           |
|----------------------|---------------------------|
| January – March 2012 | 140,000 MMBTU @ \$598,305 |
|----------------------|---------------------------|

**D. Gas Litigation**

The City joined together with seventeen other municipalities in 2003 to file a civil action suit under the federal antitrust laws for overcharges in natural gas prices incurred by municipal gas systems that have taken place in the last four years and projected to continue into the future. The complaint was filed against five major natural gas companies. At December 31, 2011, the lawsuit remained underway, with no monetary developments to disclose.

**E. Kansas Disability Coalition Interim Settlement Agreement**

The City was party to a lawsuit initiated by the Kansas Disability Coalition in 2006, and agreed to an interim settlement in August 2006. The provisions of the agreement require the City to achieve reasonable compliance with Title II of the American with Disabilities Act of 1990. A final court-approved agreement will be reached after the City completes and adopts a self-evaluation and transition plan for ADA compliance. Implementation of the transition plan will be over a 10 year period. At December 31, 2011, the City has expended \$621,786 in costs related to this plan.

**F. Other Legal Matters**

The City generally follows the practice of recording liabilities resulting from claims and legal actions only when it is probable that a liability has been incurred and the amount can be reasonably estimated. The City is defending its interest in various legal actions and claims against the City presently pending involving various miscellaneous claims, including workers' compensation claims. The ultimate liability that might result from the final resolution of the above matters is not presently determinable. In the opinion of management and its legal counsel, the probability of material aggregate liabilities resulting from these claims will not have an adverse material effect on the City's financial statements.

**26. Subsequent Events**

**A. Capital Lease Refinancing**

In February 2012, the City refinanced the capital lease for the aerial fire truck, lease balance \$460,000, with a local banking institution. The lease length and principal amount were not adjusted. The refinancing created a net cash flow savings of approximately \$20,000. See footnote 13.A. for 2011 capital lease details.

**B. KDHE Wastewater Treatment Plant Loan Refinancing**

In March 2012, the City refinanced the balance of the KDHE wastewater treatment plant loan, \$3,274,470, with a consortium of four local banking institutions. The refinancing resulted in a capital lease purchase agreement, in the amount of \$3,305,000. The lease term length was not adjusted. Net cash flow savings amounted to approximately \$95,000. See footnote 13.C. for the KDHE loan detail.

**C. Gottlob Business Park**

In April 2012, the City established Gottlob Business Park, an industrial and economic development project of approximately 100 acres. The new park is adjacent to the existing Winfield Industrial Park. A development agreement was made with Insite Winfield LLC for the City to provide road improvements, and, electric, water, sewer, and gas utility improvements to a 40 acre area, owned by Insite Winfield LLC. In conjunction with this project, the City purchased 60 acres of land, adjoining the Insite land. This land is to be held for future industrial and economic development. The project will be funded with temporary notes in 2012.

**D. 2012 Temporary Notes**

The City commission authorized the sale of general obligation temporary notes, Series 2012-1, in the amount of \$3,955,918.47 on June 18, 2012. These temporary notes are to finance the water tower improvement project (see note 11), \$562,060, and water, sewer, and main trafficway improvements for the Gottlob Business Park (see note 26.C), \$3,393,858.

**E. 2012 General Obligation Refunding Bonds**

The City commission authorized the sale of general obligation refunding bonds, 2012-A, on June 18, 2012. The refunding bonds will be issued to refund GO Bonds 2002-B, \$645,000, and 2003-A, \$1,155,000, to achieve an interest cost savings. See note 12.B. for reference to the bonds being refunded.



# FINANCIAL Section

## Supplemental Information



# NONMAJOR GOVERNMENTAL FUNDS

## Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted by either the City Commission or by outside entities for expenditures for specific purposes.

Flood Control – Maintenance costs of the flood levee are paid from this fund.

Special Parks and Recreation – Park and park equipment upgrades are paid from this fund. K.S.A. 79-49a102 requires one-third of the 10% gross receipts tax on the sale of alcoholic liquor be deposited into this fund for park enhancements.

Special Alcohol Program – Transfers are made from this fund to the City's D.A.R.E. Program fund. K.S.A. 79-49a102 requires one-third of the 10% gross receipts tax on the sale of alcoholic liquor to be deposited into this fund for expenses of drug and alcohol education, treatment, or prevention programs.

Law Enforcement Trust – K.S.A. 60-4117 requires the City to deposit the net proceeds of sales of forfeited property and moneys related to controlled substances activities to be deposited into a separate fund. Appropriations from this fund are not to be used to meet normal operating expenses of the police department. The statute defines allowable expenditures.

Water Preservation - Created in 2004 to provide funding for programs to protect the upstream quality of water flowing into the Winfield City Lake, the primary water source for the City of Winfield. A portion of annual lake permit fees and two cents for every one-thousand gallons of water usage billed provide the revenue sources for this fund.

Senior Citizen Facility – Senior Citizen Center expenses are paid from this fund. Funds are received from the Cowley County Council on Aging for this purpose.

Special Liability – City and City employee legal defense costs and various uninsured risk costs may be paid from this fund. Under K.S.A. 75-6110, the City levies property taxes to provide funding for this purpose.

Special Streets and Highway – Street and highway-related maintenance expenses are paid from this fund. The State of Kansas gasoline tax allotments are the primary funding source, and must be used for this purpose.

Industrial Development – Industrial and economic development related expenses are paid from this fund. Kansas statutes authorize the City to levy property taxes to provide funding for this purpose.

Tourism and Convention – Local tourism and convention promotional expenses are paid from this fund. Transient guest taxes are the primary funding source, received through the State of Kansas.

Fairgrounds Improvements – Cowley County Fairgrounds maintenance and improvement expenses may be paid from this fund. Fairgrounds facilities usage fees are the primary funding source.

Drug Task Force – Cowley County and the cities of Arkansas City and Winfield share drug task force duties within Cowley County, and utilize this fund to centrally manage and share drug task forces costs and funding sources.

Cemetery Improvement – Cemetery operations and maintenance expenses may be paid from this fund. One-third of the sales proceeds of each cemetery space and "pre-need" payments are the primary funding sources.

Public Library – Property taxes are levied for library operations. The City receives these collections from Cowley County, and remits to the Winfield Public Library, to be used for library operations.

## **NONMAJOR GOVERNMENTAL FUNDS** (continued)

Equipment Reserve - Transfers from other funds are accumulated to this fund, to provide for future equipment purchases.

Special Improvements – This fund acts as a revolving fund to provide working capital to finance the initial costs of projects eventually paid for through special assessments to property owners in a benefit district.

Baden Hall Restoration – The City owned Baden Hall, a building to be renovated in Baden Square. Private contributions from citizens and St. John Alumni, designated for the renovation of Baden Hall, have been accumulated in this fund. The building was sold in 2011 to a developer, for renovation for a twenty four unit apartment building.

Grants and Contributions – Federal and state grants and contributions from private enterprise for general government type projects are funneled through this fund, for tracking and compliance purposes.

Alcohol and Drug Safety Action – Assessment fees collected by the municipal court in accordance with K.S.A. 8-1008, for alcohol or drug related charges, are deposited into this fund. Moneys are to be used only for court expenses involved in administering the provisions of the statute.

Energy Manager Grant – The City received a two year Energy Manager's Grant in 2010, through the Kansas Corporation Commission (KCC) and the Federal Department of Energy. The purpose of the grant is to provide financial assistance for hiring an energy manager and for outreach and education in the community. This fund tracks the grant revenues and expenditures.

### **Capital Project Funds**

Capital project funds are used to account for the acquisition and construction of major facilities, and for building and general improvements of city-owned structures and facilities, other than those financed by special revenue and enterprise funds.

Country Club Villa – The city authorized initial costs for streets and sewer line construction to this housing development in 2008. The project was postponed late in 2008, at the developer's request, and remains on hold.

KLINK 2010/2011 Project – A street resurfacing project on a main trafficway of the city was completed in 2010. KDOT paid for 50% of the project, and the balance was financed by the city through general obligation bonds.

### **Permanent Fund**

Cemetery Endowment – This endowment from a citizen prohibits the use of the principal, and only the investment earnings can be used for cemetery improvements.

# CITY OF WINFIELD, KANSAS

## Nonmajor Governmental Funds Combining Balance Sheet December 31, 2011

|                                            | Special Revenue Funds |                              |                         |                       |                    |                         |
|--------------------------------------------|-----------------------|------------------------------|-------------------------|-----------------------|--------------------|-------------------------|
|                                            | Flood Control         | Special Parks and Recreation | Special Alcohol Program | Law Enforcement Trust | Water Preservation | Senior Citizen Facility |
| <b>ASSETS</b>                              |                       |                              |                         |                       |                    |                         |
| Pooled cash and investments                | \$ 59,551             | \$ 79,221                    | \$ 2,425                | \$ 4,763              | \$ 47,661          | \$ 9,056                |
| Taxes receivable                           | -                     | -                            | -                       | -                     | -                  | -                       |
| Due from other governmental agencies       | -                     | -                            | -                       | -                     | -                  | -                       |
| <b>Total assets</b>                        | <u>\$ 59,551</u>      | <u>\$ 79,221</u>             | <u>\$ 2,425</u>         | <u>\$ 4,763</u>       | <u>\$ 47,661</u>   | <u>\$ 9,056</u>         |
| <b>LIABILITIES AND FUND BALANCES</b>       |                       |                              |                         |                       |                    |                         |
| Accounts payable                           | \$ -                  | \$ -                         | \$ -                    | \$ -                  | \$ 2,409           | \$ -                    |
| Due to other funds                         | -                     | -                            | -                       | -                     | -                  | -                       |
| Deferred revenues                          | -                     | -                            | -                       | -                     | -                  | -                       |
| <b>Total liabilities</b>                   | <u>-</u>              | <u>-</u>                     | <u>-</u>                | <u>-</u>              | <u>2,409</u>       | <u>-</u>                |
| <b>Fund balances</b>                       |                       |                              |                         |                       |                    |                         |
| Nonspendable:                              | -                     | -                            | -                       | -                     | -                  | -                       |
| Restricted for:                            |                       |                              |                         |                       |                    |                         |
| Court programs                             | -                     | -                            | -                       | -                     | -                  | -                       |
| Culture/recreation                         | -                     | 79,221                       | -                       | -                     | -                  | -                       |
| Drug/alcohol programs                      | -                     | -                            | 2,425                   | -                     | -                  | -                       |
| Tourism development                        | -                     | -                            | -                       | -                     | -                  | -                       |
| Energy grant                               | -                     | -                            | -                       | -                     | -                  | -                       |
| Equipment acquisition                      | -                     | -                            | -                       | -                     | -                  | -                       |
| Legal/uninsured liabilities                | -                     | -                            | -                       | -                     | -                  | -                       |
| Levee maintenance                          | 59,551                | -                            | -                       | -                     | -                  | -                       |
| Library                                    | -                     | -                            | -                       | -                     | -                  | -                       |
| Police/public safety                       | -                     | -                            | -                       | 4,763                 | -                  | -                       |
| Committed for:                             |                       |                              |                         |                       |                    |                         |
| Capital improvements                       | -                     | -                            | -                       | -                     | -                  | -                       |
| Cemetery improvements                      | -                     | -                            | -                       | -                     | -                  | -                       |
| Fairgrounds improvements                   | -                     | -                            | -                       | -                     | -                  | -                       |
| Streets maintenance                        | -                     | -                            | -                       | -                     | -                  | -                       |
| Water quality programs                     | -                     | -                            | -                       | -                     | 45,252             | -                       |
| Assigned for:                              |                       |                              |                         |                       |                    |                         |
| Capital projects                           | -                     | -                            | -                       | -                     | -                  | -                       |
| Senior citizens programs                   | -                     | -                            | -                       | -                     | -                  | 9,056                   |
| <b>Total fund balances</b>                 | <u>59,551</u>         | <u>79,221</u>                | <u>2,425</u>            | <u>4,763</u>          | <u>45,252</u>      | <u>9,056</u>            |
| <b>Total liabilities and fund balances</b> | <u>\$ 59,551</u>      | <u>\$ 79,221</u>             | <u>\$ 2,425</u>         | <u>\$ 4,763</u>       | <u>\$ 47,661</u>   | <u>\$ 9,056</u>         |

**Special Revenue Funds**

| <b>Special<br/>Liability</b> | <b>Special Streets<br/>and Highway</b> | <b>Industrial<br/>Development</b> | <b>Tourism and<br/>Convention</b> | <b>Fairgrounds<br/>Improvements</b> | <b>Drug Task<br/>Force</b> | <b>Cemetery<br/>Improvement</b> |
|------------------------------|----------------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|----------------------------|---------------------------------|
| \$ 290,609                   | \$ 162,514                             | \$ -                              | \$ 113,222                        | \$ 78,742                           | \$ 9,192                   | \$ 86,750                       |
| 117,851                      | -                                      | 11,944                            | -                                 | -                                   | -                          | -                               |
| -                            | 15,279                                 | -                                 | -                                 | -                                   | -                          | -                               |
| <u>\$ 408,460</u>            | <u>\$ 177,793</u>                      | <u>\$ 11,944</u>                  | <u>\$ 113,222</u>                 | <u>\$ 78,742</u>                    | <u>\$ 9,192</u>            | <u>\$ 86,750</u>                |
|                              |                                        |                                   |                                   |                                     |                            |                                 |
| \$ 1,088                     | \$ 7,999                               | \$ -                              | \$ 5,039                          | \$ -                                | \$ 558                     | \$ -                            |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
| 117,851                      | -                                      | 11,944                            | -                                 | -                                   | -                          | -                               |
| <u>118,939</u>               | <u>7,999</u>                           | <u>11,944</u>                     | <u>5,039</u>                      | <u>-</u>                            | <u>558</u>                 | <u>-</u>                        |
|                              |                                        |                                   |                                   |                                     |                            |                                 |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
|                              |                                        |                                   |                                   |                                     |                            |                                 |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
| -                            | -                                      | -                                 | 108,183                           | -                                   | -                          | -                               |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
| 289,521                      | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
| -                            | -                                      | -                                 | -                                 | -                                   | 8,634                      | -                               |
|                              |                                        |                                   |                                   |                                     |                            |                                 |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | 86,750                          |
| -                            | -                                      | -                                 | -                                 | 78,742                              | -                          | -                               |
| -                            | 169,794                                | -                                 | -                                 | -                                   | -                          | -                               |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
|                              |                                        |                                   |                                   |                                     |                            |                                 |
| -                            | -                                      | -                                 | -                                 | -                                   | -                          | -                               |
| <u>-</u>                     | <u>-</u>                               | <u>-</u>                          | <u>-</u>                          | <u>-</u>                            | <u>-</u>                   | <u>-</u>                        |
| <u>289,521</u>               | <u>169,794</u>                         | <u>-</u>                          | <u>108,183</u>                    | <u>78,742</u>                       | <u>8,634</u>               | <u>86,750</u>                   |
|                              |                                        |                                   |                                   |                                     |                            |                                 |
| <u>\$ 408,460</u>            | <u>\$ 177,793</u>                      | <u>\$ 11,944</u>                  | <u>\$ 113,222</u>                 | <u>\$ 78,742</u>                    | <u>\$ 9,192</u>            | <u>\$ 86,750</u>                |

(Continued)



# CITY OF WINFIELD, KANSAS

## Nonmajor Governmental Funds Combining Balance Sheet December 31, 2011

|                                                | Special Revenue Funds |                      |                         |                           |                             |
|------------------------------------------------|-----------------------|----------------------|-------------------------|---------------------------|-----------------------------|
|                                                | Public<br>Library     | Equipment<br>Reserve | Special<br>Improvements | Baden Hall<br>Restoration | Grants and<br>Contributions |
| <b>ASSETS</b>                                  |                       |                      |                         |                           |                             |
| Pooled cash and investments                    | \$ 10,094             | \$ 74,514            | \$ 41,601               | \$ -                      | \$ 23,586                   |
| Taxes receivable                               | 440,323               | -                    | -                       | -                         | -                           |
| Due from other governmental agencies           | -                     | -                    | -                       | -                         | -                           |
| <b>Total assets</b>                            | <u>\$ 450,417</u>     | <u>\$ 74,514</u>     | <u>\$ 41,601</u>        | <u>\$ -</u>               | <u>\$ 23,586</u>            |
| <b>LIABILITIES AND FUND BALANCES</b>           |                       |                      |                         |                           |                             |
| Accounts payable                               | \$ -                  | \$ -                 | \$ -                    | \$ -                      | \$ 455                      |
| Due to other funds                             | -                     | -                    | -                       | -                         | -                           |
| Deferred revenues                              | 440,323               | -                    | -                       | -                         | -                           |
| <b>Total liabilities</b>                       | <u>440,323</u>        | <u>-</u>             | <u>-</u>                | <u>-</u>                  | <u>455</u>                  |
| <b>Fund balances</b>                           |                       |                      |                         |                           |                             |
| Nonspendable:                                  | -                     | -                    | -                       | -                         | -                           |
| Restricted for:                                |                       |                      |                         |                           |                             |
| Court programs                                 | -                     | -                    | -                       | -                         | -                           |
| Culture/recreation                             | -                     | -                    | -                       | -                         | -                           |
| Drug/alcohol programs                          | -                     | -                    | -                       | -                         | -                           |
| Tourism development                            | -                     | -                    | -                       | -                         | -                           |
| Energy grant                                   | -                     | -                    | -                       | -                         | -                           |
| Equipment acquisition                          | -                     | 74,514               | -                       | -                         | 23,131                      |
| Legal/uninsured liabilities                    | -                     | -                    | -                       | -                         | -                           |
| Levee maintenance                              | -                     | -                    | -                       | -                         | -                           |
| Library                                        | 10,094                | -                    | -                       | -                         | -                           |
| Police/public safety                           | -                     | -                    | -                       | -                         | -                           |
| Committed for:                                 |                       |                      |                         |                           |                             |
| Capital improvements                           | -                     | -                    | 41,601                  | -                         | -                           |
| Cemetery improvements                          | -                     | -                    | -                       | -                         | -                           |
| Fairgrounds improvements                       | -                     | -                    | -                       | -                         | -                           |
| Streets maintenance                            | -                     | -                    | -                       | -                         | -                           |
| Water quality programs                         | -                     | -                    | -                       | -                         | -                           |
| Assigned for:                                  |                       |                      |                         |                           |                             |
| Capital projects                               | -                     | -                    | -                       | -                         | -                           |
| Senior citizens programs                       | -                     | -                    | -                       | -                         | -                           |
| <b>Total fund balances</b>                     | <u>10,094</u>         | <u>74,514</u>        | <u>41,601</u>           | <u>-</u>                  | <u>23,131</u>               |
| <b>Total liabilities<br/>and fund balances</b> | <u>\$ 450,417</u>     | <u>\$ 74,514</u>     | <u>\$ 41,601</u>        | <u>\$ -</u>               | <u>\$ 23,586</u>            |

| Special Revenue Funds        |                      | Capital Project Funds        |                               | Permanent Fund     | TOTALS              |
|------------------------------|----------------------|------------------------------|-------------------------------|--------------------|---------------------|
| Alcohol & Drug Safety Action | Energy Manager Grant | Country Club Villa Improvmts | KLINK 2010/2011 Street Improv | Cemetery Endowment |                     |
| \$ 4,276                     | \$ 1,487             | \$ -                         | \$ -                          | \$ 6,000           | \$ 1,105,264        |
| -                            | -                    | -                            | -                             | -                  | 570,118             |
| -                            | 27,744               | -                            | -                             | -                  | 43,023              |
| <u>\$ 4,276</u>              | <u>\$ 29,231</u>     | <u>\$ -</u>                  | <u>\$ -</u>                   | <u>\$ 6,000</u>    | <u>\$ 1,718,405</u> |
|                              |                      |                              |                               |                    |                     |
| \$ -                         | \$ 1,289             | \$ -                         | \$ -                          | \$ -               | \$ 18,837           |
| -                            | 26,813               | 42,980                       | -                             | -                  | 69,793              |
| -                            | -                    | -                            | -                             | -                  | 570,118             |
| -                            | 28,102               | 42,980                       | -                             | -                  | 658,748             |
|                              |                      |                              |                               |                    |                     |
| -                            | -                    | -                            | -                             | 6,000              | 6,000               |
|                              |                      |                              |                               |                    |                     |
| 4,276                        | -                    | -                            | -                             | -                  | 4,276               |
| -                            | -                    | -                            | -                             | -                  | 79,221              |
| -                            | -                    | -                            | -                             | -                  | 2,425               |
| -                            | -                    | -                            | -                             | -                  | 108,183             |
| -                            | 1,129                | -                            | -                             | -                  | 1,129               |
| -                            | -                    | -                            | -                             | -                  | 97,645              |
| -                            | -                    | -                            | -                             | -                  | 289,521             |
| -                            | -                    | -                            | -                             | -                  | 59,551              |
| -                            | -                    | -                            | -                             | -                  | 10,094              |
| -                            | -                    | -                            | -                             | -                  | 13,397              |
|                              |                      |                              |                               |                    |                     |
| -                            | -                    | -                            | -                             | -                  | 41,601              |
| -                            | -                    | -                            | -                             | -                  | 86,750              |
| -                            | -                    | -                            | -                             | -                  | 78,742              |
| -                            | -                    | -                            | -                             | -                  | 169,794             |
| -                            | -                    | -                            | -                             | -                  | 45,252              |
|                              |                      |                              |                               |                    |                     |
| -                            | -                    | (42,980)                     | -                             | -                  | (42,980)            |
| -                            | -                    | -                            | -                             | -                  | 9,056               |
| <u>4,276</u>                 | <u>1,129</u>         | <u>(42,980)</u>              | <u>-</u>                      | <u>6,000</u>       | <u>1,059,657</u>    |
|                              |                      |                              |                               |                    |                     |
| <u>\$ 4,276</u>              | <u>\$ 29,231</u>     | <u>\$ -</u>                  | <u>\$ -</u>                   | <u>\$ 6,000</u>    | <u>\$ 1,718,405</u> |

(Concluded)

# CITY OF WINFIELD, KANSAS

## Nonmajor Governmental Funds Combining Statement of Revenues, Expenditures, and Changes in Fund Balances FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                 | Special Revenue Funds |                                    |                               |                             |                       |                               |
|-------------------------------------------------|-----------------------|------------------------------------|-------------------------------|-----------------------------|-----------------------|-------------------------------|
|                                                 | Flood<br>Control      | Special<br>Parks and<br>Recreation | Special<br>Alcohol<br>Program | Law<br>Enforcement<br>Trust | Water<br>Preservation | Senior<br>Citizen<br>Facility |
| <b>Revenues</b>                                 |                       |                                    |                               |                             |                       |                               |
| Property taxes                                  | \$ -                  | \$ -                               | \$ -                          | \$ -                        | \$ -                  | \$ -                          |
| Intergovernmental revenues                      | -                     | 21,256                             | 21,256                        | -                           | -                     | 4,000                         |
| Charges for services                            | -                     | 14,350                             | -                             | -                           | -                     | -                             |
| Interest                                        | 173                   | 177                                | 8                             | 8                           | 149                   | 32                            |
| Other                                           | 10,960                | 11,575                             | 2,500                         | 4,460                       | -                     | 2,540                         |
| <b>Total revenues</b>                           | <u>11,133</u>         | <u>47,358</u>                      | <u>23,764</u>                 | <u>4,468</u>                | <u>149</u>            | <u>6,572</u>                  |
| <b>Expenditures</b>                             |                       |                                    |                               |                             |                       |                               |
| General government                              | -                     | -                                  | -                             | -                           | -                     | -                             |
| Public safety                                   | -                     | -                                  | 25,728                        | 528                         | -                     | -                             |
| Public works                                    | 5,238                 | -                                  | -                             | -                           | -                     | -                             |
| Cemetery                                        | -                     | -                                  | -                             | -                           | -                     | -                             |
| Culture and recreation                          | -                     | 10,563                             | -                             | -                           | -                     | 9,140                         |
| Health and welfare                              | -                     | -                                  | -                             | -                           | 40,350                | -                             |
| Economic development                            | -                     | -                                  | -                             | -                           | -                     | -                             |
| Debt service:                                   |                       |                                    |                               |                             |                       |                               |
| Capital lease principal payments                | -                     | -                                  | -                             | -                           | -                     | -                             |
| Capital lease interest payments                 | -                     | -                                  | -                             | -                           | -                     | -                             |
| <b>Total expenditures</b>                       | <u>5,238</u>          | <u>10,563</u>                      | <u>25,728</u>                 | <u>528</u>                  | <u>40,350</u>         | <u>9,140</u>                  |
| <b>Revenues over (under)<br/>expenditures</b>   | <u>5,895</u>          | <u>36,795</u>                      | <u>(1,964)</u>                | <u>3,940</u>                | <u>(40,201)</u>       | <u>(2,568)</u>                |
| <b>Other financing sources (uses)</b>           |                       |                                    |                               |                             |                       |                               |
| Transfers in                                    | -                     | -                                  | -                             | -                           | 58,654                | 500                           |
| Transfers out                                   | (10,958)              | (9,042)                            | -                             | -                           | (30,537)              | -                             |
| <b>Total other financing<br/>sources (uses)</b> | <u>(10,958)</u>       | <u>(9,042)</u>                     | <u>-</u>                      | <u>-</u>                    | <u>28,117</u>         | <u>500</u>                    |
| <b>Net change in fund balances</b>              | (5,063)               | 27,753                             | (1,964)                       | 3,940                       | (12,084)              | (2,068)                       |
| <b>Fund balances, January 1</b>                 | <u>64,614</u>         | <u>51,468</u>                      | <u>4,389</u>                  | <u>823</u>                  | <u>57,336</u>         | <u>11,124</u>                 |
| <b>Fund balances, December 31</b>               | <u>\$ 59,551</u>      | <u>\$ 79,221</u>                   | <u>\$ 2,425</u>               | <u>\$ 4,763</u>             | <u>\$ 45,252</u>      | <u>\$ 9,056</u>               |

**Special Revenue Funds**

| <b>Special Liability</b> | <b>Special Streets and Highway</b> | <b>Industrial Development</b> | <b>Tourism and Convention</b> | <b>Fairgrounds Improvements</b> | <b>Drug Task Force</b> | <b>Cemetery Improvement</b> |
|--------------------------|------------------------------------|-------------------------------|-------------------------------|---------------------------------|------------------------|-----------------------------|
| \$ 137,443               | \$ -                               | \$ 15,373                     | \$ -                          | \$ -                            | \$ -                   | \$ -                        |
| -                        | 421,517                            | -                             | 81,501                        | -                               | 15,000                 | -                           |
| -                        | -                                  | -                             | 1,965                         | 11,443                          | -                      | 10,002                      |
| 983                      | 538                                | 72                            | 299                           | 204                             | 37                     | 230                         |
| 660                      | 1,708                              | -                             | 10,953                        | 18,000                          | 6,871                  | 600                         |
| <u>139,086</u>           | <u>423,763</u>                     | <u>15,445</u>                 | <u>94,718</u>                 | <u>29,647</u>                   | <u>21,908</u>          | <u>10,832</u>               |
| 191,995                  | -                                  | -                             | -                             | -                               | -                      | -                           |
| -                        | -                                  | -                             | -                             | -                               | 26,697                 | -                           |
| -                        | 645,856                            | -                             | -                             | -                               | -                      | -                           |
| -                        | -                                  | -                             | -                             | -                               | -                      | 6,360                       |
| -                        | -                                  | -                             | -                             | 19,163                          | -                      | -                           |
| -                        | -                                  | -                             | -                             | -                               | -                      | -                           |
| -                        | -                                  | 72,118                        | 103,565                       | -                               | -                      | -                           |
| -                        | 35,012                             | -                             | -                             | -                               | -                      | -                           |
| -                        | 4,159                              | -                             | -                             | -                               | -                      | -                           |
| <u>191,995</u>           | <u>685,027</u>                     | <u>72,118</u>                 | <u>103,565</u>                | <u>19,163</u>                   | <u>26,697</u>          | <u>6,360</u>                |
| <u>(52,909)</u>          | <u>(261,264)</u>                   | <u>(56,673)</u>               | <u>(8,847)</u>                | <u>10,484</u>                   | <u>(4,789)</u>         | <u>4,472</u>                |
| -                        | 285,000                            | 26,652                        | -                             | -                               | -                      | 17                          |
| -                        | (75,000)                           | -                             | -                             | -                               | -                      | -                           |
| -                        | 210,000                            | 26,652                        | -                             | -                               | -                      | 17                          |
| (52,909)                 | (51,264)                           | (30,021)                      | (8,847)                       | 10,484                          | (4,789)                | 4,489                       |
| 342,430                  | 221,058                            | 30,021                        | 117,030                       | 68,258                          | 13,423                 | 82,261                      |
| <u>\$ 289,521</u>        | <u>\$ 169,794</u>                  | <u>\$ -</u>                   | <u>\$ 108,183</u>             | <u>\$ 78,742</u>                | <u>\$ 8,634</u>        | <u>\$ 86,750</u>            |

(Continued)

**CITY OF WINFIELD, KANSAS**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

|                                                 | <b>Special Revenue Funds</b> |                              |                                 |                                   |                                     |
|-------------------------------------------------|------------------------------|------------------------------|---------------------------------|-----------------------------------|-------------------------------------|
|                                                 | <b>Public<br/>Library</b>    | <b>Equipment<br/>Reserve</b> | <b>Special<br/>Improvements</b> | <b>Baden Hall<br/>Restoration</b> | <b>Grants and<br/>Contributions</b> |
| <b>Revenues</b>                                 |                              |                              |                                 |                                   |                                     |
| Property taxes                                  | \$ 513,910                   | \$ -                         | \$ -                            | \$ -                              | \$ -                                |
| Intergovernmental revenues                      | -                            | -                            | -                               | -                                 | -                                   |
| Charges for services                            | -                            | -                            | -                               | -                                 | -                                   |
| Interest                                        | -                            | 9                            | 114                             | 247                               | 58                                  |
| Other                                           | -                            | -                            | -                               | -                                 | 11,785                              |
| <b>Total revenues</b>                           | <b>513,910</b>               | <b>9</b>                     | <b>114</b>                      | <b>247</b>                        | <b>11,843</b>                       |
| <b>Expenditures</b>                             |                              |                              |                                 |                                   |                                     |
| General government                              | -                            | -                            | -                               | 248,000                           | -                                   |
| Public safety                                   | -                            | -                            | -                               | -                                 | 8,064                               |
| Public works                                    | -                            | -                            | -                               | -                                 | -                                   |
| Cemetery                                        | -                            | -                            | -                               | -                                 | -                                   |
| Culture and recreation                          | 503,816                      | -                            | -                               | -                                 | -                                   |
| Health and welfare                              | -                            | -                            | -                               | -                                 | -                                   |
| Economic development                            | -                            | -                            | -                               | -                                 | -                                   |
| Debt service:                                   |                              |                              |                                 |                                   |                                     |
| Capital lease principal payments                | -                            | -                            | -                               | -                                 | -                                   |
| Capital lease interest payments                 | -                            | -                            | -                               | -                                 | -                                   |
| <b>Total expenditures</b>                       | <b>503,816</b>               | <b>-</b>                     | <b>-</b>                        | <b>248,000</b>                    | <b>8,064</b>                        |
| <b>Revenues over (under)<br/>expenditures</b>   | <b>10,094</b>                | <b>9</b>                     | <b>114</b>                      | <b>(247,753)</b>                  | <b>3,779</b>                        |
| <b>Other financing sources (uses)</b>           |                              |                              |                                 |                                   |                                     |
| Transfers in                                    | -                            | 74,504                       | -                               | -                                 | -                                   |
| Transfers out                                   | -                            | -                            | -                               | -                                 | -                                   |
| <b>Total other financing<br/>sources (uses)</b> | <b>-</b>                     | <b>74,504</b>                | <b>-</b>                        | <b>-</b>                          | <b>-</b>                            |
| <b>Net change in fund balances</b>              | <b>10,094</b>                | <b>74,513</b>                | <b>114</b>                      | <b>(247,753)</b>                  | <b>3,779</b>                        |
| <b>Fund balances, January 1</b>                 | <b>-</b>                     | <b>1</b>                     | <b>41,487</b>                   | <b>247,753</b>                    | <b>19,352</b>                       |
| <b>Fund balances, December 31</b>               | <b>\$ 10,094</b>             | <b>\$ 74,514</b>             | <b>\$ 41,601</b>                | <b>\$ -</b>                       | <b>\$ 23,131</b>                    |

| Special Revenue Funds        |                      | Capital Projects Funds       |                               | Permanent Fund     | TOTALS       |
|------------------------------|----------------------|------------------------------|-------------------------------|--------------------|--------------|
| Alcohol & Drug Safety Action | Energy Manager Grant | Country Club Villa Improvmts | KLINK 2010/2011 Street Improv | Cemetery Endowment |              |
| \$ -                         | \$ -                 | \$ -                         | \$ -                          | \$ -               | \$ 666,726   |
| -                            | 79,744               | -                            | -                             | -                  | 644,274      |
| -                            | -                    | -                            | -                             | -                  | 37,760       |
| 9                            | 127                  | -                            | -                             | 17                 | 3,491        |
| -                            | -                    | -                            | -                             | -                  | 82,612       |
| 9                            | 79,871               | -                            | -                             | 17                 | 1,434,863    |
| -                            | 78,742               | -                            | -                             | -                  | 518,737      |
| -                            | -                    | -                            | -                             | -                  | 61,017       |
| -                            | -                    | -                            | -                             | -                  | 651,094      |
| -                            | -                    | -                            | -                             | -                  | 6,360        |
| -                            | -                    | -                            | -                             | -                  | 542,682      |
| -                            | -                    | -                            | -                             | -                  | 40,350       |
| -                            | -                    | -                            | -                             | -                  | 175,683      |
| -                            | -                    | -                            | -                             | -                  | 35,012       |
| -                            | -                    | -                            | -                             | -                  | 4,159        |
| -                            | 78,742               | -                            | -                             | -                  | 2,035,094    |
| 9                            | 1,129                | -                            | -                             | 17                 | (600,231)    |
| 210                          | -                    | -                            | -                             | -                  | 445,537      |
| -                            | -                    | -                            | (32,519)                      | (17)               | (158,073)    |
| 210                          | -                    | -                            | (32,519)                      | (17)               | 287,464      |
| 219                          | 1,129                | -                            | (32,519)                      | -                  | (312,767)    |
| 4,057                        | -                    | (42,980)                     | 32,519                        | 6,000              | 1,372,424    |
| \$ 4,276                     | \$ 1,129             | \$ (42,980)                  | \$ -                          | \$ 6,000           | \$ 1,059,657 |

(Concluded)

# CITY OF WINFIELD, KANSAS

## DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - BUDGETARY BASIS FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                                                | <u>Budget</u>    | <u>Actual</u>     | <u>Variance</u>   |
|--------------------------------------------------------------------------------|------------------|-------------------|-------------------|
| <b>Revenues and other sources:</b>                                             |                  |                   |                   |
| Taxes:                                                                         |                  |                   |                   |
| Property                                                                       | \$ 686,620       | 702,705           | \$ 16,085         |
| Special assessments                                                            | 207,845          | 207,926           | 81                |
| Other revenues:                                                                |                  |                   |                   |
| Interest income                                                                | 2,500            | 698               | (1,802)           |
| Payments from other governmental entities,<br>debt payment shares              | 31,437           | 31,437            | -                 |
| Transfers in                                                                   | 1,316,346        | 1,287,689         | (28,657)          |
| <b>Total revenues and other sources</b>                                        | <u>2,244,748</u> | <u>2,230,455</u>  | <u>(14,293)</u>   |
| <b>Expenditures and other uses:</b>                                            |                  |                   |                   |
| Debt interest payments                                                         | 702,883          | 561,452           | 141,431           |
| Debt principal payments                                                        | 1,562,177        | 1,635,038         | (72,861)          |
| Transfer to other fund for debt payment                                        | 100,000          | -                 | 100,000           |
| Neighborhood Revitalization                                                    | 6,497            | 6,453             | 44                |
| <b>Total expenditures and other uses</b>                                       | <u>2,371,557</u> | <u>2,202,943</u>  | <u>168,614</u>    |
| <b>Revenues and other sources over<br/>(under) expenditures and other uses</b> | (126,809)        | 27,512            | 154,321           |
| <b>Unencumbered fund balance, Jan 1</b>                                        | <u>142,159</u>   | <u>131,214</u>    | <u>(10,945)</u>   |
| <b>Unencumbered fund balance, Dec 31</b>                                       | <u>\$ 15,350</u> | <u>\$ 158,726</u> | <u>\$ 143,376</u> |

# CITY OF WINFIELD, KANSAS

## Nonmajor Capital Projects Fund Country Club Villas Water, Streets and Drainage Improvements

### Schedule of Revenues, Expenditures, and Changes in Fund Balances From Inception and for the Year ended December 31, 2011

|                                         | <u>Prior<br/>Years</u>    | <u>Current<br/>Year</u>   | <u>Total<br/>to Date</u>  | <u>Project<br/>Authorization</u> |
|-----------------------------------------|---------------------------|---------------------------|---------------------------|----------------------------------|
| <b>Expenditures:</b>                    |                           |                           |                           |                                  |
| Improvement projects                    | <u>\$ 42,980</u>          | <u>\$ -</u>               | <u>\$ 42,980</u>          | <u>\$ 177,000</u>                |
| <b>Other financing sources (uses):</b>  |                           |                           |                           |                                  |
| Total other financing<br>sources (uses) | <u>-</u>                  | <u>-</u>                  | <u>-</u>                  | <u>-</u>                         |
| Net change in fund balances             | (42,980)                  | -                         | -                         | <u><u>\$ (177,000)</u></u>       |
| Fund balance-beginning of year          | <u>-</u>                  | <u>(42,980)</u>           | <u>(42,980)</u>           |                                  |
| Fund balance - end of year              | <u><u>\$ (42,980)</u></u> | <u><u>\$ (42,980)</u></u> | <u><u>\$ (42,980)</u></u> |                                  |



# CITY OF WINFIELD, KANSAS

## Nonmajor Capital Projects Fund KLINK 2010/2011 Street Improvements

### Schedule of Revenues, Expenditures, and Changes in Fund Balances From Inception and for the Year ended December 31, 2011

|                                         | <u>Prior<br/>Years</u>      | <u>Current<br/>Year</u> | <u>Total<br/>to Date</u> | <u>Project<br/>Authorization</u> |
|-----------------------------------------|-----------------------------|-------------------------|--------------------------|----------------------------------|
| <b>Expenditures:</b>                    |                             |                         |                          |                                  |
| Improvement projects                    | \$ 348,648                  | \$ -                    | \$ 348,648               | \$ 452,000                       |
| <b>Other financing sources (uses):</b>  |                             |                         |                          |                                  |
| Debt proceeds interest income           | 155                         | -                       | 155                      | -                                |
| General obligation bond proceeds        | 212,637                     | -                       | 212,637                  | 252,000                          |
| Debt issuance costs                     | (1,192)                     | -                       | (1,192)                  | -                                |
| KDOT KLINK funds                        | 169,567                     | -                       | 169,567                  | 200,000                          |
| Transfer to bond and interest fund      | <u>                    </u> | <u>(32,519)</u>         | <u>(32,519)</u>          | <u>                    </u>      |
| Total other financing<br>sources (uses) | <u>381,167</u>              | <u>(32,519)</u>         | <u>348,648</u>           | <u>452,000</u>                   |
| Net change in fund balances             | 32,519                      | (32,519)                | -                        | <u><u>\$ -</u></u>               |
| Fund balance-beginning of year          | <u>-</u>                    | <u>32,519</u>           | <u>-</u>                 |                                  |
| Fund balance - end of year              | <u><u>\$ 32,519</u></u>     | <u><u>\$ -</u></u>      | <u><u>\$ -</u></u>       |                                  |

# CITY OF WINFIELD, KANSAS

## NONMAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF NET ASSETS December 31, 2011

|                                                 | Refuse              | Stormwater<br>Drainage | Quail Ridge<br>Golf Course | Total               |
|-------------------------------------------------|---------------------|------------------------|----------------------------|---------------------|
| <b>Assets</b>                                   |                     |                        |                            |                     |
| <b>Current assets</b>                           |                     |                        |                            |                     |
| Cash and temporary investments                  | \$ 716,699          | \$ 161,891             | \$ 14,125                  | \$ 892,715          |
| Utility billing receivables, net                | 125,787             | 15,762                 | -                          | 141,549             |
| Inventories                                     | -                   | -                      | 28,191                     | 28,191              |
| Total current assets                            | <u>842,486</u>      | <u>177,653</u>         | <u>42,316</u>              | <u>1,062,455</u>    |
| <b>Capital Assets:</b>                          |                     |                        |                            |                     |
| Land                                            | 3,503               | -                      | 399,949                    | 403,452             |
| Buildings                                       | 60,157              | -                      | 514,636                    | 574,793             |
| Improvements other than buildings               | -                   | 4,791,897              | 2,535,025                  | 7,326,922           |
| Machinery, equipment, other                     | 1,146,804           | 14,823                 | 478,419                    | 1,640,046           |
| Less accumulated depreciation                   | (950,882)           | (606,134)              | (2,775,251)                | (4,332,267)         |
| Net capital assets                              | <u>259,582</u>      | <u>4,200,586</u>       | <u>1,152,778</u>           | <u>5,612,946</u>    |
| <b>Other assets</b>                             |                     |                        |                            |                     |
| Advances to internal service funds              | 7,620               | -                      | -                          | 7,620               |
| Deferred bond issuance costs                    | -                   | 5,651                  | -                          | 5,651               |
| Investment in joint venture                     | 45,817              | -                      | -                          | 45,817              |
| Total other assets                              | <u>53,437</u>       | <u>5,651</u>           | <u>-</u>                   | <u>59,088</u>       |
| <b>Total assets</b>                             | <u>1,155,505</u>    | <u>4,383,890</u>       | <u>1,195,094</u>           | <u>6,734,489</u>    |
| <b>Liabilities</b>                              |                     |                        |                            |                     |
| <b>Current liabilities</b>                      |                     |                        |                            |                     |
| Accounts payable                                | 32,556              | -                      | 20,909                     | 53,465              |
| Accrued interest payable                        | -                   | 2,907                  | -                          | 2,907               |
| Current portion of compensated absences         | 16,012              | -                      | 6,807                      | 22,819              |
| Current portion of long-term debt               | -                   | 83,755                 | -                          | 83,755              |
|                                                 | <u>48,568</u>       | <u>86,662</u>          | <u>27,716</u>              | <u>162,946</u>      |
| <b>Noncurrent liabilities</b>                   |                     |                        |                            |                     |
| General obligation refunding bonds payable      | -                   | 352,286                | -                          | 352,286             |
| Deferred premium on refunding bonds             | -                   | 3,199                  | -                          | 3,199               |
| Accrued compensated absences                    | 12,148              | -                      | -                          | 12,148              |
| Net OPEB obligation                             | 11,980              | -                      | 5,520                      | 17,500              |
|                                                 | <u>24,128</u>       | <u>355,485</u>         | <u>5,520</u>               | <u>385,133</u>      |
| <b>Total liabilities</b>                        | <u>72,696</u>       | <u>442,147</u>         | <u>33,236</u>              | <u>548,079</u>      |
| <b>Net Assets</b>                               |                     |                        |                            |                     |
| Invested in capital assets, net of related debt | 259,582             | 3,761,346              | 1,152,778                  | 5,173,706           |
| Unrestricted                                    | 823,227             | 180,397                | 9,080                      | 1,012,704           |
| <b>Total net assets</b>                         | <u>\$ 1,082,809</u> | <u>\$3,941,743</u>     | <u>\$1,161,858</u>         | <u>\$ 6,186,410</u> |

# CITY OF WINFIELD, KANSAS

## NONMAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                | Refuse                     | Stormwater<br>Drainage     | Quail Ridge<br>Golf Course | Total                      |
|------------------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| <b>Operating revenues</b>                      |                            |                            |                            |                            |
| Charges for services and sales                 | \$ 1,384,184               | \$ 149,476                 | \$ 457,582                 | \$ 1,991,242               |
| Other                                          | 10,103                     | 285                        | 1,822                      | 12,210                     |
| Total operating revenues                       | <u>1,394,287</u>           | <u>149,761</u>             | <u>459,404</u>             | <u>2,003,452</u>           |
| <b>Operating expenses</b>                      |                            |                            |                            |                            |
| Services and supplies                          | 1,190,713                  | 43,842                     | 586,897                    | 1,821,452                  |
| Depreciation                                   | 54,458                     | 70,147                     | 166,076                    | 290,681                    |
| Total operating expenses                       | <u>1,245,171</u>           | <u>113,989</u>             | <u>752,973</u>             | <u>2,112,133</u>           |
| <b>Operating income (loss)</b>                 | <u>149,116</u>             | <u>35,772</u>              | <u>(293,569)</u>           | <u>(108,681)</u>           |
| <b>Non-operating revenues (expenses)</b>       |                            |                            |                            |                            |
| Interest income                                | 2,025                      | 494                        | -                          | 2,519                      |
| Loss on joint venture                          | (767)                      | -                          | -                          | (767)                      |
| Amortization of debt issuance costs            | -                          | (577)                      | (5,917)                    | (6,494)                    |
| Interest expense                               | (453)                      | (9,006)                    | (3,517)                    | (12,976)                   |
| Other                                          | (985)                      | -                          | -                          | (985)                      |
| Total non-operating revenues (expenses)        | <u>(180)</u>               | <u>(9,089)</u>             | <u>(9,434)</u>             | <u>(18,703)</u>            |
| <b>Net income (loss) before transfers</b>      | 148,936                    | 26,683                     | (303,003)                  | (127,384)                  |
| <b>Capital contributions and transfers:</b>    |                            |                            |                            |                            |
| Transfers - Payments in lieu of franchise fees | (64,846)                   | -                          | -                          | (64,846)                   |
| Transfers in                                   | -                          | -                          | 363,300                    | 363,300                    |
| Transfers out - cash                           | -                          | (20,000)                   | -                          | (20,000)                   |
| <b>Change in net assets</b>                    | 84,090                     | 6,683                      | 60,297                     | 151,070                    |
| Total net assets - beginning                   | <u>998,719</u>             | <u>3,935,060</u>           | <u>1,101,561</u>           | <u>6,035,340</u>           |
| <b>Total net assets - ending</b>               | <u><u>\$ 1,082,809</u></u> | <u><u>\$ 3,941,743</u></u> | <u><u>\$ 1,161,858</u></u> | <u><u>\$ 6,186,410</u></u> |

# CITY OF WINFIELD, KANSAS

## NONMAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                                                               | Refuse            | Stormwater<br>Drainage | Quail Ridge<br>Golf course | Total             |
|-----------------------------------------------------------------------------------------------|-------------------|------------------------|----------------------------|-------------------|
| <b>Cash flows from operating activities</b>                                                   |                   |                        |                            |                   |
| Payments to suppliers                                                                         | \$ (815,771)      | \$ (79,880)            | (313,507)                  | \$ (1,209,158)    |
| Payments to employees                                                                         | (374,763)         | -                      | (259,637)                  | (634,400)         |
| Receipts from customers                                                                       | 1,383,771         | 149,077                | 457,170                    | 1,990,018         |
| Other receipts                                                                                | 6,584             | 285                    | 1,822                      | 8,691             |
| Net cash provided by operating activities                                                     | <u>199,821</u>    | <u>69,482</u>          | <u>(114,152)</u>           | <u>155,151</u>    |
| <b>Cash flows from noncapital financing activities</b>                                        |                   |                        |                            |                   |
| Transfer to other funds                                                                       | -                 | (20,000)               | -                          | (20,000)          |
| Transfer from Other funds                                                                     | -                 | -                      | 363,300                    | 363,300           |
| Internal activity-payments in lieu of franchise fees                                          | (64,846)          | -                      | -                          | (64,846)          |
| Net cash used by noncapital financing activities                                              | <u>(64,846)</u>   | <u>(20,000)</u>        | <u>363,300</u>             | <u>278,454</u>    |
| <b>Cash flows from capital and related financing activities</b>                               |                   |                        |                            |                   |
| Debt payments - interest                                                                      | (1,513)           | (9,142)                | (7,034)                    | (17,689)          |
| Debt payments - principal                                                                     | (40,995)          | (82,496)               | (351,685)                  | (475,176)         |
| Bond proceeds                                                                                 | -                 | -                      | -                          | -                 |
| Bond issuance costs                                                                           | -                 | -                      | -                          | -                 |
| Proceeds from sale of capital assets                                                          | -                 | -                      | -                          | -                 |
| Acquisition of capital assets                                                                 | (26,926)          | -                      | (86,678)                   | (113,604)         |
| Net cash used by capital and related financing activities                                     | <u>(69,434)</u>   | <u>(91,638)</u>        | <u>(445,397)</u>           | <u>(606,469)</u>  |
| <b>Cash flows from investing activities</b>                                                   |                   |                        |                            |                   |
| Interest income                                                                               | 2,025             | 494                    | -                          | 2,519             |
| Net cash provided from investing activities                                                   | <u>2,025</u>      | <u>494</u>             | <u>-</u>                   | <u>2,519</u>      |
| <b>Net decrease in cash and cash equivalents</b>                                              | 67,566            | (41,662)               | (196,249)                  | (170,345)         |
| Balances - beginning of the year<br>(includes \$200,000 in restricted assets)                 | <u>649,133</u>    | <u>203,553</u>         | <u>210,374</u>             | <u>1,063,060</u>  |
| Balances - end of the year                                                                    | <u>\$ 716,699</u> | <u>\$ 161,891</u>      | <u>14,125</u>              | <u>\$ 892,715</u> |
| <b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b> |                   |                        |                            |                   |
| Operating income (loss)                                                                       | \$ 149,116        | \$ 35,772              | (293,569)                  | \$ (108,681)      |
| Adjustments to reconcile operating income to<br>net cash provided by operating activities:    |                   |                        |                            |                   |
| Depreciation                                                                                  | 54,458            | 70,147                 | 166,076                    | 290,681           |
| Changes in assets and liabilities:                                                            |                   |                        |                            |                   |
| Receivables, net                                                                              | (412)             | (398)                  | -                          | (810)             |
| Inventories/Prepays                                                                           | -                 | -                      | 12,025                     | 12,025            |
| Compensated absences                                                                          | (1,406)           | -                      | (1,595)                    | (3,001)           |
| Net OPEB obligations                                                                          | 4,281             | -                      | 1,345                      | 5,626             |
| Accounts and other payables                                                                   | (6,216)           | (36,039)               | 1,566                      | (40,689)          |
| Total adjustments                                                                             | <u>50,705</u>     | <u>33,710</u>          | <u>179,417</u>             | <u>263,832</u>    |
| <b>Net cash provided (used) by operating activities</b>                                       | <u>\$ 199,821</u> | <u>\$ 69,482</u>       | <u>(114,152)</u>           | <u>\$ 155,151</u> |
| <b>Noncash Transactions</b>                                                                   |                   |                        |                            |                   |
| Loss on joint venture                                                                         | (767)             | -                      | -                          | (767)             |
| Amortization of premium on bond issuance                                                      | -                 | (577)                  | -                          | (577)             |
| Amortization of deferred (loss) gain on debt defeasance                                       | -                 | -                      | (4,494)                    | (4,494)           |
| Amortization of debt issue costs                                                              | -                 | -                      | (1,424)                    | (1,424)           |

# CITY OF WINFIELD, KANSAS

## BUDGETED ENTERPRISE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                                                    | <b>ELECTRIC</b>   |                           |                     |                                         |
|------------------------------------------------------------------------------------|-------------------|---------------------------|---------------------|-----------------------------------------|
|                                                                                    | <b>Budget</b>     | <b>Amended<br/>Budget</b> | <b>Actual</b>       | <b>Variance from<br/>Amended Budget</b> |
| <b>Revenues and other sources</b>                                                  |                   |                           |                     |                                         |
| Charges for services                                                               | \$ 21,738,000     | \$ 21,738,000             | \$ 23,956,334       | \$ 2,218,334                            |
| Interest income                                                                    | 20,000            | 20,000                    | 5,729               | (14,271)                                |
| Other                                                                              | 50,600            | 50,600                    | 136,131             | 85,531                                  |
| Reimbursement of expenditures                                                      | 50,000            | 50,000                    | 73,345              | 23,345                                  |
| Transfers from other funds                                                         | -                 | -                         | -                   | -                                       |
| <b>Total revenues and<br/>other sources</b>                                        | <b>21,858,600</b> | <b>21,858,600</b>         | <b>24,171,539</b>   | <b>2,312,939</b>                        |
| <b>Expenditures and other uses</b>                                                 |                   |                           |                     |                                         |
| Personal services                                                                  | 1,925,308         | 1,925,308                 | 1,884,487           | 40,821                                  |
| Contractual services                                                               | 733,177           | 733,177                   | 634,948             | 98,229                                  |
| Materials and supplies                                                             | 1,785,754         | 1,785,754                 | 1,777,671           | 8,083                                   |
| Other                                                                              | 16,200            | 16,200                    | 8,492               | 7,708                                   |
| Purchased power and fuel/resale                                                    | 15,030,000        | 16,507,141                | 16,427,228          | 79,913                                  |
| Capital outlay                                                                     | 524,700           | 549,200                   | 502,707             | 46,493                                  |
| Debt service                                                                       | 95,181            | 95,181                    | 95,181              | -                                       |
| In lieu of franchise taxes                                                         | 1,495,920         | 1,495,920                 | 1,608,915           | (112,995)                               |
| Transfers to other funds                                                           | 598,300           | 598,300                   | 766,552             | (168,252)                               |
| <b>Total expenditures<br/>and other uses</b>                                       | <b>22,204,540</b> | <b>23,706,181</b>         | <b>23,706,181</b>   | <b>-</b>                                |
| <b>Revenues and other sources<br/>over (under) expenditures<br/>and other uses</b> | <b>(345,940)</b>  | <b>(1,847,581)</b>        | <b>465,358</b>      | <b>2,312,939</b>                        |
| <b>Unencumbered fund balance,<br/>January 1</b>                                    | <b>521,459</b>    | <b>521,459</b>            | <b>611,958</b>      | <b>(90,499)</b>                         |
| <b>Unencumbered fund balance,<br/>December 31</b>                                  | <b>\$ 175,519</b> | <b>\$ (1,326,122)</b>     | <b>\$ 1,077,316</b> | <b>\$ 2,403,438</b>                     |

| GAS          |              |               | WATER        |                |              |                              |
|--------------|--------------|---------------|--------------|----------------|--------------|------------------------------|
| Budget       | Actual       | Variance      | Budget       | Amended Budget | Actual       | Variance from Amended Budget |
| \$ 6,519,000 | \$ 5,008,662 | \$(1,510,338) | \$ 2,268,500 | \$ 2,268,500   | \$ 2,333,218 | \$ 64,718                    |
| 8,000        | 4,659        | (3,341)       | -            | -              | -            | -                            |
| 4,250        | 1,204        | (3,046)       | 15,400       | 15,400         | 17,765       | 2,365                        |
| 10,000       | 7,699        | (2,301)       | 15,000       | 15,000         | 26,704       | 11,704                       |
| -            | -            | -             | -            | -              | 631,000      | 631,000                      |
| 6,541,250    | 5,022,224    | (1,519,026)   | 2,298,900    | 2,298,900      | 3,008,687    | 709,787                      |
| 711,215      | 636,354      | 74,861        | 784,488      | 784,488        | 808,555      | (24,067)                     |
| 119,274      | 44,761       | 74,513        | 233,313      | 233,313        | 193,831      | 39,482                       |
| 562,318      | 540,599      | 21,719        | 695,027      | 695,027        | 673,983      | 21,044                       |
| 3,900        | 1,218        | 2,682         | 27,100       | 27,100         | 17,433       | 9,667                        |
| 4,145,000    | 2,775,421    | 1,369,579     | -            | -              | -            | -                            |
| 113,000      | 61,816       | 51,184        | 142,700      | 507,104        | 573,320      | (66,216)                     |
| -            | -            | -             | 657,876      | 657,876        | -            | 657,876                      |
| 390,000      | 287,564      | 102,436       | 123,888      | 123,888        | 747,032      | (623,144)                    |
| 276,000      | 770,400      | (494,400)     | -            | -              | -            | -                            |
| 6,320,707    | 5,118,133    | 1,202,574     | 2,664,392    | 3,028,796      | 3,014,154    | 14,642                       |
| 220,543      | (95,909)     | (316,452)     | (365,492)    | (729,896)      | (5,467)      | 724,429                      |
| 183,405      | 238,503      | (55,098)      | (409,260)    | (409,260)      | (159,440)    | (249,820)                    |
| \$ 403,948   | \$ 142,594   | \$ (261,354)  | \$ (774,752) | \$ (1,139,156) | \$ (164,907) | \$ 974,249                   |

# CITY OF WINFIELD, KANSAS

## BUDGETED ENTERPRISE FUNDS

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

#### BUDGET AND ACTUAL - BUDGETARY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                                            | <b>WASTEWATER</b> |                  |                    |
|----------------------------------------------------------------------------|-------------------|------------------|--------------------|
|                                                                            | <u>Budget</u>     | <u>Actual</u>    | <u>Variance</u>    |
| <b>Revenues and other sources</b>                                          |                   |                  |                    |
| Charges for services                                                       | \$ 1,825,100      | \$ 1,913,215     | \$ 88,115          |
| Interest income                                                            | -                 | 71               | 71                 |
| Other                                                                      | 6,125             | 5,259            | (866)              |
| Reimbursement of expenditures                                              | 500               | 1,211            | 711                |
| Transfers from other funds                                                 | 100,000           | -                | (100,000)          |
| <b>Total revenues and other sources</b>                                    | <u>1,931,725</u>  | <u>1,919,756</u> | <u>(11,969)</u>    |
| <b>Expenditures and other uses</b>                                         |                   |                  |                    |
| Personal services                                                          | 573,293           | 570,666          | 2,627              |
| Contractual services                                                       | 316,464           | 287,572          | 28,892             |
| Materials and supplies                                                     | 250,000           | 247,575          | 2,425              |
| Other                                                                      | 650               | 765              | (115)              |
| Purchased power and fuel/resale                                            | -                 | -                | -                  |
| Capital outlay                                                             | 151,585           | 138,392          | 13,193             |
| Debt service                                                               | 566,235           | 563,102          | 3,133              |
| In lieu of franchise taxes                                                 | -                 | -                | -                  |
| Transfers to other funds                                                   | -                 | -                | -                  |
| <b>Total expenditures and other uses</b>                                   | <u>1,858,227</u>  | <u>1,808,072</u> | <u>50,155</u>      |
| <b>Revenues and other sources over (under) expenditures and other uses</b> | 73,498            | 111,684          | 38,186             |
| <b>Unencumbered fund balance, January 1</b>                                | <u>48,574</u>     | <u>(55,305)</u>  | <u>(103,879)</u>   |
| <b>Unencumbered fund balance, December 31</b>                              | <u>\$ 122,072</u> | <u>\$ 56,379</u> | <u>\$ (65,693)</u> |

## INTERNAL SERVICE FUNDS

The Internal Service Funds are used to account for services performed by one governmental department to other departments of the City on a cost-reimbursement basis, and for risk financing activities.

Management Services – The Management Services Fund is a cost center for the City engineering, management information systems, utility billing, and general administration departments' expenses. These expenses are charged to other City funds based on several criteria and ratios.

Service Center – The Service Center Fund is a cost center for the City operations building and its equipment and for the service center department activities. The building and equipment maintenance costs are charged to other City funds on square footage. The service center charges other departments based on usage.

Accounts Receivable Financing – Prior to 2008, the account receivable financing fund acted as a central billing area for the City's utility billings. As of the end of 2009, the fund holds only delinquent utility receivable balances, which were billed prior to 2008. As the delinquent balances are collected, this fund balance will decrease, and eventually be closed. The City implemented new utility billing software in 2008, and the utility funds now individually track their receivables.

Risk Management Reserve – The Risk Management Reserve Fund pays for deductibles, excess liability losses, uninsured losses, and insurable losses not otherwise covered by commercial insurance. Funding is provided by annual contributions from other city funds that have an insurable risk, based on actuarial computations provided by an insurance consultant. The City purchases commercial insurance coverage for all substantial areas of risk, including property loss, auto liability, boiler and machinery, general and public officials' liability. Individual funds pay their portions of insurance policy premiums that are recorded as expenditures/expenses in those funds.

Workers' Compensation Reserve – The Workers' Compensation Reserve Fund accounts for all workers' compensation-related claims, judgments, and expenses through Sept 24, 2011. At this time, the City purchased workers' compensation insurance to cover all future claims. The City's workers' compensation program was a partially self-funded program covering substantially all full-time and part-time employees of the City. Funding has been provided by annual contributions from other city functions that have an insurable risk, based on actuarial computations provided by an insurance consultant.

Health Insurance Reserve – The Health Insurance Reserve Fund was created to eventually fund a partially self-insured health insurance program. The fund currently is used to pay a portion of employee health insurance premiums.

Short Term Disability Reserve – The Short Term Disability Reserve Fund provides up to twenty-six weeks of financial assistance to City full-time employees following sixty days of continuous disability.



# CITY OF WINFIELD, KANSAS

## INTERNAL SERVICE FUNDS COMBINING STATEMENT OF NET ASSETS DECEMBER 31, 2011

|                                                 | Management<br>Services | Operations<br>Center | Accounts<br>Receivable<br>Financing |
|-------------------------------------------------|------------------------|----------------------|-------------------------------------|
| <b>Assets</b>                                   |                        |                      |                                     |
| <b>Current assets</b>                           |                        |                      |                                     |
| Cash and temporary investments                  | \$ 58,238              | \$ 46,127            | \$ -                                |
| Utility billing receivables, net                | 15,797                 | -                    | 46,165                              |
| Accounts receivable, net                        | 4,529                  | -                    | -                                   |
| Prepays                                         | -                      | -                    | -                                   |
| Inventories                                     | 23,063                 | 119,491              | -                                   |
| <b>Total current assets</b>                     | <u>101,627</u>         | <u>165,618</u>       | <u>46,165</u>                       |
| <b>Noncurrent assets</b>                        |                        |                      |                                     |
| Capital assets                                  |                        |                      |                                     |
| Land                                            | -                      | 6,500                | -                                   |
| Buildings and improvements                      | 297,677                | 1,681,058            | -                                   |
| Improvements other than buildings               | -                      | 101,836              | -                                   |
| Machinery, equipment, other                     | 1,337,361              | 412,056              | -                                   |
| Less accumulated depreciation                   | (1,176,578)            | (1,014,391)          | -                                   |
| Net capital assets                              | <u>458,460</u>         | <u>1,187,059</u>     | <u>-</u>                            |
| <b>Total assets</b>                             | <u>\$ 560,087</u>      | <u>\$ 1,352,677</u>  | <u>\$ 46,165</u>                    |
| <b>Liabilities</b>                              |                        |                      |                                     |
| <b>Current liabilities</b>                      |                        |                      |                                     |
| Accounts and claims payable                     | \$ 54,771              | \$ 43,629            | \$ -                                |
| Interest payable                                | 165                    | -                    | -                                   |
| Current portion of compensated absences         | 88,704                 | 9,724                | -                                   |
| Current portion of long term debt               | 17,306                 | -                    | -                                   |
| <b>Total current liabilities</b>                | <u>160,946</u>         | <u>53,353</u>        | <u>-</u>                            |
| <b>Noncurrent liabilities</b>                   |                        |                      |                                     |
| Accrued compensated absences                    | 114,703                | -                    | -                                   |
| Net OPEB obligation                             | 48,109                 | 7,193                | -                                   |
| Advances from other funds                       | -                      | 70,000               | 46,165                              |
| Total noncurrent liabilities                    | <u>162,812</u>         | <u>77,193</u>        | <u>46,165</u>                       |
| <b>Total liabilities</b>                        | <u>323,758</u>         | <u>130,546</u>       | <u>46,165</u>                       |
| <b>Net Assets</b>                               |                        |                      |                                     |
| Invested in capital assets                      | -                      | 1,187,059            | -                                   |
| Invested in capital assets, net of related debt | 441,154                | -                    | -                                   |
| Unrestricted (deficit)                          | (204,825)              | 35,072               | -                                   |
| <b>Total net assets</b>                         | <u>\$ 236,329</u>      | <u>\$ 1,222,131</u>  | <u>\$ -</u>                         |

| <b>Risk<br/>Management<br/>Reserve</b> | <b>Workers'<br/>Compensation<br/>Reserve</b> | <b>Health<br/>Insurance<br/>Reserve</b> | <b>Short-Term<br/>Disability<br/>Reserve</b> | <b>Total</b>               |
|----------------------------------------|----------------------------------------------|-----------------------------------------|----------------------------------------------|----------------------------|
| \$ 1,053,903                           | \$ 98,224                                    | \$ 27,485                               | \$ 205,351                                   | \$ 1,489,328               |
| -                                      | -                                            | -                                       | -                                            | 61,962                     |
| 1,700                                  | 14,508                                       | -                                       | -                                            | 20,737                     |
| -                                      | 87,019                                       | 110,821                                 | -                                            | 197,840                    |
| -                                      | -                                            | -                                       | -                                            | 142,554                    |
| <u>1,055,603</u>                       | <u>199,751</u>                               | <u>138,306</u>                          | <u>205,351</u>                               | <u>1,912,421</u>           |
| -                                      | -                                            | -                                       | -                                            | 6,500                      |
| -                                      | -                                            | -                                       | -                                            | 1,978,735                  |
| -                                      | -                                            | -                                       | -                                            | 101,836                    |
| -                                      | -                                            | -                                       | -                                            | 1,749,417                  |
| -                                      | -                                            | -                                       | -                                            | (2,190,969)                |
| -                                      | -                                            | -                                       | -                                            | <u>1,645,519</u>           |
| <u>\$ 1,055,603</u>                    | <u>\$ 199,751</u>                            | <u>\$ 138,306</u>                       | <u>\$ 205,351</u>                            | <u>\$ 3,557,940</u>        |
| -                                      | -                                            | -                                       | -                                            | -                          |
| \$ 11,190                              | \$ 104,428                                   | \$ -                                    | \$ -                                         | \$ 214,018                 |
| -                                      | -                                            | -                                       | -                                            | 165                        |
| -                                      | -                                            | -                                       | -                                            | 98,428                     |
| -                                      | -                                            | -                                       | -                                            | 17,306                     |
| <u>11,190</u>                          | <u>104,428</u>                               | <u>-</u>                                | <u>-</u>                                     | <u>329,917</u>             |
| -                                      | -                                            | -                                       | -                                            | 114,703                    |
| -                                      | -                                            | -                                       | -                                            | 55,302                     |
| -                                      | -                                            | -                                       | -                                            | 116,165                    |
| -                                      | -                                            | -                                       | -                                            | <u>286,170</u>             |
| <u>11,190</u>                          | <u>104,428</u>                               | <u>-</u>                                | <u>-</u>                                     | <u>616,087</u>             |
| -                                      | -                                            | -                                       | -                                            | 1,187,059                  |
| -                                      | -                                            | -                                       | -                                            | 441,154                    |
| <u>1,044,413</u>                       | <u>95,323</u>                                | <u>138,306</u>                          | <u>205,351</u>                               | <u>1,313,640</u>           |
| <u><u>\$ 1,044,413</u></u>             | <u><u>\$ 95,323</u></u>                      | <u><u>\$ 138,306</u></u>                | <u><u>\$ 205,351</u></u>                     | <u><u>\$ 2,941,853</u></u> |

# CITY OF WINFIELD, KANSAS

## INTERNAL SERVICE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                     | Management<br>Services   | Operations<br>Center       | Accounts<br>Receivable<br>Financing |
|-----------------------------------------------------|--------------------------|----------------------------|-------------------------------------|
| <b>Operating revenues</b>                           |                          |                            |                                     |
| Charges for services                                | \$ 2,393,064             | \$ 477,425                 | \$ -                                |
| Other                                               | 145,742                  | 1,161                      | -                                   |
| <b>Total operating revenues</b>                     | <u>2,538,806</u>         | <u>478,586</u>             | <u>-</u>                            |
| <b>Operating expenses</b>                           |                          |                            |                                     |
| Administration                                      | 2,503,390                | 449,981                    | -                                   |
| Claims                                              | -                        | -                          | -                                   |
| Depreciation                                        | 98,450                   | 49,954                     | -                                   |
| <b>Total operating expenses</b>                     | <u>2,601,840</u>         | <u>499,935</u>             | <u>-</u>                            |
| <b>Operating income (loss)</b>                      | <u>(63,034)</u>          | <u>(21,349)</u>            | <u>-</u>                            |
| <b>Non-operating revenues (expenses)</b>            |                          |                            |                                     |
| Interest income                                     | -                        | -                          | -                                   |
| Interest Expense                                    | (1,095)                  | -                          | -                                   |
| <b>Total non-operating revenues (expenses)</b>      | <u>(1,095)</u>           | <u>-</u>                   | <u>-</u>                            |
| <b>Net income (loss) before operating transfers</b> | <u>(64,129)</u>          | <u>(21,349)</u>            | <u>-</u>                            |
| Transfers in - fixed assets                         | 482                      | 357                        | -                                   |
| Net transfers                                       | 482                      | 357                        | -                                   |
| <b>Change in net assets</b>                         | <u>(63,647)</u>          | <u>(20,992)</u>            | <u>-</u>                            |
| <b>Total net assets - beginning</b>                 | <u>299,976</u>           | <u>1,243,123</u>           | <u>-</u>                            |
| <b>Total net assets - ending</b>                    | <u><u>\$ 236,329</u></u> | <u><u>\$ 1,222,131</u></u> | <u><u>\$ -</u></u>                  |

| <b>Risk<br/>Management<br/>Reserve</b> | <b>Workers'<br/>Compensation<br/>Reserve</b> | <b>Health<br/>Insurance<br/>Reserve</b> | <b>Short-Term<br/>Disability<br/>Reserve</b> | <b>Totals</b> |
|----------------------------------------|----------------------------------------------|-----------------------------------------|----------------------------------------------|---------------|
| \$ -                                   | \$ -                                         | \$ -                                    | \$ -                                         | \$ 2,870,489  |
| 200,629                                | 101,889                                      | 1,481,159                               | -                                            | 1,930,580     |
| 200,629                                | 101,889                                      | 1,481,159                               | -                                            | 4,801,069     |
| 36,402                                 | 22,904                                       | 1,460,984                               | -                                            | 4,473,661     |
| 161,438                                | 147,192                                      | -                                       | -                                            | 308,630       |
| -                                      | -                                            | -                                       | -                                            | 148,404       |
| 197,840                                | 170,096                                      | 1,460,984                               | -                                            | 4,930,695     |
| 2,789                                  | (68,207)                                     | 20,175                                  | -                                            | (129,626)     |
| 2,773                                  | 560                                          | 228                                     | 563                                          | 4,124         |
| -                                      | -                                            | -                                       | -                                            | (1,095)       |
| 2,773                                  | 560                                          | 228                                     | 563                                          | 3,029         |
| 5,562                                  | (67,647)                                     | 20,403                                  | 563                                          | (126,597)     |
| -                                      | -                                            | -                                       | -                                            | 839           |
| -                                      | -                                            | -                                       | -                                            | 839           |
| 5,562                                  | (67,647)                                     | 20,403                                  | 563                                          | (125,758)     |
| 1,038,851                              | 162,970                                      | 117,903                                 | 204,788                                      | 3,067,611     |
| \$ 1,044,413                           | \$ 95,323                                    | \$ 138,306                              | \$ 205,351                                   | \$ 2,941,853  |

**CITY OF WINFIELD, KANSAS**  
**INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**December 31, 2011**

|                                                                                                      | Management<br>Services | Operations<br>Center | Accounts<br>Receivable<br>Financing |
|------------------------------------------------------------------------------------------------------|------------------------|----------------------|-------------------------------------|
| <b>Cash flows from operating activities</b>                                                          |                        |                      |                                     |
| Payments to suppliers                                                                                | \$ (1,084,649)         | \$ (231,970)         | \$ -                                |
| Payments to employees                                                                                | (1,411,380)            | (224,720)            | -                                   |
| Payments of claims                                                                                   | -                      | -                    | -                                   |
| Internal activity-receipts from other funds                                                          | 2,393,064              | 477,424              | -                                   |
| Receipts from customers                                                                              | -                      | -                    | 7,766                               |
| Other receipts                                                                                       | 142,691                | 1,162                | -                                   |
| Net cash provided (used) by operating activities                                                     | <u>39,726</u>          | <u>21,896</u>        | <u>7,766</u>                        |
| <b>Cash flows from noncapital financing activities</b>                                               |                        |                      |                                     |
| Transfers (to) from other funds                                                                      | -                      | -                    | -                                   |
| Advances (to) from other funds                                                                       | -                      | -                    | (7,766)                             |
| Net cash used by noncapital financing activities                                                     | <u>-</u>               | <u>-</u>             | <u>(7,766)</u>                      |
| <b>Cash flows from capital and related financing activities</b>                                      |                        |                      |                                     |
| Capital lease principal payments                                                                     | (16,678)               | -                    | -                                   |
| Capital lease interest payments                                                                      | (1,285)                | -                    | -                                   |
| Acquisition of capital assets                                                                        | (42,324)               | (3,885)              | -                                   |
| Net cash used by noncapital financing activities                                                     | <u>(60,287)</u>        | <u>(3,885)</u>       | <u>-</u>                            |
| <b>Cash flows from investing activities</b>                                                          |                        |                      |                                     |
| Interest income                                                                                      | -                      | -                    | -                                   |
| <b>Net increase (decrease) in cash and cash equivalents</b>                                          | (20,561)               | 18,011               | -                                   |
| Balances - beginning of year                                                                         | 78,799                 | 28,116               | -                                   |
| Balances - end of year                                                                               | <u>\$ 58,238</u>       | <u>\$ 46,127</u>     | <u>\$ -</u>                         |
| <b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities</b>        |                        |                      |                                     |
| Operating income (loss)                                                                              | (63,034)               | (21,349)             | -                                   |
| Adjustments to reconcile operating income<br>to net cash provided (used)<br>by operating activities: |                        |                      |                                     |
| Depreciation                                                                                         | 98,450                 | 49,954               | -                                   |
| Changes in assets and liabilities:                                                                   |                        |                      |                                     |
| Receivables, net                                                                                     | (3,051)                | -                    | 7,766                               |
| Inventories                                                                                          | (3,591)                | (22,282)             | -                                   |
| Compensated absences                                                                                 | 1,313                  | (1,879)              | -                                   |
| Net OPEB obligations                                                                                 | 15,076                 | 1,912                | -                                   |
| Prepays                                                                                              | -                      | -                    | -                                   |
| Accounts and other payables                                                                          | (5,437)                | 15,540               | -                                   |
| Total adjustments                                                                                    | <u>102,760</u>         | <u>43,245</u>        | <u>7,766</u>                        |
| <b>Net cash provided (used) by operating activities</b>                                              | <u>\$ 39,726</u>       | <u>\$ 21,896</u>     | <u>\$ 7,766</u>                     |
| <b>Noncash Transactions</b>                                                                          |                        |                      |                                     |
| Capital asset transfers out                                                                          | \$ 482                 | \$ 357               | \$ -                                |

| Risk<br>Management<br>Reserve | Workers'<br>Compensation<br>Reserve | Health<br>Insurance<br>Reserve | Short-Term<br>Disability<br>Reserve | Totals         |
|-------------------------------|-------------------------------------|--------------------------------|-------------------------------------|----------------|
| \$ (36,402)                   | \$ (109,923)                        | \$ (1,464,482)                 | \$ -                                | \$ (2,927,426) |
| -                             | -                                   | -                              | -                                   | (1,636,100)    |
| (152,848)                     | (120,837)                           | -                              | -                                   | (273,685)      |
| -                             | -                                   | 1,481,159                      | -                                   | 4,351,647      |
| -                             | -                                   | -                              | -                                   | 7,766          |
| 200,629                       | 99,193                              | -                              | -                                   | 443,675        |
| 11,379                        | (131,567)                           | 16,677                         | -                                   | (34,123)       |
| -                             | -                                   | -                              | -                                   | -              |
| -                             | -                                   | -                              | -                                   | (7,766)        |
| -                             | -                                   | -                              | -                                   | (7,766)        |
| -                             | -                                   | -                              | -                                   | (16,678)       |
| -                             | -                                   | -                              | -                                   | (1,285)        |
| -                             | -                                   | -                              | -                                   | (46,209)       |
| -                             | -                                   | -                              | -                                   | (64,172)       |
| -                             | -                                   | -                              | -                                   | -              |
| 2,773                         | 560                                 | 228                            | 563                                 | 4,124          |
| 14,152                        | (131,007)                           | 16,905                         | 563                                 | (101,937)      |
| 1,039,751                     | 229,231                             | 10,580                         | 204,788                             | 1,591,265      |
| \$ 1,053,903                  | \$ 98,224                           | \$ 27,485                      | \$ 205,351                          | \$ 1,489,328   |
| 2,789                         | (68,207)                            | 20,175                         | -                                   | (129,626)      |
| -                             | -                                   | -                              | -                                   | 148,404        |
| -                             | (2,696)                             | -                              | -                                   | 2,019          |
| -                             | -                                   | -                              | -                                   | (25,873)       |
| -                             | -                                   | -                              | -                                   | (566)          |
| -                             | -                                   | -                              | -                                   | 16,988         |
| -                             | (87,019)                            | (3,498)                        | -                                   | (90,517)       |
| 8,590                         | 26,355                              | -                              | -                                   | 45,048         |
| 8,590                         | (63,360)                            | (3,498)                        | -                                   | 95,503         |
| \$ 11,379                     | \$ (131,567)                        | \$ 16,677                      | \$ -                                | \$ (34,123)    |
| \$ -                          | \$ -                                | \$ -                           | \$ -                                | \$ 839         |

## FIDUCIARY AND AGENCY FUNDS

### **Agency Funds**

Payroll Clearing – acts as a clearing account for all City payroll transactions.

Sales Tax – to account for sales tax collected, to be remitted to State of Kansas.

Fire Insurance Proceeds - to account for insurance proceeds being held pending the completion of repairs on a fire damaged home in the City.

# CITY OF WINFIELD, KANSAS

## AGENCY FUNDS COMBINING BALANCE SHEET FOR THE YEAR ENDED DECEMBER 31, 2011

|                             | Payroll<br>Clearing | Sales<br>Tax | Fire<br>Insurance<br>Proceeds | Total  |
|-----------------------------|---------------------|--------------|-------------------------------|--------|
| <b>Assets</b>               |                     |              |                               |        |
| Pooled cash and investments | \$ 17,140           | \$ (17,096)  | \$ -                          | \$ 44  |
| Other receivables           | -                   | 53,464       |                               | 53,464 |
| Total assets                | 17,140              | 36,368       | -                             | 53,508 |
| <b>Liabilities</b>          |                     |              |                               |        |
| Accounts payable            | 17,140              | 36,368       | -                             | 53,508 |
| Total liabilities           | 17,140              | 36,368       | -                             | 53,508 |
| <b>Net Assets</b>           | \$ -                | \$ -         | \$ -                          | \$ -   |



# CITY OF WINFIELD, KANSAS

## AGENCY FUNDS COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES FOR THE YEAR ENDED DECEMBER 31, 2011

|                                   | Balance<br>January 1<br>2011 | Additions                   | Deductions                  | Balance<br>December 31<br>2011 |
|-----------------------------------|------------------------------|-----------------------------|-----------------------------|--------------------------------|
| Pooled cash and investments       |                              |                             |                             |                                |
| Payroll clearing                  | \$ 15,510                    | \$ 12,173,312               | \$ 12,171,682               | \$ 17,140                      |
| Sales tax                         | 54,627                       | 841,683                     | 913,406                     | (17,096)                       |
| Fire insurance proceeds           | -                            | 10,000                      | 10,000                      | -                              |
| Total pooled cash and investments | <u>70,137</u>                | <u>13,024,995</u>           | <u>13,095,088</u>           | <u>44</u>                      |
| Other receivables                 |                              |                             |                             |                                |
| Payroll clearing                  | -                            | -                           | -                           | -                              |
| Sales tax                         | -                            | 841,683                     | 788,219                     | 53,464                         |
| Fire insurance proceeds           | -                            | -                           | -                           | -                              |
| Total other receivables           | <u>-</u>                     | <u>841,683</u>              | <u>788,219</u>              | <u>53,464</u>                  |
| <b>Total Assets</b>               | <u><u>\$ 70,137</u></u>      | <u><u>\$ 13,866,678</u></u> | <u><u>\$ 13,883,307</u></u> | <u><u>\$ 53,508</u></u>        |
| Accounts payable                  |                              |                             |                             |                                |
| Payroll clearing                  | \$ 15,510                    | \$ 12,173,312               | \$ 12,171,682               | \$ 17,140                      |
| Sales tax                         | 40,680                       | 841,683                     | 845,995                     | 36,368                         |
| Fire insurance proceeds           | -                            | 10,000                      | 10,000                      | -                              |
| Total accounts payable            | <u>56,190</u>                | <u>13,024,995</u>           | <u>13,027,677</u>           | <u>53,508</u>                  |
| <b>Total Liabilities</b>          | <u><u>\$ 56,190</u></u>      | <u><u>\$ 13,024,995</u></u> | <u><u>\$ 13,027,677</u></u> | <u><u>\$ 53,508</u></u>        |

# CITY OF WINFIELD, KANSAS

## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE BY SOURCE DECEMBER 31, 2011

| <b>Governmental funds capital assets</b>                          | <b>2011</b>          |
|-------------------------------------------------------------------|----------------------|
| Land                                                              | \$ 1,900,214         |
| Buildings                                                         | 8,642,917            |
| Improvements other than buildings                                 | 16,665,047           |
| Machinery and equipment                                           | 8,156,462            |
| Construction in progress                                          | 39,662               |
| <b>Total governmental funds capital assets</b>                    | <b>\$ 35,404,302</b> |
| <b>Investment in governmental funds capital assets by source:</b> |                      |
| General fund                                                      | \$ 19,755,705        |
| Special revenue funds                                             | 15,063,240           |
| Construction project funds                                        | 38,914               |
| Donations                                                         | 546,443              |
| <b>Total governmental funds capital assets</b>                    | <b>\$ 35,404,302</b> |

This schedule presents only the capital asset balances related to governmental funds, including infrastructure.

# CITY OF WINFIELD, KANSAS

## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE BY FUNCTION AND ACTIVITY DECEMBER 31, 2011

| Function and Activity                              | Land                | Buildings           | Improvements<br>Other Than<br>Buildings | Machinery<br>and<br>Equipment | Construction<br>in Progress | Total                |
|----------------------------------------------------|---------------------|---------------------|-----------------------------------------|-------------------------------|-----------------------------|----------------------|
| <b>General government:</b>                         |                     |                     |                                         |                               |                             |                      |
| Administrative/other                               | \$ 80,667           | \$ 3,606,844        | \$ 372,474                              | \$ 180,811                    | \$ -                        | \$ 4,240,796         |
| Total general government                           | 80,667              | 3,606,844           | 372,474                                 | 180,811                       | -                           | 4,240,796            |
| <b>Public safety:</b>                              |                     |                     |                                         |                               |                             |                      |
| Police                                             | -                   | 205,716             | 57,010                                  | 1,128,013                     | -                           | 1,390,739            |
| Fire                                               | -                   | 574,610             | -                                       | 3,210,630                     | -                           | 3,785,240            |
| Public parking                                     | 171,124             | -                   | 31,497                                  | 27,286                        | -                           | 229,907              |
| Inspection                                         | -                   | -                   | -                                       | 53,471                        | -                           | 53,471               |
| Total public safety                                | 171,124             | 780,326             | 88,507                                  | 4,419,400                     | -                           | 5,459,357            |
| <b>Highways and streets:</b>                       | 734,596             | 15,425              | 13,073,874                              | 1,181,149                     | -                           | 15,005,044           |
| <b>Culture and recreation</b>                      | 912,427             | 4,177,067           | 3,119,432                               | 2,210,254                     | -                           | 10,419,180           |
| <b>Cemetery</b>                                    | 1,400               | 63,255              | 10,760                                  | 164,848                       | -                           | 240,263              |
| <b>Construction in progress</b>                    | -                   | -                   | -                                       | -                             | 39,662                      | 39,662               |
| <b>Total governmental funds<br/>capital assets</b> | <u>\$ 1,900,214</u> | <u>\$ 8,642,917</u> | <u>\$ 16,665,047</u>                    | <u>\$ 8,156,462</u>           | <u>\$ 39,662</u>            | <u>\$ 35,404,302</u> |

This schedule presents only the capital asset balances related to governmental funds, including infrastructure.

# CITY OF WINFIELD, KANSAS

## CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY FOR THE YEAR ENDED DECEMBER 31, 2011

| Function and Activity                          | Governmental<br>Funds Capital<br>Assets<br>Jan 1, 2011 | Additions      | Deductions       | Transfers    | Governmental<br>Funds Capital<br>Assets<br>Dec 31, 2011 |
|------------------------------------------------|--------------------------------------------------------|----------------|------------------|--------------|---------------------------------------------------------|
| <b>General government:</b>                     |                                                        |                |                  |              |                                                         |
| Attorney                                       | 3,279                                                  | -              | -                | -            | 3,279                                                   |
| Other                                          | 4,059,372                                              | 211,322        | (46,340)         | 13,911       | 4,238,265                                               |
| Total general government                       | 4,062,651                                              | 211,322        | (46,340)         | 13,911       | 4,241,544                                               |
| <b>Public safety:</b>                          |                                                        |                |                  |              |                                                         |
| Police                                         | 1,421,265                                              | 81,710         | (75,591)         | (36,645)     | 1,390,739                                               |
| Fire                                           | 3,714,010                                              | 62,144         | (4,757)          | 13,843       | 3,785,240                                               |
| Public Parking                                 | 229,907                                                | -              | -                | -            | 229,907                                                 |
| Inspection                                     | 53,296                                                 | 1,084          | (909)            | -            | 53,471                                                  |
| Total public safety                            | 5,418,478                                              | 144,938        | (81,257)         | (22,802)     | 5,459,357                                               |
| <b>Public works/streets</b>                    | 14,923,094                                             | 93,334         | (10,984)         | (400)        | 15,005,044                                              |
| <b>Culture and recreation</b>                  | 10,450,942                                             | 59,931         | (100,019)        | 8,326        | 10,419,180                                              |
| <b>Cemetery</b>                                | 226,341                                                | 23,202         | (9,675)          | 395          | 240,263                                                 |
| <b>Under construction</b>                      | 38,914                                                 | -              | -                | -            | 38,914                                                  |
| <b>Total governmental funds capital assets</b> | <u>\$ 35,120,420</u>                                   | <u>532,727</u> | <u>(248,275)</u> | <u>(570)</u> | <u>35,404,302</u>                                       |

This schedule presents only the capital asset balances related to governmental funds, including infrastructure.

# CITY OF WINFIELD, KANSAS

## NONMAJOR COMPONENT UNIT COMBINING STATEMENT OF NET ASSETS - BUSINESS TYPE ACTIVITY JUNE 30, 2011

### WINFIELD HOUSING AUTHORITY

#### Assets

##### Current assets

|                                 |                |
|---------------------------------|----------------|
| Cash and temporary investments  | \$ 335,523     |
| Accounts receivable, net        | 950            |
| HUD Grants receivable           | 107,446        |
| Interest receivable             | 73             |
| Prepays and materials inventory | 21,047         |
| Total current assets            | <u>465,039</u> |

##### Capital Assets:

|                                   |                    |
|-----------------------------------|--------------------|
| Capital assets not be depreciated | 52,776             |
| Depreciable capital assets        | 3,154,352          |
| Less accumulated depreciation     | <u>(1,718,753)</u> |
| Net capital assets                | <u>1,488,375</u>   |

##### Other assets

|                    |               |
|--------------------|---------------|
| Utility deposits   | <u>12,317</u> |
| Total other assets | <u>12,317</u> |

|              |                  |
|--------------|------------------|
| Total assets | <u>1,965,731</u> |
|--------------|------------------|

#### Liabilities

##### Current liabilities

|                              |              |
|------------------------------|--------------|
| Accounts payable             | 29,523       |
| Accrued compensated absences | <u>6,085</u> |

|                   |               |
|-------------------|---------------|
| Total liabilities | <u>35,608</u> |
|-------------------|---------------|

#### Net Assets

|                                 |                |
|---------------------------------|----------------|
| Invested in capital assets      | 1,488,375      |
| Restricted for capital projects | 107,446        |
| Unrestricted                    | <u>334,302</u> |

|                  |                     |
|------------------|---------------------|
| Total net assets | <u>\$ 1,930,123</u> |
|------------------|---------------------|

# CITY OF WINFIELD, KANSAS

## NONMAJOR COMPONENT UNIT - BUSINESS-TYPE COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS FOR THE YEAR ENDED JUNE 30, 2011

### WINFIELD HOUSING AUTHORITY

#### Operating revenues

|                          |                |
|--------------------------|----------------|
| Rental income            | \$ 202,689     |
| Other                    | 966            |
| Total operating revenues | <u>203,655</u> |

#### Operating expenses

|                       |               |
|-----------------------|---------------|
| Services and supplies | 200,130       |
| Depreciation          | <u>87,419</u> |

|                          |                |
|--------------------------|----------------|
| Total operating expenses | <u>287,549</u> |
|--------------------------|----------------|

|                |                 |
|----------------|-----------------|
| Operating loss | <u>(83,894)</u> |
|----------------|-----------------|

#### Non-operating revenues

|                                |            |
|--------------------------------|------------|
| Interest income                | 3,165      |
| HUD Capital Improvement Grants | 72,883     |
| Other                          | <u>300</u> |

|                              |               |
|------------------------------|---------------|
| Total non-operating revenues | <u>76,348</u> |
|------------------------------|---------------|

|                      |         |
|----------------------|---------|
| Change in net assets | (7,546) |
|----------------------|---------|

|                              |                  |
|------------------------------|------------------|
| Total net assets - beginning | <u>1,937,669</u> |
|------------------------------|------------------|

|                           |                            |
|---------------------------|----------------------------|
| Total net assets - ending | <u><u>\$ 1,930,123</u></u> |
|---------------------------|----------------------------|

# CITY OF WINFIELD, KANSAS

## NONMAJOR COMPONENT UNITS COMBINING STATEMENT OF NET ASSETS - BUSINESS TYPE ACTIVITY DECEMBER 31, 2011

### WINFIELD AREA EMERGENCY MEDICAL SERVICES (WAEMS)

#### Assets

##### Current assets

|                          |                |
|--------------------------|----------------|
| Accounts receivable, net | \$108,090      |
| Total current assets     | <u>108,090</u> |

##### Capital Assets:

|                               |                  |
|-------------------------------|------------------|
| Machinery, equipment          | 505,685          |
| Less accumulated depreciation | <u>(443,276)</u> |
| Net capital assets            | <u>62,409</u>    |

|              |                |
|--------------|----------------|
| Total assets | <u>170,499</u> |
|--------------|----------------|

#### Liabilities

##### Current liabilities

|                              |               |
|------------------------------|---------------|
| Deficit cash                 | 15,386        |
| Accounts payable             | 23,706        |
| Accrued compensated absences | <u>24,343</u> |

|                   |               |
|-------------------|---------------|
| Total liabilities | <u>63,435</u> |
|-------------------|---------------|

#### Net Assets

|                            |               |
|----------------------------|---------------|
| Invested in capital assets | 62,409        |
| Unrestricted               | <u>44,655</u> |

|                  |                   |
|------------------|-------------------|
| Total net assets | <u>\$ 107,064</u> |
|------------------|-------------------|

# CITY OF WINFIELD, KANSAS

## NONMAJOR COMPONENT UNIT - BUSINESS-TYPE COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS FOR THE YEAR ENDED DECEMBER 31, 2011

### WINFIELD AREA EMERGENCY MEDICAL SERVICES (WAEMS)

#### Operating revenues

|                                  |                |
|----------------------------------|----------------|
| Charges for services             | \$ 680,313     |
| Other governmental contributions | 273,782        |
| Total operating revenues         | <u>954,095</u> |

#### Operating expenses

|                       |               |
|-----------------------|---------------|
| Services and supplies | 912,192       |
| Depreciation          | <u>25,203</u> |

|                          |                |
|--------------------------|----------------|
| Total operating expenses | <u>937,395</u> |
|--------------------------|----------------|

|                      |               |
|----------------------|---------------|
| Net operating income | <u>16,700</u> |
|----------------------|---------------|

#### Non-operating revenues

|                              |           |
|------------------------------|-----------|
| Interest income              | <u>67</u> |
| Total non-operating revenues | <u>67</u> |

|                      |        |
|----------------------|--------|
| Change in net assets | 16,767 |
|----------------------|--------|

|                              |               |
|------------------------------|---------------|
| Total net assets - beginning | <u>90,297</u> |
|------------------------------|---------------|

|                           |                   |
|---------------------------|-------------------|
| Total net assets - ending | <u>\$ 107,064</u> |
|---------------------------|-------------------|



# CITY OF WINFIELD, KANSAS

## NONMAJOR COMPONENT UNIT - GOVERNMENTAL TYPE COMBINING BALANCE SHEET DECEMBER 31, 2011

### WINFIELD PUBLIC LIBRARY

#### Assets

|                                |            |
|--------------------------------|------------|
| Cash and temporary investments | \$ 366,450 |
|--------------------------------|------------|

|                     |                |
|---------------------|----------------|
| <b>Total assets</b> | <u>366,450</u> |
|---------------------|----------------|

#### Liabilities

|                  |       |
|------------------|-------|
| Accounts payable | 5,286 |
|------------------|-------|

|                     |                |
|---------------------|----------------|
| <b>Fund balance</b> | <u>361,164</u> |
|---------------------|----------------|

|                                           |                   |
|-------------------------------------------|-------------------|
| <b>Total liabilities and fund balance</b> | <u>\$ 366,450</u> |
|-------------------------------------------|-------------------|

# CITY OF WINFIELD, KANSAS

## NONMAJOR COMPONENT UNIT - GOVERNMENTAL TYPE COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE FOR THE YEAR ENDED DECEMBER 31, 2011

### WINFIELD PUBLIC LIBRARY

#### Revenues

|                                |                |
|--------------------------------|----------------|
| Property taxes                 | \$ 499,085     |
| Intergovernmental revenue      | 5,478          |
| Fines and penalties            | 7,469          |
| Interest income                | 3,615          |
| Charges for services and sales | 6,749          |
| Other                          | 57,252         |
| Total revenues                 | <u>579,648</u> |

#### Expenditures

|                                    |                |
|------------------------------------|----------------|
| Culture and recreation:            |                |
| Personal services                  | 307,469        |
| Contractual services and materials | 157,047        |
| Capital outlay                     | 14,336         |
| Other                              | 11,105         |
| Debt service                       | 18,625         |
| Total expenditures                 | <u>508,582</u> |

Excess (deficiency) of revenues over (under) expenditures 71,066

|                                           |                   |
|-------------------------------------------|-------------------|
| Fund balance, beginning of year           | 284,359           |
| Prior year adjustment                     | 5,739             |
| Fund balance, beginning of year, adjusted | <u>290,098</u>    |
| Fund balance, end of year                 | <u>\$ 361,164</u> |

The background of the slide is an abstract composition of numerous thin, radiating lines. These lines originate from a central point in the lower-left quadrant and fan out towards the top and right edges of the frame. The lines vary in color, ranging from light blue to a bright, almost white cyan, creating a sense of depth and movement. The overall effect is reminiscent of a starburst or a dynamic data visualization.

# STATISTICAL Section

## STATISTICAL SECTION

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the city's overall financial health.

**Financial trends** information helps the readers understand how the City's financial performance and well-being have changed over time.

**Revenue capacity** information is intended to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

**Debt capacity** schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the City's ability to issue additional debt in the future.

**Demographic and economic indicators** are offered to help the reader understand the environment within which the city's financial activities take place and to help make comparisons across time.

**Operating information** about the City and its resources is provided to help the reader understand how the city's financial information relates to the services provided and the activities the City performs.

## City of Winfield, Kansas

### Net Assets by Component, Last Nine Fiscal Years

*(accrual basis of accounting)*

|                                                    | Fiscal Year          |                      |                      |                      |
|----------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                                    | 2003                 | 2004                 | 2005                 | 2006                 |
| <b>Governmental activities</b>                     |                      |                      |                      |                      |
| Invested in capital assets,<br>net of related debt | \$ 15,253,792        | \$ 13,224,149        | \$ 12,278,113        | \$ 11,238,825        |
| Restricted                                         | 281,192              | 1,836,860            | 2,488,485            | 2,757,530            |
| Unrestricted                                       | 299,686              | 1,105,886            | 1,861,083            | 4,191,024            |
| Total governmental activities<br>net assets        | <u>\$ 15,834,670</u> | <u>\$ 16,166,895</u> | <u>\$ 16,627,681</u> | <u>\$ 18,187,379</u> |
| <b>Business-type activities</b>                    |                      |                      |                      |                      |
| Invested in capital assets,<br>net of related debt | \$ 33,869,612        | \$ 34,932,896        | \$ 36,087,472        | \$ 37,790,830        |
| Restricted                                         | 1,239,303            | 306,551              | 202,003              | 202,297              |
| Unrestricted                                       | 8,984,381            | 9,864,534            | 8,518,189            | 7,513,229            |
| Total business-type activities<br>net assets       | <u>\$ 44,093,296</u> | <u>\$ 45,103,981</u> | <u>\$ 44,807,664</u> | <u>\$ 45,506,356</u> |
| <b>Primary government</b>                          |                      |                      |                      |                      |
| Invested in capital assets,<br>net of related debt | \$ 49,123,404        | \$ 48,157,045        | \$ 48,365,585        | \$ 49,029,655        |
| Restricted                                         | 1,520,495            | 2,143,411            | 2,690,488            | 2,959,827            |
| Unrestricted                                       | 9,284,067            | 10,970,420           | 10,379,272           | 11,704,253           |
| Total primary government<br>net assets             | <u>\$ 59,927,966</u> | <u>\$ 61,270,876</u> | <u>\$ 61,435,345</u> | <u>\$ 63,693,735</u> |

Note: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Table 1

| Fiscal Year          |                      |                      |                   |                   |
|----------------------|----------------------|----------------------|-------------------|-------------------|
| 2007                 | 2008                 | 2009                 | 2010              | 2011              |
| \$ 13,588,751        | \$ 16,604,943        | \$ 18,467,441        | 15,221,844        | 16,091,925        |
| 1,984,745            | 1,697,377            | 744,041              | 1,100,540         | 1,001,143         |
| 3,851,314            | 1,613,399            | 1,747,071            | 4,814,451         | 4,296,353         |
| <u>\$ 19,424,810</u> | <u>\$ 19,915,719</u> | <u>\$ 20,958,553</u> | <u>21,136,835</u> | <u>21,389,421</u> |
| <br>                 |                      |                      |                   |                   |
| \$ 37,500,763        | \$ 38,069,991        | \$ 39,034,768        | 39,238,338        | 38,560,011        |
| 201,918              | 200,316              | 200,000              | 200,000           | -                 |
| 8,171,934            | 6,429,463            | 8,171,269            | 9,145,650         | 11,038,264        |
| <u>\$ 45,874,615</u> | <u>\$ 44,699,770</u> | <u>\$ 47,406,037</u> | <u>48,583,988</u> | <u>49,598,275</u> |
| <br>                 |                      |                      |                   |                   |
| \$ 51,089,514        | \$ 54,674,934        | \$ 57,502,209        | 54,460,182        | 54,651,936        |
| 2,186,663            | 1,897,693            | 944,041              | 1,300,540         | 1,001,143         |
| 12,023,248           | 8,042,862            | 9,918,340            | 13,960,101        | 15,334,617        |
| <u>\$ 65,299,425</u> | <u>\$ 64,615,489</u> | <u>\$ 68,364,590</u> | <u>69,720,823</u> | <u>70,987,696</u> |

# City of Winfield, Kansas

## Changes in Net Assets, Last Nine Fiscal Years

(accrual basis of accounting)

|                                                  | Fiscal Year          |                      |                      |                      |
|--------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                                  | 2003                 | 2004                 | 2005                 | 2006                 |
| <b>Expenses</b>                                  |                      |                      |                      |                      |
| <i>Governmental Activities:</i>                  |                      |                      |                      |                      |
| General government                               | \$ 1,040,783         | \$ 1,113,430         | \$ 715,264           | \$ 1,010,093         |
| Public safety                                    | 3,356,623            | 3,385,535            | 3,477,184            | 3,985,164            |
| Public works/stormwater                          | 1,373,515            | 1,554,939            | 1,712,656            | 2,147,916            |
| Cemetery                                         | 139,508              | 143,665              | 156,388              | 150,677              |
| Culture and recreation                           | 1,662,247            | 1,657,742            | 1,874,254            | 1,596,973            |
| Health and welfare                               | 780,187              | 880,651              | 1,182,021            | 994,863              |
| Economic development                             | 167,920              | 163,517              | 200,051              | 130,861              |
| Interest on debt                                 | 447,137              | 455,805              | 369,833              | 455,814              |
| Total governmental activities expenses           | 8,967,920            | 9,355,284            | 9,687,651            | 10,472,361           |
| <i>Business-type activities:</i>                 |                      |                      |                      |                      |
| Electric                                         | 14,842,343           | 16,213,551           | 19,552,084           | 22,379,172           |
| Gas                                              | 4,823,344            | 4,796,433            | 6,662,904            | 5,210,015            |
| Water                                            | 1,663,201            | 1,614,989            | 1,905,225            | 1,833,590            |
| Refuse                                           | 1,071,583            | 1,104,161            | 1,184,215            | 1,202,388            |
| Wastewater                                       | 1,705,536            | 1,716,201            | 1,785,474            | 1,574,041            |
| Golf course                                      | 672,691              | 656,842              | 636,572              | 857,222              |
| Total business-type activities expenses          | 24,778,698           | 26,102,177           | 31,726,474           | 33,056,428           |
| <b>Total primary government expenses</b>         | <b>\$ 33,746,618</b> | <b>\$ 35,457,461</b> | <b>\$ 41,414,125</b> | <b>\$ 43,528,789</b> |
| <b>Program Revenues</b>                          |                      |                      |                      |                      |
| <i>Governmental activities:</i>                  |                      |                      |                      |                      |
| General government                               | \$ 429,391           | \$ 464,967           | \$ 360,003           | \$ 344,835           |
| Public safety                                    | 220,323              | 188,427              | 172,080              | 261,988              |
| Public works/stormwater                          | 85,118               | 127,639              | 158,272              | 152,111              |
| Cemetery                                         | 44,475               | 37,050               | 50,338               | 41,090               |
| Culture and recreation                           | 376,533              | 316,582              | 385,571              | 450,224              |
| Health and welfare                               | 613,792              | 659,910              | 694,747              | 746,312              |
| Operating grants and contributions               | 662,919              | 452,869              | 619,517              | 503,837              |
| Capital grants and contributions                 | 420,619              | 422,683              | 274,757              | 1,802,724            |
| Total governmental activities program revenues   | 2,853,170            | 2,670,127            | 2,715,285            | 4,303,121            |
| <i>Business-type activities:</i>                 |                      |                      |                      |                      |
| Charges for services:                            |                      |                      |                      |                      |
| Electric                                         | 18,139,113           | 17,977,388           | 19,824,019           | 22,984,484           |
| Gas                                              | 5,340,838            | 5,154,458            | 6,695,359            | 6,157,572            |
| Water                                            | 1,452,037            | 1,813,087            | 2,159,641            | 2,293,376            |
| Refuse                                           | 1,012,291            | 1,011,891            | 1,129,186            | 1,257,396            |
| Wastewater                                       | 1,526,984            | 1,552,929            | 1,536,054            | 1,522,009            |
| Golf course                                      | 407,404              | 397,666              | 370,561              | 567,258              |
| Capital grants and contributions                 | 631,306              | 525,105              | 644,724              | 731,839              |
| Total business-type activities program revenues  | 28,509,973           | 28,432,524           | 32,359,544           | 35,513,934           |
| <b>Total primary government program revenues</b> | <b>\$ 31,363,143</b> | <b>\$ 31,102,651</b> | <b>\$ 35,074,829</b> | <b>\$ 39,817,055</b> |

Table 2

| Fiscal Year          |                      |                      |                      |                      |
|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2007                 | 2008                 | 2009                 | 2010                 | 2011                 |
| \$ 1,037,652         | \$ 1,007,890         | \$ 1,136,384         | \$ 1,378,157         | \$ 1,284,081         |
| 3,961,982            | 4,799,553            | 4,363,022            | 4,486,349            | 4,493,341            |
| 1,475,426            | 1,750,265            | 1,511,058            | 1,391,930            | 1,392,216            |
| 158,684              | 163,789              | 142,764              | 164,665              | 145,656              |
| 1,802,510            | 2,157,393            | 1,405,506            | 1,910,251            | 2,044,763            |
| 1,080,507            | 313,261              | 353,557              | 333,945              | 341,963              |
| 148,996              | 175,827              | 165,271              | 148,777              | 185,683              |
| 558,877              | 525,663              | 483,691              | 500,300              | 452,192              |
| <u>10,224,634</u>    | <u>10,893,641</u>    | <u>9,561,253</u>     | <u>10,314,374</u>    | <u>10,339,895</u>    |
| 21,790,211           | 25,974,432           | 20,755,104           | 21,107,926           | 22,331,177           |
| 5,602,811            | 6,249,824            | 4,565,950            | 4,433,654            | 4,160,674            |
| 2,383,522            | 2,461,897            | 2,443,606            | 2,318,531            | 2,354,597            |
| 1,250,860            | 1,305,321            | 1,231,637            | 1,200,127            | 1,247,376            |
| 1,965,895            | 1,900,444            | 1,730,487            | 1,865,241            | 1,849,088            |
| 848,813              | 939,736              | 881,196              | 813,684              | 762,407              |
| <u>33,842,112</u>    | <u>38,831,654</u>    | <u>31,607,980</u>    | <u>31,739,163</u>    | <u>32,705,319</u>    |
| <u>\$ 44,066,746</u> | <u>\$ 49,725,295</u> | <u>\$ 41,169,233</u> | <u>\$ 42,053,537</u> | <u>\$ 43,045,214</u> |
| \$ 339,026           | \$ 403,991           | \$ 401,180           | \$ 662,013           | \$ 351,445           |
| 196,713              | 213,522              | 244,913              | 223,217              | 217,361              |
| 152,488              | 157,989              | 168,703              | 149,339              | 149,761              |
| 31,275               | 43,285               | 51,560               | 53,860               | 70,245               |
| 442,341              | 479,106              | 520,190              | 544,552              | 532,471              |
| 816,546              | 188,322              | 189,415              | 189,856              | 187,630              |
| 517,649              | 469,169              | 484,355              | 641,420              | 553,306              |
| 29,610               | 2,247,932            | 594,320              | 13,286               | 55,651               |
| <u>2,525,648</u>     | <u>4,203,316</u>     | <u>2,654,636</u>     | <u>2,477,543</u>     | <u>2,117,870</u>     |
| 23,993,402           | 24,141,325           | 24,760,069           | 22,771,769           | 24,623,166           |
| 5,804,699            | 6,586,008            | 5,501,142            | 5,455,036            | 4,955,953            |
| 2,163,925            | 2,053,763            | 2,040,831            | 2,134,745            | 2,375,968            |
| 1,408,661            | 1,468,186            | 1,379,395            | 1,401,131            | 1,394,287            |
| 1,497,631            | 1,645,841            | 1,672,416            | 1,809,506            | 1,942,758            |
| 506,487              | 510,225              | 508,703              | 468,167              | 459,404              |
| 572,037              | 456,579              | 199,131              | 798,404              | 113,230              |
| <u>35,946,842</u>    | <u>36,861,927</u>    | <u>36,061,687</u>    | <u>34,838,758</u>    | <u>35,864,766</u>    |
| <u>\$ 38,472,490</u> | <u>\$ 41,065,243</u> | <u>\$ 38,716,323</u> | <u>\$ 37,316,301</u> | <u>\$ 37,982,636</u> |



# City of Winfield, Kansas

## Changes in Net Assets, Last Nine Fiscal Years

(accrual basis of accounting)

|                                                         | Fiscal Year           |                       |                       |                       |
|---------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|                                                         | 2003                  | 2004                  | 2005                  | 2006                  |
| <b>Net (Expenses)/Revenue</b>                           |                       |                       |                       |                       |
| Governmental activities                                 | \$ (6,114,750)        | \$ (6,685,157)        | \$ (6,972,366)        | \$ (6,169,240)        |
| Business-type activities                                | 3,731,275             | 2,330,347             | 633,070               | 2,457,506             |
| <b>Total primary government net expense</b>             | <b>\$ (2,383,475)</b> | <b>\$ (4,354,810)</b> | <b>\$ (6,339,296)</b> | <b>\$ (3,711,734)</b> |
| <b>General Revenues and Other Changes in Net Assets</b> |                       |                       |                       |                       |
| <i>Governmental activities:</i>                         |                       |                       |                       |                       |
| Taxes                                                   |                       |                       |                       |                       |
| Property taxes                                          | \$ 2,997,374          | \$ 3,126,752          | \$ 3,105,420          | \$ 3,313,225          |
| Sales taxes                                             | 1,379,400             | 1,542,114             | 1,514,594             | 1,602,854             |
| Franchise taxes                                         | 132,719               | 188,149               | 221,656               | 221,379               |
| Other taxes                                             | 141,005               | 127,551               | 131,823               | 136,585               |
| Payments in lieu of taxes                               | 1,560,510             | 1,566,880             | 1,815,685             | 2,033,593             |
| Investment earnings                                     | 127,150               | 85,195                | 115,247               | 211,789               |
| Miscellaneous                                           | 338,863               | 130,604               | (18,886)              | 146,328               |
| Special items                                           | -                     | -                     | -                     | -                     |
| Transfers                                               | (321,036)             | (76,950)              | (410,948)             | (65,699)              |
| Total governmental activities                           | 6,355,985             | 6,690,295             | 6,474,591             | 7,600,054             |
| <i>Business-type activities</i>                         |                       |                       |                       |                       |
| Investment earnings                                     | 210,595               | 170,268               | 245,094               | 280,672               |
| Miscellaneous                                           | (700,740)             | -                     | 61,868                | 32,857                |
| In lieu of franchise fees                               | (1,560,510)           | (1,566,880)           | (1,815,685)           | (2,033,593)           |
| Transfers                                               | 321,036               | 76,950                | 410,948               | 65,699                |
| Total business-type activities                          | (1,729,619)           | (1,319,662)           | (1,097,775)           | (1,654,365)           |
| <b>Total primary government</b>                         | <b>\$ 4,626,366</b>   | <b>\$ 5,370,633</b>   | <b>\$ 5,376,816</b>   | <b>\$ 5,945,689</b>   |
| <b>Change in Net Assets</b>                             |                       |                       |                       |                       |
| Governmental activities                                 | \$ 5,138              | \$ (497,775)          | \$ 1,430,814          |                       |
| Business-type activities                                | 1,010,685             | (464,705)             | 803,141               |                       |
| Total primary government                                | <u>\$ 1,015,823</u>   | <u>\$ (962,480)</u>   | <u>\$ 2,233,955</u>   |                       |

Note: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Table 2

| Fiscal Year           |                       |                       |                       |                       |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2007                  | 2008                  | 2009                  | 2010                  | 2011                  |
| \$ (7,698,986)        | \$ (6,690,325)        | \$ (6,906,617)        | \$ (7,836,831)        | \$ (8,222,025)        |
| 2,104,730             | (1,969,727)           | 4,453,707             | 3,099,595             | 3,159,447             |
| <u>\$ (5,594,256)</u> | <u>\$ (8,660,052)</u> | <u>\$ (2,452,910)</u> | <u>\$ (4,737,236)</u> | <u>\$ (5,062,578)</u> |
|                       |                       |                       |                       |                       |
| \$ 3,563,739          | \$ 3,613,367          | \$ 3,946,608          | \$ 3,995,278          | \$ 4,133,774          |
| 1,653,458             | 1,796,192             | 1,642,867             | 1,650,437             | 1,802,734             |
| 224,057               | 232,233               | 208,506               | 217,851               | 197,907               |
| 136,946               | 119,667               | 117,440               | 127,883               | 164,781               |
| 2,132,120             | 2,209,504             | 2,097,169             | 1,987,491             | 2,090,193             |
| 239,348               | 159,269               | 67,920                | 21,433                | 9,874                 |
| 207,280               | 68,148                | 107,661               | 44,392                | -                     |
| -                     | 1,976,607             | -                     | -                     | -                     |
| (25,781)              | (693,327)             | (238,720)             | (29,652)              | 75,348                |
| <u>8,131,167</u>      | <u>9,481,660</u>      | <u>7,949,451</u>      | <u>8,015,113</u>      | <u>8,474,611</u>      |
|                       |                       |                       |                       |                       |
| 369,868               | 230,619               | 111,009               | 36,195                | 20,381                |
| -                     | -                     | -                     | -                     | -                     |
| (2,132,120)           | (2,209,504)           | (2,097,169)           | (1,987,491)           | (2,090,193)           |
| 25,781                | 693,327               | 238,720               | 29,652                | (75,348)              |
| <u>(1,736,471)</u>    | <u>(1,285,558)</u>    | <u>(1,747,440)</u>    | <u>(1,921,644)</u>    | <u>(2,145,160)</u>    |
|                       |                       |                       |                       |                       |
| <u>\$ 6,394,696</u>   | <u>\$ 8,196,102</u>   | <u>\$ 6,202,011</u>   | <u>\$ 6,093,469</u>   | <u>\$ 6,329,451</u>   |
|                       |                       |                       |                       |                       |
| \$ 432,181            | \$ 2,791,335          | \$ 1,042,834          | \$ 178,282            | \$ 252,586            |
| 368,259               | (3,255,285)           | 2,706,267             | 1,177,951             | 1,014,287             |
| <u>\$ 800,440</u>     | <u>\$ (463,950)</u>   | <u>\$ 3,749,101</u>   | <u>\$ 1,356,233</u>   | <u>\$ 1,266,873</u>   |

## City of Winfield, Kansas

### Program Revenues by Function/Program, Last Nine Fiscal Years

*(accrual basis of accounting)*

| Function/Program          | Program Revenues |               |               |               |               |
|---------------------------|------------------|---------------|---------------|---------------|---------------|
|                           | 2003             | 2004          | 2005          | 2006          | 2007          |
| Governmental activities:  |                  |               |               |               |               |
| General government        | \$ 576,835       | \$ 477,324    | \$ 360,515    | \$ 344,835    | \$ 391,329    |
| Public safety             | 402,290          | 353,989       | 485,735       | 330,675       | 204,980       |
| Public works/stormwater   | 737,071          | 580,508       | 738,379       | 2,320,215     | 625,167       |
| Cemetery                  | 44,475           | 37,050        | 50,338        | 49,360        | 31,275        |
| Culture and recreation    | 478,707          | 561,346       | 385,571       | 511,724       | 456,351       |
| Health and welfare        | 613,792          | 659,910       | 694,747       | 746,312       | 816,546       |
| Subtotal                  |                  |               |               |               |               |
| governmental activities   | 2,853,170        | 2,670,127     | 2,715,285     | 4,303,121     | 2,525,648     |
| Business-type activities: |                  |               |               |               |               |
| Electric                  | 18,738,510       | 18,465,605    | 20,388,320    | 23,639,660    | 24,414,753    |
| Gas                       | 5,361,197        | 5,165,526     | 6,721,047     | 6,190,388     | 5,825,189     |
| Water                     | 1,462,241        | 1,838,907     | 2,189,376     | 2,337,223     | 2,194,318     |
| Refuse                    | 1,012,291        | 1,011,891     | 1,154,186     | 1,257,396     | 1,408,661     |
| Wastewater                | 1,528,330        | 1,552,929     | 1,536,054     | 1,522,009     | 1,597,434     |
| Golf course               | 407,404          | 397,666       | 370,561       | 567,258       | 506,487       |
| Subtotal                  |                  |               |               |               |               |
| business-type activities  | 28,509,973       | 28,432,524    | 32,359,544    | 35,513,934    | 35,946,842    |
| Total primary government  | \$ 31,363,143    | \$ 31,102,651 | \$ 35,074,829 | \$ 39,817,055 | \$ 38,472,490 |

Note: The city began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Table 3

| Program Revenues |               |               |               |
|------------------|---------------|---------------|---------------|
| 2008             | 2009          | 2010          | 2011          |
| \$ 403,991       | \$ 401,205    | \$ 710,092    | \$ 468,445    |
| 341,770          | 299,786       | 242,802       | 256,669       |
| 2,684,476        | 653,058       | 735,930       | 571,278       |
| 43,285           | 52,160        | 54,310        | 70,845        |
| 541,472          | 1,059,012     | 544,552       | 563,003       |
| 188,322          | 189,415       | 189,856       | 187,630       |
| 4,203,316        | 2,654,636     | 2,477,542     | 2,117,870     |
| 24,483,928       | 24,942,711    | 23,530,926    | 24,693,816    |
| 6,608,856        | 5,506,348     | 5,461,785     | 4,963,475     |
| 2,092,727        | 2,052,114     | 2,167,244     | 2,398,876     |
| 1,468,186        | 1,379,395     | 1,401,131     | 1,394,287     |
| 1,698,005        | 1,672,416     | 1,809,506     | 1,954,908     |
| 510,225          | 508,703       | 468,167       | 459,404       |
| 36,861,927       | 36,061,687    | 34,838,759    | 35,864,766    |
| \$ 41,065,243    | \$ 38,716,323 | \$ 37,316,301 | \$ 37,982,636 |

## City of Winfield, Kansas

### Fund Balances, Governmental Funds, Last Ten Fiscal Years

*(modified accrual basis of accounting)*

|                                     | Fiscal Year         |                     |                     |                     |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                     | 2002                | 2003                | 2004                | 2005                |
| <b>General fund</b>                 |                     |                     |                     |                     |
| Reserved                            | \$ 158,592          | \$ 33,340           | \$ 37,848           | \$ 20,265           |
| Unreserved                          | 667,910             | 604,905             | 389,343             | 261,816             |
| Total general fund                  | <u>\$ 826,502</u>   | <u>\$ 638,245</u>   | <u>\$ 427,191</u>   | <u>\$ 282,081</u>   |
| <b>All other governmental funds</b> |                     |                     |                     |                     |
| Nonspendable                        | \$ -                | \$ -                | \$ -                | \$ -                |
| Restricted                          | -                   | -                   | -                   | -                   |
| Committed                           | -                   | -                   | -                   | -                   |
| Assigned                            | -                   | -                   | -                   | -                   |
| Unassigned                          | -                   | -                   | -                   | -                   |
| Reserved                            | 1,172,354           | 693,518             | 642,062             | 603,974             |
| Unreserved, reported in:            |                     |                     |                     |                     |
| Capital project funds               | 205,718             | 703,983             | 469,499             | 459,651             |
| Special revenue funds               | 2,247,553           | 2,043,023           | 2,242,289           | 1,761,955           |
| Permanent funds                     | 6,000               | 6,000               | 6,000               | 6,000               |
| Debt service funds                  | 301,751             | 238,485             | 97,734              | -                   |
| Total all other governmental funds  | <u>\$ 3,933,376</u> | <u>\$ 3,685,009</u> | <u>\$ 3,457,584</u> | <u>\$ 2,831,580</u> |

Table 4

| Fiscal Year         |                     |                     |                     |                     |                     |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| 2006                | 2007                | 2008                | 2009                | 2010                | 2011                |
| \$ 20,265           | \$ 20,845           | \$ 41,336           | \$ 24,847           | \$ 28,911           | \$ 20,265           |
| 328,229             | 502,481             | 331,883             | 336,688             | 226,205             | 418,171             |
| <u>\$ 348,494</u>   | <u>\$ 523,326</u>   | <u>\$ 373,219</u>   | <u>\$ 361,535</u>   | <u>\$ 255,116</u>   | <u>\$ 438,436</u>   |
| \$ -                | \$ -                | \$ -                | \$ -                | \$ -                | \$ 6,000            |
| -                   | -                   | -                   | -                   | -                   | 995,143             |
| -                   | -                   | -                   | -                   | -                   | 422,139             |
| -                   | -                   | -                   | -                   | -                   | (33,924)            |
| -                   | -                   | -                   | -                   | -                   | -                   |
| 1,077,822           | 1,113,485           | 812,756             | 517,816             | 322,885             | -                   |
| 732,733             | (201,894)           | 41,825              | (716,253)           | (42,980)            | -                   |
| 1,720,792           | 1,463,104           | 1,449,307           | 1,548,805           | 1,365,334           | -                   |
| 6,000               | 6,000               | 6,000               | 6,000               | 6,000               | -                   |
| -                   | 133                 | 455                 | 190,846             | 131,214             | -                   |
| <u>\$ 3,537,347</u> | <u>\$ 2,380,828</u> | <u>\$ 2,310,343</u> | <u>\$ 1,547,214</u> | <u>\$ 1,782,453</u> | <u>\$ 1,389,358</u> |

**City of Winfield, Kansas**  
**Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

|                                                            | Fiscal Year               |                           |                           |                           |
|------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                                            | 2002                      | 2003                      | 2004                      | 2005                      |
| <b>Revenues</b>                                            |                           |                           |                           |                           |
| Property taxes                                             | \$ 3,012,211              | \$ 2,997,374              | \$ 3,126,752              | \$ 3,105,420              |
| Sales taxes                                                | 1,392,752                 | 1,379,400                 | 1,542,114                 | 1,514,594                 |
| Intergovernmental revenue                                  | 1,313,125                 | 1,358,166                 | 1,125,975                 | 1,063,211                 |
| Charges for services                                       | 955,399                   | 1,125,606                 | 1,139,145                 | 1,193,830                 |
| Franchise taxes                                            | 150,832                   | 141,005                   | 188,149                   | 221,656                   |
| Special assessments                                        | 169,549                   | 147,444                   | 165,447                   | 108,304                   |
| Fines and penalties                                        | 166,004                   | 158,459                   | 159,399                   | 152,098                   |
| Licenses, fees, and permits                                | 8,345                     | 28,279                    | 26,451                    | 23,816                    |
| Investment earnings                                        | 167,801                   | 127,332                   | 89,192                    | 109,012                   |
| Other revenues                                             | 206,902                   | 220,135                   | 146,413                   | 254,032                   |
| <b>Total revenues</b>                                      | <b>7,542,920</b>          | <b>7,683,200</b>          | <b>7,709,037</b>          | <b>7,745,973</b>          |
| <b>Expenditures</b>                                        |                           |                           |                           |                           |
| General government                                         | 882,102                   | 964,763                   | 1,059,035                 | 712,127                   |
| Employee benefits [1]                                      | 812,755                   | -                         | -                         | -                         |
| Public safety                                              | 2,647,989                 | 3,154,017                 | 3,319,716                 | 3,603,633                 |
| Public works/streets                                       | 772,363                   | 1,150,330                 | 2,091,819                 | 971,878                   |
| Cemetery                                                   | 92,489                    | 119,332                   | 131,695                   | 142,741                   |
| Culture and recreation                                     | 1,285,622                 | 1,336,361                 | 1,530,375                 | 1,670,885                 |
| Health and welfare                                         | 835,153                   | 724,297                   | 840,016                   | 1,132,670                 |
| Economic development                                       | 146,171                   | 167,920                   | 498,892                   | 206,180                   |
| Debt service:                                              |                           |                           |                           |                           |
| Debt principal payments                                    | 930,400                   | 1,033,354                 | 1,189,256                 | 2,434,725                 |
| Debt interest payments                                     | 500,019                   | 399,214                   | 482,977                   | 452,675                   |
| Temporary note principal pymts                             | -                         | -                         | -                         | -                         |
| Temporary note interest pymts                              | -                         | -                         | -                         | -                         |
| Discount on temporary note                                 | -                         | -                         | -                         | -                         |
| Debt issuance costs                                        | -                         | -                         | -                         | -                         |
| Capital outlay                                             | 1,696,947                 | 3,819,259                 | 220,272                   | 701,290                   |
| <b>Total expenditures</b>                                  | <b>10,602,010</b>         | <b>12,868,847</b>         | <b>11,364,053</b>         | <b>12,028,804</b>         |
| Excess of revenues over<br>(under) expenditures            | <b><u>(3,059,090)</u></b> | <b><u>(5,185,647)</u></b> | <b><u>(3,655,016)</u></b> | <b><u>(4,282,831)</u></b> |
| <b>Other Financing<br/>Sources (Uses)</b>                  |                           |                           |                           |                           |
| Transfers in                                               | 1,783,193                 | 1,753,715                 | 1,965,650                 | 2,022,142                 |
| Transfers out                                              | (1,573,192)               | (1,809,390)               | (1,908,495)               | (1,843,397)               |
| Transfers in - Pymts in lieu<br>of franchise fees          | 1,302,919                 | 1,560,510                 | 1,566,880                 | 1,815,684                 |
| Issuance of temporary notes                                | -                         | -                         | 1,195,000                 | 755,000                   |
| Issuance of bonds                                          | 3,770,000                 | 3,191,950                 | -                         | 3,015,000                 |
| Issuance of KDOT debt                                      | -                         | -                         | -                         | -                         |
| Issuance of capital lease                                  | -                         | 92,417                    | 271,080                   | -                         |
| Payments to escrow agent                                   | (3,085,000)               | (481,950)                 | -                         | (2,130,000)               |
| Advance payments of specials                               | -                         | -                         | -                         | -                         |
| Insurance recoveries                                       | -                         | -                         | -                         | -                         |
| Capital lease proceeds                                     | -                         | -                         | -                         | -                         |
| KDOT loan proceeds                                         | -                         | -                         | -                         | -                         |
| Debt issuance costs                                        | -                         | -                         | -                         | -                         |
| G.O. refunding bond proceeds                               | -                         | -                         | -                         | -                         |
| G.O. refunding bond premium                                | -                         | -                         | -                         | -                         |
| Sales of property                                          | -                         | 87,853                    | 118,221                   | 47,095                    |
| <b>Total other financing<br/>    sources (uses)</b>        | <b>2,197,920</b>          | <b>4,395,105</b>          | <b>3,208,336</b>          | <b>3,681,524</b>          |
| <b>Net change in fund balances</b>                         | <b>\$ (861,170)</b>       | <b>\$ (790,542)</b>       | <b>\$ (446,680)</b>       | <b>\$ (601,307)</b>       |
| Debt service as a percentage<br>of noncapital expenditures | 16.6%                     | 15.8%                     | 17.2%                     | 25.2%                     |

[1] The City utilized an 'employee benefits' fund in years 1997 through 2002. Employee benefits are allocated to each function in years 2003 and forward .

Table 5

| Fiscal Year  |              |              |              |              |              |
|--------------|--------------|--------------|--------------|--------------|--------------|
| 2006         | 2007         | 2008         | 2009         | 2010         | 2011         |
| \$ 3,313,225 | \$ 3,563,739 | \$ 3,613,367 | \$ 3,946,608 | \$ 3,995,277 | \$ 4,133,774 |
| 1,602,854    | 1,653,458    | 1,796,192    | 1,642,867    | 1,650,437    | 1,802,734    |
| 1,114,731    | 1,059,395    | 1,228,607    | 1,130,876    | 1,209,844    | 1,107,981    |
| 1,304,633    | 1,327,286    | 661,048      | 625,933      | 747,203      | 770,710      |
| 221,379      | 224,057      | 232,233      | 208,506      | 217,851      | 197,907      |
| 116,141      | 175,857      | 168,392      | 163,672      | 206,224      | 207,926      |
| 181,605      | 177,248      | 176,362      | 160,454      | 132,875      | 134,467      |
| 26,695       | 23,943       | 56,228       | 57,929       | 49,586       | 70,546       |
| 161,710      | 177,237      | 122,941      | 54,327       | 16,513       | 7,318        |
| 85,864       | 158,596      | 201,090      | 351,214      | 65,241       | 134,958      |
| 8,128,837    | 8,540,816    | 8,256,460    | 8,342,386    | 8,291,051    | 8,568,321    |
| 969,761      | 1,008,833    | 993,000      | 1,033,537    | 1,052,806    | 1,344,999    |
| -            | -            | -            | -            | -            | -            |
| 4,778,405    | 3,915,641    | 4,556,668    | 4,310,118    | 4,362,464    | 4,311,581    |
| 2,061,131    | 2,493,546    | 2,685,567    | 1,427,589    | 1,008,716    | 651,094      |
| 136,395      | 148,326      | 152,279      | 140,513      | 163,761      | 160,580      |
| 1,493,300    | 1,589,068    | 1,729,654    | 2,171,340    | 1,778,099    | 1,793,269    |
| 923,021      | 1,037,528    | 313,261      | 353,557      | 333,945      | 341,963      |
| 136,956      | 155,244      | 175,827      | 165,271      | 148,777      | 185,683      |
| 2,224,784    | 1,570,117    | 1,466,001    | 1,242,033    | 1,328,559    | 1,794,554    |
| 348,301      | 452,344      | 363,499      | 466,280      | 482,537      | 597,363      |
| -            | -            | 5,280,000    | -            | -            | -            |
| -            | -            | 168,106      | -            | -            | -            |
| -            | -            | 8,040        | -            | -            | -            |
| -            | -            | 41,686       | -            | -            | -            |
| 1,856,253    | 236,480      | 305,879      | 555,840      | 362,291      | 443,657      |
| 14,928,307   | 12,607,127   | 18,239,467   | 11,866,078   | 11,021,955   | 11,624,743   |
| (6,799,470)  | (4,066,311)  | (9,983,007)  | (3,523,692)  | (2,730,904)  | (3,056,422)  |
| 2,092,366    | 2,222,154    | 2,138,437    | 1,958,394    | 2,086,218    | 2,729,475    |
| (2,036,628)  | (2,180,162)  | (2,049,767)  | (1,983,495)  | (2,101,654)  | (1,973,021)  |
| 2,033,593    | 2,132,120    | 2,209,504    | 2,097,169    | 1,987,491    | 2,090,193    |
| 2,326,594    | -            | 2,945,000    | -            | -            | -            |
| 1,115,000    | -            | 4,525,000    | -            | -            | -            |
| 800,000      | 659,701      | -            | -            | -            | -            |
| 1,231,360    | -            | -            | -            | -            | -            |
| -            | -            | -            | -            | (1,144,247)  | -            |
| -            | -            | 162,174      | -            | -            | -            |
| -            | -            | -            | 429,781      | -            | -            |
| -            | -            | -            | 227,844      | -            | -            |
| -            | -            | -            | -            | 630,970      | -            |
| -            | -            | -            | -            | (18,798)     | -            |
| -            | -            | -            | -            | 1,398,246    | -            |
| -            | -            | -            | -            | 18,898       | -            |
| 9,364        | 250,810      | -            | 19,186       | 2,600        | -            |
| 7,571,649    | 3,084,623    | 9,930,348    | 2,748,879    | 2,859,724    | 2,846,647    |
| \$ 772,179   | \$ (981,688) | \$ (52,659)  | \$ (774,813) | \$ 128,820   | \$ (209,775) |
| 22.3%        | 18.9%        | 12.0%        | 17.9%        | 17.5%        | 21.6%        |



## City of Winfield, Kansas

### Assessed Value and Estimated Actual Value of Taxable Property, Last Ten Fiscal Years (in thousands of dollars)

Table 6

| Fiscal Year | Real Property | Personal Property | [a] Utilities | Motor Vehicles | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Taxable Assessed Value as a Percentage of Actual Taxable Value |
|-------------|---------------|-------------------|---------------|----------------|------------------------------|-----------------------|--------------------------------|----------------------------------------------------------------|
| 2002        | 44,901        | 13,923            | 1,742         | 10,165         | 70,731                       | 47.175                | 508,997                        | 13.90%                                                         |
| 2003        | 46,522        | 13,669            | 1,694         | 10,178         | 72,063                       | 47.281                | 445,311                        | 16.18%                                                         |
| 2004        | 46,697        | 9,622             | 1,657         | 10,286         | 68,262                       | 47.107                | 527,998                        | 12.93%                                                         |
| 2005        | 49,812        | 10,858            | 1,620         | 10,255         | 72,545                       | 47.010                | 454,766                        | 15.95%                                                         |
| 2006        | 50,824        | 10,172            | 1,856         | 10,150         | 73,002                       | 51.184                | 468,263                        | 15.59%                                                         |
| 2007        | 53,474        | 11,277            | 1,795         | 10,468         | 77,014                       | 50.471                | 485,868                        | 15.85%                                                         |
| 2008        | 55,940        | 7,697             | 1,652         | 10,421         | 75,710                       | 52.640                | 485,765                        | 15.59%                                                         |
| 2009        | 56,560        | 7,446             | 1,663         | 10,083         | 75,752                       | 54.552                | 478,410                        | 15.83%                                                         |
| 2010        | 56,166        | 6,855             | 1,733         | 9,731          | 74,485                       | 56.746                | 475,007                        | 15.68%                                                         |
| 2011        | 55,746        | 6,462             | 1,872         | 9,741          | 73,821                       | 56.466                | 422,422                        | 17.48%                                                         |

Source: Cowley County Clerk, Treasurer, and Appraiser Offices

Notes: Property in Cowley County is reassessed annually. Commercial property is assessed at 25% of actual value, and residential at 11.5%.

[a] includes oil and gas. Beginning in 2007, certain types of personal property were removed from the tax rolls.

## City of Winfield, Kansas

### Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years

*(rate per \$1,000 pf assessed dollars)*

| Year | Basic<br>Rate | General<br>Obligation<br>Debt Svce | Total<br>Direct<br>Rate | Overlapping Rates |                           |                             |                         |
|------|---------------|------------------------------------|-------------------------|-------------------|---------------------------|-----------------------------|-------------------------|
|      |               |                                    |                         | [a]<br>USD 465    | [b]<br>State of<br>Kansas | [b]<br>Community<br>College | [b]<br>Cowley<br>County |
| 2002 | 36.502        | 10.673                             | 47.175                  | 53.487            | 1.500                     | 17.627                      | 32.073                  |
| 2003 | 36.620        | 10.661                             | 47.281                  | 56.358            | 1.500                     | 17.561                      | 32.491                  |
| 2004 | 36.487        | 10.620                             | 47.107                  | 55.957            | 1.500                     | 17.423                      | 34.797                  |
| 2005 | 35.685        | 11.325                             | 47.010                  | 56.239            | 1.500                     | 18.425                      | 36.754                  |
| 2006 | 40.778        | 10.406                             | 51.184                  | 58.327            | 1.500                     | 18.595                      | 39.035                  |
| 2007 | 40.487        | 9.984                              | 50.471                  | 56.222            | 1.500                     | 19.932                      | 40.876                  |
| 2008 | 40.893        | 11.747                             | 52.640                  | 60.679            | 1.500                     | 19.976                      | 42.270                  |
| 2009 | 45.363        | 9.189                              | 54.552                  | 59.346            | 1.500                     | 20.226                      | 42.064                  |
| 2010 | 47.096        | 9.650                              | 56.746                  | 62.251            | 1.500                     | 20.219                      | 43.036                  |
| 2011 | 46.816        | 9.650                              | 56.466                  | 63.096            | 1.500                     | 20.013                      | 43.420                  |

Source: Cowley County Clerk's office

Notes: The city's property tax rates are set annually by the City commission. Rates for debt service are set based on each year's requirements. Overlapping rates are those of local and county governments that apply to property owners within the City of Winfield.

**City of Winfield, Kansas**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

Table 8

| Taxpayer                           | 2011                      |      |                                                                    | 2002         |      |                                                                    |
|------------------------------------|---------------------------|------|--------------------------------------------------------------------|--------------|------|--------------------------------------------------------------------|
|                                    | Assessed<br>Valuation [1] | Rank | Percentage<br>of Total<br>City<br>Taxable<br>Assessed<br>Value [a] |              | Rank | Percentage<br>of Total<br>City<br>Taxable<br>Assessed<br>Value [a] |
| Newell Rubbermaid                  | \$ 3,966,805              | 1    | 6.19%                                                              | \$ 9,983,716 | 1    | 16.48%                                                             |
| Walmart                            | 2,471,560                 | 2    | 3.86%                                                              | 376,391      | 6    | 0.62%                                                              |
| Winfield Economic Development, Inc | 1,134,895                 | 3    | 1.77%                                                              | 1,195,143    | 2    | 1.97%                                                              |
| Union Pacific Railroad             | 737,354                   | 4    | 1.15%                                                              |              |      |                                                                    |
| General Electric Company [2]       | 691,686                   | 5    | 1.08%                                                              |              |      |                                                                    |
| Dillons                            | 646,975                   | 6    | 1.01%                                                              | 547,225      | 5    | 0.90%                                                              |
| Galaxy Tool                        | 542,322                   | 7    | 0.85%                                                              | 810,449      | 4    | 1.34%                                                              |
| Southwestern Bell                  | 468,466                   | 8    | 0.73%                                                              | 1,002,429    | 3    | 1.66%                                                              |
| Calmar                             | 450,940                   | 9    | 0.70%                                                              |              |      |                                                                    |
| BNSF                               | 369,185                   | 10   | 0.58%                                                              |              |      |                                                                    |

[a] excludes motor vehicle valuation

[1] includes valuation within City of Winfield only

[2] Binney & Smith ceased operations in City in 1998. The facility was sold to Winfield Economic Development, and leased to General Electric.

Source: Cowley County Appraiser's Office

## City of Winfield, Kansas

### Property Tax Levies and Collections, Last Ten Fiscal Years

Table 9

| Year | Taxes<br>Levied<br>For Fiscal<br>Year | Collected within the<br>Fiscal Year of Levy |                       | Delinquent<br>Taxes<br>Collected<br>By years [a] | Total Collections to Date |                       |
|------|---------------------------------------|---------------------------------------------|-----------------------|--------------------------------------------------|---------------------------|-----------------------|
|      |                                       | Amount                                      | Percentage<br>of Levy |                                                  | Amount                    | Percentage<br>of Levy |
| 2002 | 2,543,972                             | \$ 2,486,412                                | 97.74%                | 10,573                                           | 2,496,985                 | 98.15%                |
| 2003 | 2,857,163                             | \$ 2,567,732                                | 89.87%                | 15,479                                           | 2,583,211                 | 90.41%                |
| 2004 | 2,925,990                             | \$ 2,672,634                                | 91.34%                | 23,717                                           | 2,696,351                 | 92.15%                |
| 2005 | 2,730,930                             | \$ 2,661,557                                | 97.46%                | 45,666                                           | 2,707,223                 | 99.13%                |
| 2006 | 2,928,070                             | \$ 2,774,735                                | 94.76%                | 50,203                                           | 2,824,938                 | 96.48%                |
| 2007 | 3,224,850                             | \$ 3,066,776                                | 95.10%                | 54,037                                           | 3,120,813                 | 96.77%                |
| 2008 | 3,361,313                             | \$ 3,093,973                                | 92.05%                | 60,621                                           | 3,154,594                 | 93.85%                |
| 2009 | 3,439,637                             | \$ 3,390,612                                | 98.57%                | 65,116                                           | 3,455,728                 | 100.47%               |
| 2010 | 3,571,586                             | \$ 3,462,827                                | 96.95%                | 28,492                                           | 3,491,319                 | 97.75%                |
| 2011 | 3,532,436                             | \$ 3,531,166                                | 99.96%                | -                                                | 3,531,166                 | 99.96%                |

Source: Cowley County Clerk and County Treasurer's office

[a] Delinquent taxes not collected in the fiscal levy year. Amounts reflect cumulative collections of delinquent tax for each levy year.

## City of Winfield, Kansas

### Ratios of Outstanding Debt by Type, Last Ten Fiscal Years

*(dollars in thousands)*

Table 10

| <b>Governmental Activities</b> |                                |                               |                    |              |                     |                                       |                   |
|--------------------------------|--------------------------------|-------------------------------|--------------------|--------------|---------------------|---------------------------------------|-------------------|
| Year                           | General<br>Obligation<br>Bonds | Sales Tax<br>Revenue<br>Bonds | Temporary<br>Notes | KDOT<br>Loan | Contractual<br>Debt | Certificates<br>of Parti-<br>cipation | Capital<br>Leases |
| 2002                           | 8,285                          | 790                           | -                  | -            | -                   | -                                     | 615               |
| 2003                           | 10,185                         | 690                           | -                  | -            | 297                 | 482                                   | 101               |
| 2004                           | 9,205                          | 590                           | 1,195              | -            | 266                 | 412                                   | 334               |
| 2005                           | 9,235                          | 485                           | 755                | -            | 234                 | 333                                   | 283               |
| 2006                           | 9,365                          | 375                           | 2,335              | 800          | 201                 | 253                                   | 1,219             |
| 2007                           | 8,300                          | 260                           | 2,335              | 1,389        | 169                 | 171                                   | 911               |
| 2008                           | 11,730                         | 145                           | -                  | 1,232        | 136                 | 87                                    | 827               |
| 2009                           | 10,870                         | 25                            | -                  | 1,702        | 104                 | -                                     | 992               |
| 2010                           | 11,552                         | -                             | -                  | 71           | 72                  | -                                     | 831               |
| 2011                           | 10,373                         | -                             | -                  | 36           | 39                  | -                                     | 663               |

| Year | Business-type Activities       |                             |               |                                       |                   | Total<br>Primary<br>Government | Percentage<br>of Personal<br>Income | Per<br>Capita |
|------|--------------------------------|-----------------------------|---------------|---------------------------------------|-------------------|--------------------------------|-------------------------------------|---------------|
|      | General<br>Obligation<br>Bonds | Utility<br>Revenue<br>Bonds | KDHE<br>Loans | Certificates<br>of Parti-<br>cipation | Capital<br>Leases |                                |                                     |               |
| 2002 | -                              | 1,185                       | 8,696         | -                                     | 4,849             | 24,420                         | 3.0%                                | 2,009         |
| 2003 | -                              | 605                         | 8,673         | 3,123                                 | 1,089             | 25,245                         | 2.9%                                | 2,101         |
| 2004 | -                              | -                           | 13,047        | 2,808                                 | 762               | 28,619                         | 3.3%                                | 2,382         |
| 2005 | -                              | -                           | 13,397        | 2,437                                 | 10                | 27,169                         | 3.1%                                | 2,286         |
| 2006 | -                              | -                           | 12,898        | 2,057                                 | -                 | 29,503                         | 2.9%                                | 2,513         |
| 2007 | -                              | -                           | 12,242        | 1,669                                 | -                 | 27,446                         | 2.5%                                | 2,379         |
| 2008 | -                              | -                           | 11,563        | 1,273                                 | -                 | 26,993                         | 2.6%                                | 2,348         |
| 2009 | -                              | -                           | 10,911        | 860                                   | 106               | 25,570                         | 2.3%                                | 2,294         |
| 2010 | 6,618                          | -                           | 3,937         | 445                                   | 58                | 23,584                         | 2.1%                                | 1,917         |
| 2011 | 6,197                          | -                           | 3,499         | -                                     | 9                 | 20,816                         | 1.8%                                | 1,692         |

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

See Table 15 for personal income and per capita data

## City of Winfield, Kansas

### Ratio of General Bonded Debt Outstanding, Last Ten Fiscal Years

*(dollars in thousands, except per capita)*

Table 11

| Year     | General Bonded<br>Debt Outstanding [c] |                    |                 | Total  | Percentage of<br>Actual Taxable<br>Value of<br>Property [a] | Per<br>Capita [b] |
|----------|----------------------------------------|--------------------|-----------------|--------|-------------------------------------------------------------|-------------------|
|          | General<br>Obligation<br>Bonds         | Temporary<br>Notes | KDOT<br>GO Debt |        |                                                             |                   |
| 2002     | 8,285                                  | -                  | -               | 8,285  | 1.63%                                                       | 681               |
| 2003     | 10,185                                 | -                  | -               | 10,185 | 2.29%                                                       | 848               |
| 2004     | 9,205                                  | 1,195              | -               | 10,400 | 1.97%                                                       | 866               |
| 2005     | 9,235                                  | 755                | -               | 9,990  | 2.20%                                                       | 840               |
| 2006     | 9,365                                  | 2,335              | -               | 11,700 | 2.50%                                                       | 997               |
| 2007     | 8,300                                  | 2,335              | 7               | 10,642 | 2.19%                                                       | 922               |
| 2008     | 11,730                                 | -                  | 1,232           | 12,962 | 2.67%                                                       | 1,127             |
| 2009     | 10,870                                 | -                  | 1,072           | 11,942 | 2.50%                                                       | 1,071             |
| 2010     | 18,170                                 | -                  | 71              | 18,241 | 3.84%                                                       | 1,483             |
| 2011 [d] | 16,570                                 | -                  | 36              | 16,606 | 3.50%                                                       | 1,350             |

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[a] See T-6 for property value data

[b] Population data can be found in Table 15

[c] In accordance with KSA 10-1116 and KSA 79-5028, KDOT loans constitute 'bonds' characterization. KDOT debt for street improvements are being repaid as general obligation debt.

[d] Includes \$6,196 thousand of GO debt, that is being repaid from water revenues.

## City of Winfield, Kansas

### Direct and Overlapping Governmental Activities Debt

As of December 31, 2011

(dollars in thousands)

| Jurisdiction                             | Net General<br>Obligation<br>Bonded Debt<br>Outstanding | Estimated<br>Percentage<br>Applicable to<br>City of Winfield | Amount<br>Applicable to<br>City of<br>Winfield |
|------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------|
| Direct:                                  |                                                         |                                                              |                                                |
| [a] City of Winfield                     | \$ 10,373                                               | 100.00%                                                      | \$ 10,373                                      |
| Overlapping:                             |                                                         |                                                              |                                                |
| USD #465                                 | \$ 20,330                                               | 74.61%                                                       | \$ 15,168                                      |
| Cowley County                            | 6,340                                                   | 29.61%                                                       | 1,877                                          |
| Total Overlapping Debt                   | 26,670                                                  |                                                              | 17,045                                         |
| <b>Total direct and overlapping debt</b> | <b>\$ 37,043</b>                                        |                                                              | <b>\$ 27,418</b>                               |

[a] includes portion of GO bonds to be paid through property taxes

Sources: Assessed valuation provided by Cowley County Clerk.

Debt outstanding data is provided by each governmental unit.

Percentage of debt applicable to the City of Winfield is based on the proportion that the assessed valuation of the City of Winfield bears to the assessed valuation of the overlapping entity.

## City of Winfield, Kansas

### Legal Debt Margin Information, Last Ten Fiscal Years (dollars in thousands)

Table 13

|                                                                                   | <u>2002</u>      | <u>2003</u>      | <u>2004</u>      | <u>2005</u>      | <u>2006</u>     | <u>2007</u>      | <u>2008</u>     | <u>2009</u>      | <u>2010</u>      | <u>2011</u>      |
|-----------------------------------------------------------------------------------|------------------|------------------|------------------|------------------|-----------------|------------------|-----------------|------------------|------------------|------------------|
| Debt limit [1]                                                                    | \$ 21,219        | \$ 21,619        | \$ 20,479        | \$ 21,764        | \$ 21,901       | \$ 23,104        | \$ 22,713       | \$ 22,726        | \$ 22,346        | \$ 22,146        |
| Total debt subject to full<br>faith, credit of city                               | 16,596           | 18,528           | 23,447           | 23,387           | 25,398          | 24,267           | 24,525          | 22,853           | 22,178           | 20,105           |
| Less self-<br>supporting debt [2]                                                 | <u>(8,696)</u>   | <u>(8,673)</u>   | <u>(13,047)</u>  | <u>(13,397)</u>  | <u>(12,898)</u> | <u>(12,242)</u>  | <u>(11,563)</u> | <u>(10,911)</u>  | <u>(10,555)</u>  | <u>(9,696)</u>   |
| Total net debt<br>applicable to limit                                             | <u>7,900</u>     | <u>9,855</u>     | <u>10,400</u>    | <u>9,990</u>     | <u>12,500</u>   | <u>12,025</u>    | <u>12,962</u>   | <u>11,942</u>    | <u>11,623</u>    | <u>10,409</u>    |
| Legal debt margin                                                                 | <u>\$ 13,319</u> | <u>\$ 11,764</u> | <u>\$ 10,079</u> | <u>\$ 11,774</u> | <u>\$ 9,401</u> | <u>\$ 11,079</u> | <u>\$ 9,751</u> | <u>\$ 10,784</u> | <u>\$ 10,723</u> | <u>\$ 11,737</u> |
| <br>Total net debt<br>applicable to the limit<br>as a percentage of<br>debt limit | <br>37.23%       | <br>45.59%       | <br>50.78%       | <br>45.90%       | <br>57.08%      | <br>52.05%       | <br>57.07%      | <br>52.55%       | <br>52.01%       | <br>47.00%       |

[1] Under K.S.A. 10-308, the city's outstanding bonded indebtedness cannot exceed 30 percent of assessed valuation of the city.

[2] Principal amount of City's general obligation and state revolving fund debt which is anticipated to be paid from net revenues from the operation of the City's water and sewer systems.



## City of Winfield, Kansas

### Pledged-Revenue Coverage, Last Ten Fiscal Years

*(dollars in thousands)*

Table 14

| <b>Electric Revenue Bonds and Certificates of Participation Debt</b> |                               |                                    |                             |              |          |          |
|----------------------------------------------------------------------|-------------------------------|------------------------------------|-----------------------------|--------------|----------|----------|
| Year                                                                 | Utility<br>Service<br>Charges | Less:<br>Operating<br>Expenses [1] | Net<br>Available<br>Revenue | Debt Service |          | Coverage |
|                                                                      |                               |                                    |                             | Principal    | Interest |          |
| 2002                                                                 | 17,071                        | 14,097                             | 2,974                       | 566          | 138      | 4.22     |
| 2003                                                                 | 18,139                        | 14,410                             | 3,729                       | 951          | 147      | 3.40     |
| 2004                                                                 | 17,981                        | 15,883                             | 2,098                       | 982          | 107      | 1.93     |
| 2005                                                                 | 19,824                        | 19,393                             | 431                         | 812          | 51       | 0.50     |
| 2006                                                                 | 22,984                        | 22,692                             | 292                         | 80           | 15       | 3.07     |
| 2007                                                                 | 23,993                        | 22,256                             | 1,737                       | 82           | 13       | 18.28    |
| 2008                                                                 | 24,141                        | 26,231                             | (2,090)                     | 84           | 12       | (21.77)  |
| 2009                                                                 | 24,760                        | 21,093                             | 3,667                       | 87           | 8        | 38.60    |
| 2010                                                                 | 21,669                        | 20,964                             | 705                         | 90           | 5        | 7.42     |
| 2011                                                                 | 24,650                        | 23,879                             | 771                         | 93           | 1        | 8.20     |

| <b>Water Revenue Bonds and KDHE Debt</b> |                               |                                |                             |              |          |          |
|------------------------------------------|-------------------------------|--------------------------------|-----------------------------|--------------|----------|----------|
| Year                                     | Utility<br>Service<br>Charges | Less:<br>Operating<br>Expenses | Net<br>Available<br>Revenue | Debt Service |          | Coverage |
|                                          |                               |                                |                             | Principal    | Interest |          |
| 2002                                     | 1,359                         | 1,423                          | (64)                        | 65           | 2        | (0.96)   |
| 2003                                     | 1,452                         | 1,433                          | 19                          | 77           | 95       | 0.11     |
| 2004                                     | 1,821                         | 1,418                          | 403                         | 80           | 93       | 2.33     |
| 2005                                     | 2,160                         | 1,708                          | 452                         | 84           | 88       | 2.63     |
| 2006                                     | 2,293                         | 1,187                          | 1,106                       | 303          | 306      | 1.82     |
| 2007                                     | 2,164                         | 1,764                          | 400                         | 301          | 305      | 0.66     |
| 2008                                     | 2,054                         | 1,810                          | 244                         | 317          | 289      | 0.40     |
| 2009                                     | 2,041                         | 1,819                          | 222                         | 329          | 276      | 0.37     |
| 2010                                     | 2,135                         | 1,741                          | 394                         | 342          | 263      | 0.65     |
| 2011                                     | 2,376                         | 2,326                          | 50                          | 421          | 149      | 0.09     |

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1] Operating expenses do not include interest/amortization expense, but do include payments in lieu of franchise fees

## City of Winfield, Kansas

### Pledged-Revenue Coverage, Last Ten Fiscal Years

(dollars in thousands)

Table 14 (cont.)

| <b>Wastewater KDHE Debt</b> |                                        |                                         |                                      |                     |                 |                 |
|-----------------------------|----------------------------------------|-----------------------------------------|--------------------------------------|---------------------|-----------------|-----------------|
| <u>Year</u>                 | <u>Utility<br/>Service<br/>Charges</u> | <u>Less:<br/>Operating<br/>Expenses</u> | <u>Net<br/>Available<br/>Revenue</u> | <u>Debt Service</u> |                 | <u>Coverage</u> |
|                             |                                        |                                         |                                      | <u>Principal</u>    | <u>Interest</u> |                 |
| 2001                        | \$ 1,424                               | \$ 753                                  | \$ 671                               | \$ 289              | \$ 240          | 1.27            |
| 2002                        | 1,463                                  | 837                                     | 626                                  | 299                 | 212             | 1.23            |
| 2003                        | 1,527                                  | 901                                     | 626                                  | 309                 | 202             | 1.23            |
| 2004                        | 1,554                                  | 917                                     | 637                                  | 319                 | 195             | 1.24            |
| 2005                        | 1,536                                  | 987                                     | 549                                  | 329                 | 181             | 1.08            |
| 2006                        | 1,522                                  | 767                                     | 755                                  | 340                 | 170             | 1.48            |
| 2007                        | 1,498                                  | 1,091                                   | 407                                  | 351                 | 162             | 0.79            |
| 2008                        | 1,646                                  | 1,110                                   | 536                                  | 363                 | 151             | 1.04            |
| 2009                        | 1,672                                  | 936                                     | 736                                  | 413                 | 153             | 1.30            |
| 2010                        | 1,810                                  | 1,095                                   | 715                                  | 434                 | 132             | 1.26            |
| 2011                        | 1,943                                  | 1,729                                   | 214                                  | 438                 | 125             | 0.38            |

| <b>Quail Ridge Golf Course Certificates of Participation Debt</b> |                                 |                                         |                                      |                     |                 |                 |
|-------------------------------------------------------------------|---------------------------------|-----------------------------------------|--------------------------------------|---------------------|-----------------|-----------------|
| <u>Year</u>                                                       | <u>Golf<br/>Course<br/>Fees</u> | <u>Less:<br/>Operating<br/>Expenses</u> | <u>Net<br/>Available<br/>Revenue</u> | <u>Debt Service</u> |                 | <u>Coverage</u> |
|                                                                   |                                 |                                         |                                      | <u>Principal</u>    | <u>Interest</u> |                 |
| 2001                                                              | \$ 434                          | \$ 338                                  | \$ 96                                | \$ 222              | \$ 154          | 0.26            |
| 2002                                                              | 414                             | 353                                     | 61                                   | 230                 | 145             | 0.16            |
| 2003                                                              | 420                             | 340                                     | 80                                   | 241                 | 135             | 0.21            |
| 2004                                                              | 407                             | 348                                     | 59                                   | 256                 | 149             | 0.15            |
| 2005                                                              | 398                             | 408                                     | (10)                                 | 256                 | 68              | (0.03)          |
| 2006                                                              | 371                             | 407                                     | (36)                                 | 301                 | 61              | (0.10)          |
| 2007                                                              | 506                             | 655                                     | (149)                                | 307                 | 50              | (0.42)          |
| 2008                                                              | 510                             | 731                                     | (221)                                | 312                 | 41              | (0.63)          |
| 2009                                                              | 509                             | 681                                     | (172)                                | 326                 | 31              | (0.48)          |
| 2010                                                              | 468                             | 615                                     | (147)                                | 325                 | 20              | (0.43)          |
| 2011                                                              | 459                             | 753                                     | (294)                                | 352                 | 7               | (0.82)          |

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

## City of Winfield, Kansas

### Pledged-Revenue Coverage, Last Ten Fiscal Years

*(dollars in thousands)*

Table 14 (continued)

| <b>Special Assessment Bonds</b> |                                      |                  |          |          |
|---------------------------------|--------------------------------------|------------------|----------|----------|
| Year                            | Special<br>Assessment<br>Collections | Debt Service [1] |          | Coverage |
|                                 |                                      | Principal        | Interest |          |
| 2001                            | \$ 242                               | \$ 107           | \$ 61    | 1.44     |
| 2002                            | 170                                  | 111              | 55       | 1.02     |
| 2003                            | 147                                  | 129              | 34       | 0.90     |
| 2004                            | 165                                  | 128              | 34       | 1.02     |
| 2005                            | 108                                  | 129              | 30       | 0.68     |
| 2006                            | 116                                  | 133              | 25       | 0.73     |
| 2007                            | 176                                  | 112              | 121      | 0.76     |
| 2008                            | 168                                  | 155              | 68       | 0.75     |
| 2009                            | 164                                  | 69               | 123      | 0.85     |
| 2010                            | 206                                  | 186              | 152      | 0.61     |
| 2011                            | 208                                  | 192              | 145      | 0.62     |

| <b>KDOT Stormwater Revenue Debt</b> |                                      |                                    |                             |              |          |          |
|-------------------------------------|--------------------------------------|------------------------------------|-----------------------------|--------------|----------|----------|
| Year                                | Stormwater<br>Revenue<br>Collections | Less:<br>Operating<br>Expenses [1] | Net<br>Available<br>Revenue | Debt Service |          | Coverage |
|                                     |                                      |                                    |                             | Principal    | Interest |          |
| 2007                                | \$ 152                               | \$ 47                              | \$ 105                      | \$ 70        | \$ 28    | 1.07     |
| 2008                                | 158                                  | 92                                 | 66                          | 70           | 28       | 0.67     |
| 2009                                | 149                                  | 35                                 | 114                         | 73           | 25       | 1.16     |
| 2010                                | 149                                  | 61                                 | 88                          | 75           | 23       | 0.90     |
| 2011                                | 150                                  | 114                                | 36                          | 82           | 9        | 0.40     |

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1] Debt service includes total project costs, including city-at-large portion

## City of Winfield, Kansas

### Demographic and Economic Statistics, Last Ten Fiscal Years

Table 15

| Year | Population [1] | Personal<br>Income [1]<br><i>(thousands<br/>of dollars)</i> | Per<br>Capita<br>Personal<br>Income [1] | School<br>Enrollment [2] | Unemployment<br>Rate [3] |
|------|----------------|-------------------------------------------------------------|-----------------------------------------|--------------------------|--------------------------|
| 2001 | 12,206         | \$ 765,356                                                  | \$ 25,022                               | 2,814                    | 3.9%                     |
| 2002 | 12,158         | 808,719                                                     | 24,576                                  | 2,790                    | 7.0%                     |
| 2003 | 12,016         | 866,419                                                     | 25,431                                  | 2,514                    | 6.3%                     |
| 2004 | 12,016         | 864,007                                                     | 26,292                                  | 2,470                    | 6.5%                     |
| 2005 | 11,886         | 873,042                                                     | 26,942                                  | 2,411                    | 5.8%                     |
| 2006 | 11,741         | 1,016,576                                                   | 29,304                                  | 2,403                    | 4.7%                     |
| 2007 | 11,539         | 1,081,637                                                   | 30,471                                  | 2,384                    | 3.4%                     |
| 2008 | 11,497         | 1,051,005                                                   | 31,713                                  | 2,434                    | 5.4%                     |
| 2009 | 11,148         | 1,126,122                                                   | 30,391                                  | 2,475                    | 6.8%                     |
| 2010 | 12,301         | 1,126,122                                                   | 30,359                                  | 2,536                    | 7.1%                     |
| 2011 | 12,301         | 1,126,122                                                   | 30,359                                  | 2,461                    | 6.2%                     |

[1] Provided by Kansas University Institute for Policy and Social Research and U.S. Bureau of Economic Analysis. 2011 information not available as of publication date for per capita personal income, or 2010/2011 personal income figures

[2] Provided by U.S.D. #465. Includes public school system only. Non-weighted FTE.

[3] Kansas Department of Human Resources, Cowley First, end of year

## City of Winfield, Kansas

### Principal Employers, Current Year and Nine Years Ago

Table 16

| Employer                         | 2011                   |      |                                                | 2002                   |      |                                                |
|----------------------------------|------------------------|------|------------------------------------------------|------------------------|------|------------------------------------------------|
|                                  | Estimated<br>Employees | Rank | Percentage<br>of Total<br>County<br>Employment | Estimated<br>Employees | Rank | Percentage<br>of Total<br>County<br>Employment |
| General Electric Co              | 850                    | 1    | 5.00%                                          | 920                    | 1    | 5.41%                                          |
| U.S. D. #465                     | 770                    | 2    | 4.53%                                          | 568                    | 3    | 3.34%                                          |
| Creekstone Farms Premium Beef    | 720                    | 3    | 4.24%                                          | 500                    | 4    | 2.94%                                          |
| Newell-Rubbermaid                | 700                    | 4    | 4.12%                                          | 796                    | 2    | 4.68%                                          |
| U.S. D. #470                     | 463                    | 5    | 2.72%                                          | 400                    | 5    | 2.35%                                          |
| William Newton Memorial Hospital | 325                    | 6    | 1.91%                                          | 233                    | 8    | 1.37%                                          |
| Calmar, Inc (MeadWestVaco)       | 275                    | 7    | 1.62%                                          | 206                    | 9    | 1.21%                                          |
| South Central Medical Center     | 216                    | 8    | 1.27%                                          | 150                    | 14   | 0.88%                                          |
| Kan-Pak                          | 208                    | 9    | 1.22%                                          | N/A                    |      | N/A                                            |
| Western Industries               | 207                    | 10   | 1.22%                                          | 159                    | 12   | 0.94%                                          |
| Southwestern College             | 195                    | 11   | 1.15%                                          | 188                    | 11   | 1.11%                                          |
| Cowley College                   | 185                    | 12   | 1.09%                                          | 130                    | 45   | N/A                                            |
| City of Winfield                 | 175                    | 13   | 1.03%                                          | 162                    | 10   | 0.95%                                          |
| Cowley County                    | 158                    | 14   | 0.93%                                          | 257                    | 7    | 1.51%                                          |
| Winfield Correctional Facility   | 150                    | 15   | 0.88%                                          | 300                    | 6    | 1.76%                                          |
| City of Arkansas City            | 150                    | 16   | 0.88%                                          | 158                    | 13   | 0.93%                                          |
| Galaxy Technology                | 147                    | 17   | 0.86%                                          | N/A                    |      | N/A                                            |
| Winfield Consumer Products       | 103                    | 18   | 0.61%                                          | 115                    | 16   | 0.68%                                          |

Source: Kansas Department of Commerce and respective employer representatives

The City of Winfield is located approximately twelve miles from the city of Arkansas City, Kansas (population approx. 12,000). Both cities are located in Cowley County, and many employers have work forces consisting of residents of both cities. Major employers listed above are for the Arkansas City/Winfield populations

## City of Winfield, Kansas

### Full-time Equivalent Employees by Function, Last Ten Fiscal Years

Table 17

|                               | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| General government            |             |             |             |             |             |             |             |             |             |             |
| Management services           | 18          | 19          | 15          | 15          | 14          | 14          | 14          | 13          | 13          | 13          |
| Legal/court                   | 1           | 1           | 1           | 1           | 2           | 2           | 2           | 2           | 2           | 2           |
| Utility billing               | 6           | 7           | 6           | 6           | 7           | 7           | 7           | 7           | 7           | 7           |
| Engineering                   | 9           | 8           | 9           | 8           | 8           | 8           | 8           | 8           | 8           | 7           |
| Service and operations center | 6           | 6           | 10          | 10          | 10          | 10          | 9           | 9           | 9           | 8           |
| Public safety                 |             |             |             |             |             |             |             |             |             |             |
| Fire                          | 20          | 20          | 20          | 20          | 20          | 20          | 20          | 20          | 20          | 19          |
| Police                        | 29          | 26          | 27          | 29          | 29          | 30          | 28          | 31          | 32          | 31          |
| Public works/stormwater       | 8           | 8           | 7           | 8           | 7           | 7           | 6           | 6           | 6           | 6           |
| Cemetery                      | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           | 2           |
| Culture and recreation        | 9           | 10          | 10          | 9           | 9           | 9           | 9           | 9           | 9           | 9           |
| Electric                      | 33          | 31          | 31          | 31          | 31          | 29          | 29          | 28          | 29          | 29          |
| Gas                           | 13          | 13          | 13          | 13          | 12          | 12          | 11          | 11          | 10          | 9           |
| Water                         | 11          | 11          | 12          | 12          | 12          | 12          | 12          | 13          | 12          | 12          |
| Refuse                        | 11          | 11          | 10          | 11          | 11          | 11          | 10          | 10          | 10          | 10          |
| Wastewater                    | 9           | 8           | 8           | 8           | 9           | 8           | 8           | 8           | 8           | 8           |
| Golf course                   | 4           | 4           | 4           | 3           | 4           | 4           | 4           | 4           | 4           | 4           |
|                               | <u>189</u>  | <u>185</u>  | <u>185</u>  | <u>186</u>  | <u>187</u>  | <u>185</u>  | <u>179</u>  | <u>181</u>  | <u>181</u>  | <u>176</u>  |
| Total                         |             |             |             |             |             |             |             |             |             |             |

Source: City records

**City of Winfield, Kansas**

**Operating Indicators by Function/Program, Last Ten Fiscal Years**

Table 18

|                                                               | 2002    | 2003    | 2004    | 2005    | 2006    | 2007    | 2008    | 2009    | 2010    | 2011    |
|---------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| General government                                            |         |         |         |         |         |         |         |         |         |         |
| Building permits issued                                       | 185     | 182     | 204     | 192     | 212     | 185     | 254     | 309     | 381     | 328     |
| Municipal court cases                                         | 1,510   | 1,349   | 1,437   | 1,381   | 1,409   | 1,456   | 1,418   | 1,141   | 908     | 1,066   |
| Police                                                        |         |         |         |         |         |         |         |         |         |         |
| Class I Offenses                                              | 710     | 797     | 750     | 908     | 856     | 1,016   | 799     | 630     | 610     | 762     |
| Domestic Violence/DUI/Drug Arrest                             | 244     | 227     | 254     | 292     | 245     | 330     | 301     | 327     | 385     | 276     |
| Accidents                                                     | 466     | 451     | 405     | 423     | 354     | 494     | 395     | 408     | 362     | 311     |
| Fire                                                          |         |         |         |         |         |         |         |         |         |         |
| Total responses                                               | 1,624   | 1,377   | 1,283   | 1,441   | 1,491   | 1,582   | 1,530   | 1,481   | 1,682   | 1,723   |
| Parks and recreation                                          |         |         |         |         |         |         |         |         |         |         |
| Aquatic center attendance                                     | 20,085  | 28,276  | 19,605  | 21,163  | 22,344  | 18,885  | 18,466  | 19,931  | 20,618  | 20,565  |
| Annual lake permits                                           | N/A     | N/A     | 2,142   | 2,200   | 2,285   | 1,929   | 1,851   | 2,315   | 3,088   | 2,159   |
| Cemetery                                                      |         |         |         |         |         |         |         |         |         |         |
| Cemetery spaces sold                                          | 81      | 60      | 39      | 73      | 82      | 41      | 61      | 85      | 62      | 77      |
| Streets maintenance                                           |         |         |         |         |         |         |         |         |         |         |
| Resurfacing, annual in tons                                   | 9,379   | 6,196   | 1,648   | 4,460   | 4,617   | 4,940   | 1,343   | 1,965   | 4,556   |         |
| Electric utility                                              |         |         |         |         |         |         |         |         |         |         |
| MWH sold, annual                                              | 277,717 | 287,160 | 276,534 | 276,206 | 295,879 | 322,231 | 306,588 | 259,957 | 281,210 | 277,467 |
| Peak daily consumption, MWH                                   | 62,913  | 63,391  | 58,596  | 61,900  | 66,700  | 68,700  | 66,000  | 59,420  | 61,132  | 65,385  |
| Gas Utility                                                   |         |         |         |         |         |         |         |         |         |         |
| MCF sold, annual                                              | 693,486 | 704,883 | 637,359 | 604,736 | 546,357 | 574,357 | 636,285 | 576,264 | 582,502 | 574,253 |
| Water Utility                                                 |         |         |         |         |         |         |         |         |         |         |
| Gallons sold, annual, in thousands                            | 736,246 | 782,415 | 752,735 | 701,406 | 785,958 | 691,838 | 647,747 | 661,432 | 688,586 | 762,729 |
| Refuse (annual tons, in thousands)                            |         |         |         |         |         |         |         |         |         |         |
| Refuse collected                                              | 8,187   | 8,976   | 9,150   | 8,926   | 8,700   | 8,375   | 8,142   | 7,883   | 8,170   | 8,032   |
| Recyclables collected                                         | 950     | 1,103   | 1,106   | 1,069   | 1,166   | 1,185   | 1,241   | 1,176   | 1,174   | 1,147   |
| Wastewater Utility                                            |         |         |         |         |         |         |         |         |         |         |
| Sewage treatment, avg daily flow<br>(in thousands of gallons) | 1,500   | 1,500   | 1,500   | 1,500   | 1,500   | 1,500   | 1,500   | 1,500   | 1,500   | 1,500   |

Sources: City departments

N/A not available from city records

## City of Winfield, Kansas

### Capital Asset Statistics by Function, Last Ten Fiscal Years

Table 19

|                                            | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|--------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Police                                     |             |             |             |             |             |             |             |             |             |             |
| Stations                                   | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Patrol Units (marked)                      | 17          | 17          | 17          | 17          | 17          | 17          | 17          | 17          | 17          | 17          |
| Fire stations                              | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Public works                               |             |             |             |             |             |             |             |             |             |             |
| Streets (miles)                            | 130         | 130         | 130         | 130         | 130         | 130         | 130         | 130         | 130         | 130         |
| Parks and recreation                       |             |             |             |             |             |             |             |             |             |             |
| Public park acreage                        | 294         | 294         | 294         | 294         | 294         | 294         | 294         | 294         | 294         | 294         |
| Base/softball diamonds                     | 4           | 4           | 5           | 5           | 5           | 5           | 5           | 5           | 5           | 5           |
| Soccer fields                              | 3           | 3           | 6           | 6           | 6           | 6           | 6           | 6           | 6           | 6           |
| Football fields                            | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           |
| Electric Utility                           |             |             |             |             |             |             |             |             |             |             |
| Electric lines (miles) [1]                 | N/A         | N/A         | N/A         | N/A         | N/A         | 114         | 114         | 114         | 114         | 114         |
| Gas Utility                                |             |             |             |             |             |             |             |             |             |             |
| Gas main lines (miles) [1]                 | N/A         | N/A         | N/A         | N/A         | N/A         | 95          | 95          | 95          | 95          | 95          |
| Water Utility                              |             |             |             |             |             |             |             |             |             |             |
| Water main lines (miles) [1]               | N/A         | N/A         | N/A         | N/A         | N/A         | 95          | 95          | 95          | 95          | 95          |
| Fire hydrants [1]                          | N/A         | N/A         | N/A         | N/A         | N/A         | 535         | 535         | 535         | 535         | 535         |
| Storage capacity (thousands)               | 2,750       | 2,750       | 2,750       | 2,750       | 2,750       | 2,750       | 2,750       | 2,750       | 2,750       | 2,750       |
| Refuse                                     |             |             |             |             |             |             |             |             |             |             |
| Collection trucks                          | 5           | 5           | 5           | 5           | 5           | 5           | 5           | 5           | 5           | 5           |
| Wastewater                                 |             |             |             |             |             |             |             |             |             |             |
| Sanitary sewer (miles)                     | N/A         | N/A         | N/A         | N/A         | N/A         | 71          | 71          | 71          | 71          | 71          |
| Treatment capacity<br>(thousands, per day) | 4,000       | 4,000       | 4,000       | 4,000       | 4,000       | 4,000       | 4,000       | 4,000       | 4,000       | 4,000       |

[1] Information on miles of utility infrastructure from prior years not available in reliable consistent form, and not included on this trends page.

N/A not available from city records

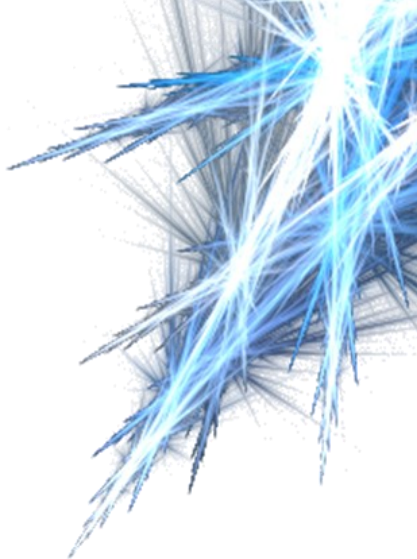


**CITY OF WINFIELD, KANSAS**  
**SCHEDULE OF INSURANCE COVERAGES**  
**December 31, 2011**

| Insurance Company                        | Policy Period            |                                                   | Type                                            | Coverage                   | Premium      | Coverage       |           | Deductible |
|------------------------------------------|--------------------------|---------------------------------------------------|-------------------------------------------------|----------------------------|--------------|----------------|-----------|------------|
|                                          | From                     | To                                                |                                                 |                            |              | Amount         | Aggregate |            |
|                                          |                          |                                                   |                                                 |                            | \$           | \$             | \$        | \$         |
| Kansas Eastern Region<br>Insurance Trust | 9/24/2011<br>12/31/2011  | Workers'<br>Compensation                          | All City Employees                              | Employers' liability limit | \$ 81,532    |                |           |            |
|                                          |                          |                                                   |                                                 | Bodily Injury by Accident  | Each         | 1,000,000      |           |            |
|                                          |                          |                                                   |                                                 | Bodily Injury by Disease   | Policy Limit | 1,000,000      |           |            |
|                                          |                          |                                                   |                                                 | Bodily Injury by Disease   | Each Empl.   | 1,000,000      |           |            |
| Employers Mututal                        | 4/1/2011<br>4/1/2012     | Property-Replacement<br>Cost                      | Building/contents, 90% coins.                   |                            | 148,792      | 70,938,846     |           | 2,500      |
|                                          |                          |                                                   | Lights, 90% coins.                              |                            | 1,711        | 566,675        |           | 2,500      |
|                                          |                          |                                                   | Island Park Playground                          |                            | 9,934        | 612,060        |           | 2,500      |
|                                          |                          |                                                   | Golf course (bus. income),<br>50% coins.        |                            | 762          | 200,000        |           | 2,500      |
|                                          |                          |                                                   | Golf course Peak Season<br>80% Replacement Cost |                            | 226          |                |           |            |
|                                          |                          |                                                   | Extra exp. per location                         |                            | 3,019        | 250,000        |           |            |
| Employers Mutual                         | 4/1/2011<br>4/1/2012     | Property-E 12th &<br>W. 14th Power Plants         | E. 12th Power Plant                             |                            | 55,661       | 36,798,877     |           | 5,000      |
|                                          |                          |                                                   | W. 14th Power Plant                             |                            |              | 10,571,655     |           |            |
| Employers Mututal                        | 4/1/2011<br>4/1/2012     | Auto liability - all City<br>rolling stock        | Contents                                        |                            |              | 50,000 ea loc. |           |            |
|                                          |                          |                                                   | Liability and U.M.                              |                            | 40,571       | 500,000        |           |            |
|                                          |                          |                                                   | Specified perils                                |                            | 3,180        |                |           | 100        |
|                                          |                          |                                                   | Comprehensive                                   |                            | 16,444       |                |           | 250        |
|                                          |                          |                                                   | Collision                                       |                            | 21,036       |                |           | 500        |
|                                          |                          |                                                   | Hired/borrowed vehicles                         |                            | 421          |                |           | 100/500    |
|                                          |                          |                                                   | Endorsements                                    |                            | 1,049        |                |           | Varies     |
|                                          |                          |                                                   | Blanket                                         |                            | 76,712       | 47,470,532     |           | Varies     |
| Federal Ins. Co - Chubb                  | 9/22/2011<br>9/22/2012   | Boiler and machinery                              |                                                 |                            |              |                |           |            |
| Employers Mututal                        | 4/1/2011<br>4/1/2012     | General liability                                 | Each occurrence limit                           |                            | 55,391       | 500,000        | 1,000,000 | 500        |
|                                          |                          |                                                   | Products completed                              |                            |              | 500,000        | 1,000,000 |            |
| Employers Mutual                         | 4/1/2011<br>4/1/2012     | Employee benefits                                 | Benefits                                        |                            | incl w/liab  | 500,000        | 500,000   | 1,000      |
|                                          |                          |                                                   |                                                 |                            |              |                |           |            |
| United States Liability Ins. Co.         | 9/22/2011<br>9/22/2012   | Public officials liability                        | Each wrongful act-<br>Winfield Housing Auth.    |                            | 1,320        | 1,000,000      | 1,000,000 | 5,000      |
|                                          |                          |                                                   |                                                 |                            |              |                |           |            |
| Employers Mutual                         | 4/1/2011<br>4/1/2012     | Public officials liability                        | Linebacker -<br>Directors & Officers            |                            | 12,523       | 1,000,000      | 1,000,000 | 3,000      |
| Employers Mutual                         | 4/1/2011<br>4/1/2012     | Public officials liability                        | Linebacker -<br>Law Enforcement                 |                            | 14,032       | 1,000,000      | 2,000,000 | 2,500      |
|                                          |                          |                                                   |                                                 |                            |              |                |           |            |
| Hartford Fire Insurance Co.              | 5/5/2011<br>5/5/2012     | Animal Mortality                                  | Police Dog                                      |                            | 842          | \$10,600.00    |           |            |
| Employers Mutual                         | 11/1/2011<br>11/1/2012   | Public officials bond                             | Canine - Kessy                                  |                            | 300          | 100,000        |           |            |
|                                          |                          |                                                   | City treasurer                                  |                            |              |                |           |            |
| Employers Mutual                         | 4/1/2011<br>4/1/2012     | Government Crime                                  | Employee Theft                                  |                            | 1,107        | 100,000        |           | 500        |
|                                          |                          |                                                   |                                                 |                            |              |                |           |            |
| American Bankers Ins Co.<br>of Florida   | 4/1/7/2011<br>4/1/7/2012 | Flood                                             | Grandstands                                     |                            | 5,070        | 500,000        |           | 4,000      |
|                                          |                          |                                                   |                                                 |                            |              |                |           |            |
| Employers Mutual                         | 4/1/2011<br>4/1/2012     | Contractors equip<br>Property<br>Property Floater | Contractors equipment                           |                            | 13,482       | 2,394,079      |           | 1,000      |
|                                          |                          |                                                   | Telephone system                                |                            | 564          | 94,000         |           | 500/5,000  |
|                                          |                          |                                                   | Golf Cars, Mowers                               |                            | 2,899        | 263,530        |           | 1,000      |
| Employers Mutual                         | 4/1/2011<br>4/1/2012     | General liability<br>Auto liability<br>Linebacker | Rural Fire Dist #7                              |                            | 250          | 500,000        | 500,000   | -          |
|                                          |                          |                                                   |                                                 |                            | 89           | 500,000        | 500,000   | -          |
|                                          |                          |                                                   |                                                 |                            | 1,695        | 1,000,000      | 1,000,000 | 1,500      |

Table 16

# Other Supplementary Information



## CITY OF WINFIELD, KANSAS

**BUDGETED NONMAJOR SPECIAL REVENUE FUNDS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - BUDGETARY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

|                                                                                    | <b>FLOOD CONTROL</b>       |                           |                  |                                             | <b>SPECIAL PARKS &amp; RECREATION</b> |                  |                  |
|------------------------------------------------------------------------------------|----------------------------|---------------------------|------------------|---------------------------------------------|---------------------------------------|------------------|------------------|
|                                                                                    | <b>Original<br/>Budget</b> | <b>Amended<br/>Budget</b> | <b>Actual</b>    | <b>Variance from<br/>Amended<br/>Budget</b> | <b>Budget</b>                         | <b>Actual</b>    | <b>Variance</b>  |
| <b>Revenues and other sources</b>                                                  |                            |                           |                  |                                             |                                       |                  |                  |
| Taxes                                                                              | \$ -                       | \$ -                      | \$ -             | \$ -                                        | \$ -                                  | \$ -             | \$ -             |
| Intergovernmental revenues                                                         | -                          | -                         | -                | -                                           | 17,700                                | 21,256           | 3,556            |
| Interest                                                                           | 250                        | 250                       | 173              | (77)                                        | 200                                   | 177              | (23)             |
| Other                                                                              | -                          | -                         | 10,960           | 10,960                                      | 19,562                                | 25,924           | 6,362            |
| Transfers from other funds                                                         | -                          | -                         | -                | -                                           | -                                     | -                | -                |
| <b>Total revenues and<br/>other sources</b>                                        | <u>250</u>                 | <u>250</u>                | <u>11,133</u>    | <u>10,883</u>                               | <u>37,462</u>                         | <u>47,357</u>    | <u>9,895</u>     |
|                                                                                    |                            |                           |                  |                                             | -                                     |                  |                  |
| <b>Expenditures and other uses</b>                                                 |                            |                           |                  |                                             |                                       |                  |                  |
| Personal services                                                                  | -                          | -                         | -                | -                                           | -                                     | -                | -                |
| Contractual services                                                               | 10,250                     | 10,250                    | 3,972            | 6,278                                       | -                                     | 586              | (586)            |
| Materials and supplies                                                             | 5,000                      | 5,000                     | 1,266            | 3,734                                       | -                                     | -                | -                |
| Other                                                                              | -                          | -                         | -                | -                                           | -                                     | -                | -                |
| Debt Service                                                                       | -                          | -                         | -                | -                                           | -                                     | -                | -                |
| Capital outlay                                                                     | -                          | -                         | -                | -                                           | 30,000                                | 9,976            | 20,024           |
| Transfers to other funds                                                           | -                          | 3,708                     | 10,958           | (7,250)                                     | -                                     | 9,042            | (9,042)          |
| Contingency                                                                        | -                          | -                         | -                | -                                           | 50,000                                | -                | 50,000           |
| Neighborhood Revitalization                                                        | -                          | -                         | -                | -                                           | -                                     | -                | -                |
| <b>Total expenditures<br/>and other uses</b>                                       | <u>15,250</u>              | <u>18,958</u>             | <u>16,196</u>    | <u>2,762</u>                                | <u>80,000</u>                         | <u>19,604</u>    | <u>60,396</u>    |
| <b>Revenues and other sources<br/>over (under) expenditures<br/>and other uses</b> | <u>(15,000)</u>            | <u>(18,708)</u>           | <u>(5,063)</u>   | <u>13,645</u>                               | <u>(42,538)</u>                       | <u>27,753</u>    | <u>70,291</u>    |
| <b>Unencumbered fund balance,<br/>January 1</b>                                    | <u>49,392</u>              | <u>49,392</u>             | <u>64,614</u>    | <u>(15,222)</u>                             | <u>44,822</u>                         | <u>51,468</u>    | <u>6,646</u>     |
| <b>Unencumbered fund balance,<br/>December 31</b>                                  | <u>\$ 34,392</u>           | <u>\$ 30,684</u>          | <u>\$ 59,551</u> | <u>\$ 28,867</u>                            | <u>\$ 2,284</u>                       | <u>\$ 79,221</u> | <u>\$ 76,937</u> |

**SPECIAL ALCOHOL PROGRAM**

| Budget  | Actual   | Variance |
|---------|----------|----------|
| \$ -    | \$ -     | \$ -     |
| 17,700  | 21,256   | 3,556    |
| 20      | 8        | (12)     |
| 5,000   | 2,500    | (2,500)  |
| -       | -        | -        |
| 22,720  | 23,764   | 1,044    |
| 25,021  | 25,728   | (707)    |
| 162     | -        | 162      |
| 545     | -        | 545      |
| -       | -        | -        |
| -       | -        | -        |
| -       | -        | -        |
| -       | -        | -        |
| -       | -        | -        |
| -       | -        | -        |
| 25,728  | 25,728   | -        |
| (3,008) | (1,964)  | 1,044    |
| 3,020   | 4,389    | 1,369    |
| \$ 12   | \$ 2,425 | \$ 2,413 |

**LAW ENFORCEMENT TRUST**

| Budget  | Actual   | Variance |
|---------|----------|----------|
| \$ -    | \$ -     | \$ -     |
| -       | -        | -        |
| 50      | 8        | (42)     |
| 5,000   | 4,460    | (540)    |
| -       | -        | -        |
| 5,050   | 4,468    | (582)    |
| -       | -        | -        |
| -       | 528      | (528)    |
| -       | -        | -        |
| -       | -        | -        |
| -       | -        | -        |
| -       | -        | -        |
| -       | -        | -        |
| 10,000  | -        | 10,000   |
| -       | -        | -        |
| 10,000  | 528      | 9,472    |
| (4,950) | 3,940    | 8,890    |
| 5,050   | 823      | (4,227)  |
| \$ 100  | \$ 4,763 | \$ 4,663 |

(Continued)

# CITY OF WINFIELD, KANSAS

## BUDGETED NONMAJOR SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                                            | <u>WATER PRESERVATION</u> |                  |                  | <u>SENIOR CITIZENS FACILITY</u> |                 |                   |
|----------------------------------------------------------------------------|---------------------------|------------------|------------------|---------------------------------|-----------------|-------------------|
|                                                                            | <u>Budget</u>             | <u>Actual</u>    | <u>Variance</u>  | <u>Budget</u>                   | <u>Actual</u>   | <u>Variance</u>   |
| <b>Revenues and other sources</b>                                          |                           |                  |                  |                                 |                 |                   |
| Taxes                                                                      | \$ -                      | \$ -             | \$ -             | \$ -                            | \$ -            | \$ -              |
| Intergovernmental revenues                                                 | -                         | -                | -                | 4,500                           | 4,000           | (500)             |
| Interest                                                                   | 100                       | 149              | 49               | 40                              | 32              | (8)               |
| Other                                                                      | -                         | 1,449            | 1,449            | 3,000                           | 2,540           | (460)             |
| Transfers from other funds                                                 | 62,500                    | 58,654           | (3,846)          | 500                             | 500             | -                 |
| <b>Total revenues and other sources</b>                                    | <u>62,600</u>             | <u>60,252</u>    | <u>(2,348)</u>   | <u>8,040</u>                    | <u>7,072</u>    | <u>(968)</u>      |
| <b>Expenditures and other uses</b>                                         |                           |                  |                  |                                 |                 |                   |
| Personal services                                                          | -                         | -                | -                | -                               | -               | -                 |
| Contractual services                                                       | 31,963                    | 30,342           | 1,621            | 8,340                           | 8,340           | -                 |
| Materials and supplies                                                     | 100                       | 1,716            | (1,616)          | 800                             | 800             | -                 |
| Other                                                                      | -                         | -                | -                | -                               | -               | -                 |
| Debt Service                                                               | -                         | -                | -                | -                               | -               | -                 |
| Capital outlay                                                             | -                         | -                | -                | -                               | -               | -                 |
| Transfers to other funds                                                   | 30,537                    | 30,537           | -                | -                               | -               | -                 |
| Contingency                                                                | -                         | -                | -                | -                               | -               | -                 |
| Neighborhood Revitalization                                                | -                         | -                | -                | -                               | -               | -                 |
| <b>Total expenditures and other uses</b>                                   | <u>62,600</u>             | <u>62,595</u>    | <u>5</u>         | <u>9,140</u>                    | <u>9,140</u>    | <u>-</u>          |
| <b>Revenues and other sources over (under) expenditures and other uses</b> | -                         | (2,343)          | (2,343)          | (1,100)                         | (2,068)         | (968)             |
| <b>Unencumbered fund balance, January 1</b>                                | <u>-</u>                  | <u>47,593</u>    | <u>47,593</u>    | <u>12,077</u>                   | <u>11,124</u>   | <u>(953)</u>      |
| <b>Unencumbered fund balance, December 31</b>                              | <u>\$ -</u>               | <u>\$ 45,250</u> | <u>\$ 45,250</u> | <u>\$ 10,977</u>                | <u>\$ 9,056</u> | <u>\$ (1,921)</u> |

| SPECIAL LIABILITY |            |            |
|-------------------|------------|------------|
| Budget            | Actual     | Variance   |
| \$ 134,797        | \$ 137,443 | \$ 2,646   |
| -                 | -          | -          |
| 1,600             | 984        | (616)      |
| -                 | 4,445      | 4,445      |
| -                 | -          | -          |
| 136,397           | 142,872    | 6,475      |
| -                 | -          | -          |
| -                 | -          | -          |
| 86,480            | 85,726     | 754        |
| -                 | -          | -          |
| 30,000            | -          | 30,000     |
| -                 | -          | -          |
| 120,000           | 105,002    | 14,998     |
| -                 | -          | -          |
| 200,000           | -          | 200,000    |
| 1,264             | 1,266      | (2)        |
| 437,744           | 191,994    | 245,750    |
| (301,347)         | (49,122)   | 252,225    |
| 317,481           | 338,645    | 21,164     |
| \$ 16,134         | \$ 289,523 | \$ 273,389 |

| SPECIAL STREETS & HIGHWAY |            |           |  |
|---------------------------|------------|-----------|--|
| Budget                    | Actual     | Variance  |  |
| \$ -                      | \$ -       | \$ -      |  |
| 426,080                   | 421,517    | (4,563)   |  |
| 800                       | 538        | (262)     |  |
| 6,575                     | 1,893      | (4,682)   |  |
| 285,000                   | 285,000    | -         |  |
| 718,455                   | 708,948    | (9,507)   |  |
| 366,267                   | 335,163    | 31,104    |  |
| 38,349                    | 34,941     | 3,408     |  |
| 236,763                   | 208,467    | 28,296    |  |
| 500                       | 1,037      | (537)     |  |
| 39,170                    | 39,171     | (1)       |  |
| 26,800                    | 56,398     | (29,598)  |  |
| 75,000                    | 75,000     | -         |  |
| -                         | -          | -         |  |
| -                         | -          | -         |  |
| 782,849                   | 750,177    | 32,672    |  |
| (64,394)                  | (41,229)   | 23,165    |  |
| 112,078                   | 175,052    | 62,974    |  |
| \$ 47,684                 | \$ 133,823 | \$ 86,139 |  |

(Continued)

# CITY OF WINFIELD, KANSAS

## BUDGETED NONMAJOR SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                                                    | INDUSTRIAL DEVELOPMENT |                    |               |                                    | TOURISM AND CONVENTION |                   |                  |
|------------------------------------------------------------------------------------|------------------------|--------------------|---------------|------------------------------------|------------------------|-------------------|------------------|
|                                                                                    | Original<br>Budget     | Amended<br>Budget  | Actual        | Variance from<br>Amended<br>Budget | Budget                 | Actual            | Variance         |
| <b>Revenues and other sources</b>                                                  | -                      |                    |               |                                    |                        | -                 |                  |
| Taxes                                                                              | \$ 14,824              | \$ 14,824          | \$ 15,372     | \$ 548                             | \$ -                   | \$ -              | \$ -             |
| Intergovernmental revenues                                                         | -                      | -                  | -             | -                                  | 81,000                 | 81,501            | 501              |
| Interest                                                                           | 100                    | 100                | 72            | (28)                               | 525                    | 299               | (226)            |
| Other                                                                              | -                      | -                  | -             | -                                  | 2,225                  | 12,917            | 10,692           |
| Transfers from other funds                                                         | 21,000                 | 21,000             | 26,652        | 5,652                              | -                      | -                 | -                |
| <b>Total revenues and<br/>other sources</b>                                        | <u>35,924</u>          | <u>35,924</u>      | <u>42,096</u> | <u>6,172</u>                       | <u>83,750</u>          | <u>94,717</u>     | <u>10,967</u>    |
| <b>Expenditures and other uses</b>                                                 |                        |                    |               |                                    |                        |                   |                  |
| Personal services                                                                  | -                      | -                  | -             | -                                  | 483                    | 500               | (17)             |
| Contractual services                                                               | 12,250                 | 31,700             | 31,376        | 324                                | 57,769                 | 54,705            | 3,064            |
| Materials and supplies                                                             | 1,000                  | 1,000              | 75            | 925                                | 7,234                  | 3,391             | 3,843            |
| Other                                                                              | 40,500                 | 40,500             | 40,536        | (36)                               | 29,000                 | 32,254            | (3,254)          |
| Debt Service                                                                       | -                      | -                  | -             | -                                  | -                      | -                 | -                |
| Capital outlay                                                                     | -                      | -                  | -             | -                                  | 15,000                 | 12,714            | 2,286            |
| Transfers to other funds                                                           | -                      | -                  | -             | -                                  | -                      | -                 | -                |
| Contingency                                                                        | -                      | -                  | -             | -                                  | -                      | -                 | -                |
| Neighborhood Revitalization                                                        | 128                    | 128                | 131           | (3)                                | -                      | -                 | -                |
| <b>Total expenditures<br/>and other uses</b>                                       | <u>53,878</u>          | <u>73,328</u>      | <u>72,118</u> | <u>1,210</u>                       | <u>109,486</u>         | <u>103,564</u>    | <u>5,922</u>     |
|                                                                                    |                        |                    |               |                                    |                        | -                 |                  |
| <b>Revenues and other sources<br/>over (under) expenditures<br/>and other uses</b> | (17,954)               | (37,404)           | (30,022)      | 7,382                              | (25,736)               | (8,847)           | 16,889           |
| <b>Unencumbered fund balance,<br/>January 1</b>                                    | <u>18,670</u>          | <u>18,670</u>      | <u>30,022</u> | <u>11,352</u>                      | <u>110,266</u>         | <u>117,030</u>    | <u>6,764</u>     |
| <b>Unencumbered fund balance,<br/>December 31</b>                                  | <u>\$ 716</u>          | <u>\$ (18,734)</u> | <u>\$ -</u>   | <u>\$ 18,734</u>                   | <u>\$ 84,530</u>       | <u>\$ 108,183</u> | <u>\$ 23,653</u> |

**FAIRGROUNDS IMPROVEMENTS**

| Budget   | Actual    | Variance  |
|----------|-----------|-----------|
| \$ -     | \$ -      | \$ -      |
| -        | -         | -         |
| 400      | 204       | (196)     |
| 14,000   | 29,443    | 15,443    |
| -        | -         | -         |
| 14,400   | 29,647    | 15,247    |
| -        | -         | -         |
| -        | -         | -         |
| -        | -         | -         |
| -        | -         | -         |
| -        | 19,164    | (19,164)  |
| -        | -         | -         |
| 80,000   | -         | 80,000    |
| -        | -         | -         |
| 80,000   | 19,164    | 60,836    |
| (65,600) | 10,483    | 76,083    |
| 74,500   | 68,258    | (6,242)   |
| \$ 8,900 | \$ 78,741 | \$ 69,841 |

**DRUG TASK FORCE**

| Original<br>Budget | Amended<br>Budget | Actual   | Variance from<br>Amended<br>Budget |
|--------------------|-------------------|----------|------------------------------------|
| \$ -               |                   | \$ -     | \$ -                               |
| 15,000             | 15,000            | 15,000   | -                                  |
| 100                | 10                | 37       | 27                                 |
| 5,000              | 5,000             | 6,871    | 1,871                              |
| -                  | -                 | -        | -                                  |
| 20,100             | 20,010            | 21,908   | 1,898                              |
| -                  | -                 | -        | -                                  |
| 5,500              | 6,300             | 3,503    | 2,797                              |
| 9,100              | 16,100            | 12,272   | 3,828                              |
| 6,000              | 7,000             | 8,823    | (1,823)                            |
| -                  | -                 | -        | -                                  |
| 1,000              | 1,000             | 2,100    | (1,100)                            |
| -                  | -                 | -        | -                                  |
| -                  | -                 | -        | -                                  |
| -                  | -                 | -        | -                                  |
| 21,600             | 30,400            | 26,698   | 3,702                              |
| (1,500)            | (10,390)          | (4,790)  | 5,600                              |
| 18,709             | 18,709            | 13,423   | 5,286                              |
| \$ 17,209          | \$ 8,319          | \$ 8,633 | \$ 314                             |



# CITY OF WINFIELD, KANSAS

## BUDGETED NONMAJOR SPECIAL REVENUE FUNDS

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

#### BUDGET AND ACTUAL - BUDGETARY BASIS

FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                                            | <u>CEMETERY IMPROVEMENTS</u> |                  |                  | <u>PUBLIC LIBRARY</u> |                  |                  |
|----------------------------------------------------------------------------|------------------------------|------------------|------------------|-----------------------|------------------|------------------|
|                                                                            | <u>Budget</u>                | <u>Actual</u>    | <u>Variance</u>  | <u>Budget</u>         | <u>Actual</u>    | <u>Variance</u>  |
| <b>Revenues and other sources</b>                                          |                              |                  |                  |                       |                  |                  |
| Taxes                                                                      | \$ -                         | \$ -             | \$ -             | \$ 503,594            | \$ 513,910       | \$ 10,316        |
| Intergovernmental revenues                                                 | -                            | -                | -                | -                     | -                | -                |
| Interest                                                                   | 375                          | 230              | (145)            | -                     | -                | -                |
| Other                                                                      | 8,050                        | 10,602           | 2,552            | -                     | -                | -                |
| Transfers from other funds                                                 | -                            | 17               | 17               | -                     | -                | -                |
| <b>Total revenues and other sources</b>                                    | <u>8,425</u>                 | <u>10,849</u>    | <u>2,424</u>     | <u>503,594</u>        | <u>513,910</u>   | <u>10,316</u>    |
| <b>Expenditures and other uses</b>                                         |                              |                  |                  |                       |                  |                  |
| Personal services                                                          | -                            | -                | -                | -                     | -                | -                |
| Contractual services                                                       | -                            | -                | -                | -                     | -                | -                |
| Materials and supplies                                                     | 3,500                        | 595              | 2,905            | -                     | -                | -                |
| Other                                                                      | -                            | 8                | (8)              | 498,870               | 499,085          | (215)            |
| Debt Service                                                               | -                            | -                | -                | -                     | -                | -                |
| Capital outlay                                                             | 10,000                       | 5,757            | 4,243            | -                     | -                | -                |
| Transfers to other funds                                                   | -                            | -                | -                | -                     | -                | -                |
| Contingency                                                                | 100,000                      | -                | 100,000          | -                     | -                | -                |
| Neighborhood Revitalization                                                | -                            | -                | -                | 4,724                 | 4,731            | (7)              |
| <b>Total expenditures and other uses</b>                                   | <u>113,500</u>               | <u>6,360</u>     | <u>107,140</u>   | <u>503,594</u>        | <u>503,816</u>   | <u>(222)</u>     |
| <b>Revenues and other sources over (under) expenditures and other uses</b> | (105,075)                    | 4,489            | 109,564          | -                     | 10,094           | 10,094           |
| <b>Unencumbered fund balance, January 1</b>                                | <u>153,213</u>               | <u>82,261</u>    | <u>(70,952)</u>  | <u>-</u>              | <u>-</u>         | <u>-</u>         |
| <b>Unencumbered fund balance, December 31</b>                              | <u>\$ 48,138</u>             | <u>\$ 86,750</u> | <u>\$ 38,612</u> | <u>\$ -</u>           | <u>\$ 10,094</u> | <u>\$ 10,094</u> |

**SPECIAL IMPROVEMENTS**

| Budget | Actual | Variance |
|--------|--------|----------|
| \$ -   | \$ -   | \$ -     |
| -      | -      | -        |
| -      | 114    | 114      |
| -      | -      | -        |
| -      | -      | -        |

|   |     |     |
|---|-----|-----|
| - | 114 | 114 |
|---|-----|-----|

|        |   |        |
|--------|---|--------|
| -      | - | -      |
| 10,000 | - | 10,000 |
| -      | - | -      |
| -      | - | -      |
| -      | - | -      |
| -      | - | -      |
| -      | - | -      |
| -      | - | -      |

|        |   |        |
|--------|---|--------|
| 10,000 | - | 10,000 |
|--------|---|--------|

|          |     |        |
|----------|-----|--------|
| (10,000) | 114 | 10,114 |
|----------|-----|--------|

|        |        |       |
|--------|--------|-------|
| 32,120 | 41,487 | 9,367 |
|--------|--------|-------|

|                  |                  |                  |
|------------------|------------------|------------------|
| <u>\$ 22,120</u> | <u>\$ 41,601</u> | <u>\$ 19,481</u> |
|------------------|------------------|------------------|

**BADEN HALL RESTORATION**

| Budget | Actual | Variance |
|--------|--------|----------|
| \$ -   | \$ -   | \$ -     |
| -      | -      | -        |
| 2,000  | 247    | (1,753)  |
| 5,000  | -      | (5,000)  |
| -      | -      | -        |

|       |     |         |
|-------|-----|---------|
| 7,000 | 247 | (6,753) |
|-------|-----|---------|

|         |         |        |
|---------|---------|--------|
| -       | -       | -      |
| -       | -       | -      |
| -       | -       | -      |
| -       | -       | -      |
| -       | -       | -      |
| 258,290 | 248,000 | 10,290 |
| -       | -       | -      |
| -       | -       | -      |
| -       | -       | -      |

|         |         |        |
|---------|---------|--------|
| 258,290 | 248,000 | 10,290 |
|---------|---------|--------|

|           |           |       |
|-----------|-----------|-------|
| (251,290) | (247,753) | 3,537 |
|-----------|-----------|-------|

|         |         |         |
|---------|---------|---------|
| 251,290 | 247,753 | (3,537) |
|---------|---------|---------|

|             |             |             |
|-------------|-------------|-------------|
| <u>\$ -</u> | <u>\$ 0</u> | <u>\$ 0</u> |
|-------------|-------------|-------------|

# CITY OF WINFIELD, KANSAS

## BUDGETED NONMAJOR SPECIAL REVENUE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS FOR THE YEAR ENDED DECEMBER 31, 2011

### ALCOHOL AND DRUG SAFETY

|                                                                                    | <u>Budget</u> | <u>Actual</u>   | <u>Variance</u> |
|------------------------------------------------------------------------------------|---------------|-----------------|-----------------|
| <b>Revenues and other sources</b>                                                  |               |                 |                 |
| Taxes                                                                              | \$ -          | \$ -            | \$ -            |
| Intergovernmental revenues                                                         | -             | -               | -               |
| Interest                                                                           | -             | 9               | 9               |
| Other                                                                              | -             | -               | -               |
| Transfers from other funds                                                         | <u>400</u>    | <u>210</u>      | <u>(190)</u>    |
| <b>Total revenues and<br/>other sources</b>                                        | <u>400</u>    | <u>219</u>      | <u>(181)</u>    |
| <b>Expenditures and other uses</b>                                                 |               |                 |                 |
| Personal services                                                                  | -             | -               | -               |
| Contractual services                                                               | -             | -               | -               |
| Materials and supplies                                                             | 400           | -               | 400             |
| Other                                                                              | -             | -               | -               |
| Debt Service                                                                       | -             | -               | -               |
| Capital outlay                                                                     | -             | -               | -               |
| Transfers to other funds                                                           | -             | -               | -               |
| Contingency                                                                        | -             | -               | -               |
| Neighborhood Revitalization                                                        | <u>-</u>      | <u>-</u>        | <u>-</u>        |
| <b>Total expenditures<br/>and other uses</b>                                       | <u>400</u>    | <u>-</u>        | <u>400</u>      |
| <b>Revenues and other sources<br/>over (under) expenditures<br/>and other uses</b> | -             | 219             | 219             |
| <b>Unencumbered fund balance,<br/>January 1</b>                                    | <u>-</u>      | <u>4,057</u>    | <u>4,057</u>    |
| <b>Unencumbered fund balance,<br/>December 31</b>                                  | <u>\$ -</u>   | <u>\$ 4,276</u> | <u>\$ 4,276</u> |

(Concluded)

# CITY OF WINFIELD, KANSAS

## BUDGETED NONMAJOR ENTERPRISE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                                            | <b>REFUSE</b>     |                   |                   |
|----------------------------------------------------------------------------|-------------------|-------------------|-------------------|
|                                                                            | <b>Budget</b>     | <b>Actual</b>     | <b>Variance</b>   |
| <b>Revenues and other sources</b>                                          |                   |                   |                   |
| Charges for services                                                       | \$ 1,332,000      | \$ 1,379,625      | \$ 47,625         |
| Interest income                                                            | 5,000             | 2,025             | (2,975)           |
| Other                                                                      | 40,097            | 1,542             | (38,555)          |
| Reimbursement of expenditures                                              | 500               | 5,041             | 4,541             |
| Transfers from other funds                                                 | -                 | -                 | -                 |
| <b>Total revenues and other sources</b>                                    | <b>1,377,597</b>  | <b>1,388,233</b>  | <b>10,636</b>     |
| <b>Expenditures and other uses</b>                                         |                   |                   |                   |
| Personal services                                                          | 544,395           | 519,039           | 25,356            |
| Contractual services                                                       | 322,500           | 291,349           | 31,151            |
| Materials and supplies                                                     | 331,807           | 296,781           | 35,026            |
| Other                                                                      | 1,120             | 727               | 393               |
| Capital outlay                                                             | 115,700           | 100,573           | 15,127            |
| Debt Service                                                               | 42,512            | 42,508            | 4                 |
| In lieu of franchise taxes                                                 | 65,000            | 64,846            | 154               |
| Transfers to other funds                                                   | -                 | -                 | -                 |
| <b>Total expenditures and other uses</b>                                   | <b>1,423,034</b>  | <b>1,315,823</b>  | <b>107,211</b>    |
| <b>Revenues and other sources over (under) expenditures and other uses</b> | <b>(45,437)</b>   | <b>72,410</b>     | <b>117,847</b>    |
| <b>Unencumbered fund balance, January 1</b>                                | <b>514,945</b>    | <b>613,054</b>    | <b>98,109</b>     |
| <b>Unencumbered fund balance, December 31</b>                              | <b>\$ 469,508</b> | <b>\$ 685,464</b> | <b>\$ 215,956</b> |

**STORMWATER DRAINAGE**

| <b>Budget</b>    | <b>Actual</b>     | <b>Variance</b>   |
|------------------|-------------------|-------------------|
| \$ 152,500       | \$ 148,559        | \$ (3,941)        |
| 1,000            | 494               | (506)             |
| -                | 285               | 285               |
| -                | -                 | -                 |
| -                | -                 | -                 |
| <u>153,500</u>   | <u>149,338</u>    | <u>(4,162)</u>    |
| -                | -                 | -                 |
| 51,200           | 30,499            | 20,701            |
| 59,850           | 12,825            | 47,025            |
| -                | -                 | -                 |
| -                | -                 | -                 |
| 97,849           | -                 | 97,849            |
| -                | -                 | -                 |
| 20,000           | 111,639           | (91,639)          |
| <u>228,899</u>   | <u>154,963</u>    | <u>73,936</u>     |
| (75,399)         | (5,625)           | 69,774            |
| <u>121,254</u>   | <u>167,517</u>    | <u>46,263</u>     |
| <u>\$ 45,855</u> | <u>\$ 161,892</u> | <u>\$ 116,037</u> |

**QUAIL RIDGE GOLF COURSE**

| <b>Budget</b>  | <b>Amended<br/>Budget</b> | <b>Actual</b>    | <b>Variance</b>  |
|----------------|---------------------------|------------------|------------------|
| \$ 450,700     | \$ 450,700                | \$ 457,935       | \$ 7,235         |
| 500            | 500                       | -                | (500)            |
| 3,080          | 3,080                     | 1,056            | (2,024)          |
| -              | -                         | -                | -                |
| 537,300        | 537,300                   | 563,300          | 26,000           |
| <u>991,580</u> | <u>991,580</u>            | <u>1,022,291</u> | <u>30,711</u>    |
| 336,236        | 336,236                   | 318,075          | 18,161           |
| 115,420        | 115,420                   | 87,814           | 27,606           |
| 155,809        | 155,809                   | 162,572          | (6,763)          |
| 4,814          | 4,814                     | 1,964            | 2,850            |
| 21,000         | 96,295                    | 88,492           | 7,803            |
| 358,719        | 358,719                   | 358,719          | -                |
| -              | -                         | -                | -                |
| -              | -                         | -                | -                |
| <u>991,998</u> | <u>1,067,293</u>          | <u>1,017,636</u> | <u>49,657</u>    |
| (418)          | (75,713)                  | 4,655            | 80,368           |
| <u>481</u>     | <u>481</u>                | <u>6</u>         | <u>475</u>       |
| <u>\$ 63</u>   | <u>\$ (75,232)</u>        | <u>\$ 4,661</u>  | <u>\$ 79,893</u> |

# CITY OF WINFIELD, KANSAS

## BUDGETED INTERNAL SERVICE FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL - BUDGETARY BASIS FOR THE YEAR ENDED DECEMBER 31, 2011

|                                                                            | MANAGEMENT SERVICES |                  |                  | OPERATIONS CENTER |                |                 |
|----------------------------------------------------------------------------|---------------------|------------------|------------------|-------------------|----------------|-----------------|
|                                                                            | Budget              | Actual           | Variance         | Budget            | Actual         | Variance        |
| <b>Revenues and other sources</b>                                          |                     |                  |                  |                   |                |                 |
| Interfund contributions                                                    | \$ 2,535,167        | \$ 2,393,062     | \$ (142,105)     | \$ 565,171        | \$ 477,424     | \$ (87,747)     |
| Other                                                                      | 137,200             | 142,884          | 5,684            | 1,100             | 1,162          | 62              |
| <b>Total revenues and other sources</b>                                    | <u>2,672,367</u>    | <u>2,535,946</u> | <u>(136,421)</u> | <u>566,271</u>    | <u>478,586</u> | <u>(87,685)</u> |
| <b>Expenditures and other uses</b>                                         |                     |                  |                  |                   |                |                 |
| Personal services                                                          | 2,006,614           | 1,912,779        | 93,835           | 343,103           | 303,936        | 39,167          |
| Contractual services                                                       | 422,267             | 422,184          | (83)             | 118,995           | 92,249         | 26,746          |
| Materials and supplies                                                     | 164,773             | 134,176          | 30,597           | 78,298            | 70,173         | 8,125           |
| Other                                                                      | 14,900              | 17,554           | (2,654)          | 875               | 922            | (47)            |
| Capital outlay                                                             | 44,900              | 28,950           | 15,950           | 25,000            | 11,284         | 13,716          |
| Debt Service                                                               | 17,963              | 17,963           | -                | -                 | -              | -               |
| Contingency                                                                | 1,000               | -                | 1,000            | -                 | -              | -               |
| <b>Total expenditures and other uses</b>                                   | <u>2,672,417</u>    | <u>2,533,606</u> | <u>138,645</u>   | <u>566,271</u>    | <u>478,564</u> | <u>87,707</u>   |
| <b>Revenues and other sources over (under) expenditures and other uses</b> | (50)                | 2,340            | 2,224            | -                 | 22             | 22              |
| <b>Unencumbered fund balance, January 1</b>                                | <u>50</u>           | <u>\$ 72</u>     | <u>22</u>        | <u>33</u>         | <u>29</u>      | <u>(4)</u>      |
| <b>Unencumbered fund balance, December 31</b>                              | <u>\$ -</u>         | <u>\$ 2,412</u>  | <u>\$ 2,246</u>  | <u>\$ 33</u>      | <u>\$ 51</u>   | <u>\$ 18</u>    |