



Annual Audit and Financial Report

City of _____ County

Borough of State College Centre County

Township of _____ County

Municipality of _____ County

for the year

2011

Independent Auditor's Report

Members of Council
Borough of State College

We have audited the Balance Sheet, Statement of Revenues and Expenditures, Debt Statement, and Statements of Capital Expenditures and Employee Compensation (the Schedules) included in the Annual Audit and Financial Report of the Borough of State College, Pennsylvania (Borough), as of and for the year ended December 31, 2011, as described in the instructions provided by the Pennsylvania Department of Community and Economic Development (DCED). The Schedules are the responsibility of the Borough's management. Our responsibility is to express an opinion on the Schedules based on our audit.

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

The Borough has prepared these Schedules using accounting practices prescribed or permitted by the DCED, which is a regulatory basis of accounting. These requirements permit the Schedules to be prepared without financial statement disclosures, without government-wide financial statements on the full accrual basis of accounting, without component unit financial information, without cash flows, without Management's Discussion and Analysis, and without budgetary comparison as required by accounting principles generally accepted in the United States of America, and require the reporting by fund types and account groups. The effects on the Schedules of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matters discussed in the preceding paragraph, the Schedules referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2011, and the results of its operations for the year then ended.

In our opinion, the Schedules referred to above present fairly, in all material respects, the financial position of the Borough as of December 31, 2011, and the results of its operations for the year then ended, on the basis of accounting described in the third paragraph.

This report is intended solely for the information and use of the Members of Council, management of the Borough, and for filing with the various local and state departments or offices and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Maher Duessel

Pittsburgh, Pennsylvania
March 27, 2012

BALANCE SHEET
 December 31, 2011

ASSETS AND OTHER DEBITS	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
100-120 Cash and Investments.....	5,410,211	344,847	6,645,064	-
140-144 Tax Receivable.....	1,367,649	-	-	-
121-129 Account Receivable (excluding taxes).....	619,500	3,296,927	104,044	-
145-149 130 Due From Other Funds.....	385,435	-	-	-
131-139 Other Current Assets.....	65,138	678	-	-
150-159 160-169 Fixed Assets.....	-	-	-	-
180-189 Other Debits.....	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS.....	\$ 7,847,933	\$ 3,642,452	\$ 6,749,108	\$ -

LIABILITIES AND OTHER CREDITS	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
210-229 Payroll Taxes and Other Payroll Withholdings.....	72,575	-	-	-
200-209 All Other Current Liabilities.....	939,397	2,935,486	494,459	-
231-239 230 Due to Other Funds.....	-	380,415	-	-
260-269 Long-Term Liabilities.....	-	-	-	-
240-259 Current Portion of Long-Term Debt & Other Credits.....	-	-	-	-
TOTAL LIABILITIES AND OTHER CREDITS.....	\$ 1,011,972	\$ 3,315,901	\$ 494,459	\$ -

FUND AND ACCOUNT GROUP EQUITY	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
281-284 Contributed Capital.....	-	-	-	-
290 Investment in General Fixed Assets.....	-	-	-	-
270-289 Fund Balance/Retained Earnings on 12/31.....	6,835,961	326,551	6,254,649	-
291-299 Other Equity.....	-	-	-	-
TOTAL FUND ACCOUNT GROUP EQUITY.....	\$ 6,835,961	\$ 326,551	\$ 6,254,649	\$ -

Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.

	FIDUCIARY					TOTAL
	PROPRIETARY FUNDS		FUNDS	ACCOUNTS GROUPS		
	Enterprise	Internal Service	Trust & Agency	General Fixed Assets	General Long Term Debt	
ASSETS AND OTHER DEBITS						
100-120 Cash and Investments.....	6,387,529	155,540	41,943,050	-	-	60,886,241
140-144 Tax Receivable.....	-	-	-	-	-	1,367,649
121-129 Account Receivable (excluding taxes).....	1,377,350	86,644	-	-	-	5,484,465
145-149 130 Due From Other Funds.....	-	-	-	-	-	385,435
131-139 Other Current Assets.....	113	13,735	-	-	-	79,664
150-159 Fixed Assets.....	24,382,642	18,848	-	56,139,757	-	80,541,247
160-169 Other Debits.....	273,849	-	-	-	10,874,614	11,148,463
TOTAL ASSETS AND OTHER DEBITS.....	\$32,421,483	\$ 274,767	\$ 41,943,050	\$ 56,139,757	\$ 10,874,614	\$ 159,893,164

LIABILITIES AND OTHER CREDITS						
210-229 Payroll Taxes and Other Payroll Withholdings.....	-	-	-	-	-	72,575
200-209 All Other Current Liabilities.....	2,687,368	43,992	4,797	-	-	7,105,499
231-239 230 Due to Other Funds.....	-	-	5,020	-	-	385,435
260-269 Long-Term Liabilities.....	15,682,317	8,484	-	-	10,196,735	25,887,536
240-259 Current Portion of Long-Term Debt & Other Credits.....	844,700	-	-	-	677,879	1,522,579
TOTAL LIABILITIES AND OTHER CREDITS.....	\$19,214,385	\$ 52,476	\$ 9,817	\$ -	\$ 10,874,614	\$ 34,973,624

FUND AND ACCOUNT GROUP EQUITY						
281-284 Contributed Capital.....	-	-	-	-	-	-
290 Investment in General Fixed Assets.....	-	-	-	56,139,757	-	56,139,757
270-289 Fund Balance/Retained Earnings on 12/31.....	13,207,098	222,291	41,933,233	-	-	68,779,783
291-299 Other Equity.....	-	-	-	-	-	-
TOTAL FUND ACCOUNT GROUP EQUITY.....	\$13,207,098	\$ 222,291	\$ 41,933,233	\$ 56,139,757	\$ -	\$ 124,919,540

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY.....	\$ 159,893,164
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Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2011

REVENUES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
TAXES				
301.00 Real Estate Taxes.....	4,806,293	-	-	-
305.00 Occupation Taxes (Levied Under Municipal Code).....	-	-	-	-
308.00 Residence Taxes (Levied by Cities of the 3rd Class).....	-	-	-	-
309.00 Regional Asset District Sales Tax (Allegheny County Municipalities only).....	-	-	-	-
310.00 Per Capita Taxes.....	-	-	-	-
310.10 Real Estate Transfer Taxes.....	814,663	-	-	-
310.20 Earned Income Taxes/Wage Taxes.....	4,018,202	-	-	-
310.30 Business Gross Receipts Taxes.....	-	-	-	-
310.40 Occupation Taxes (levied under Act 511).....	-	-	-	-
310.50 Local Services Taxes**.....	1,171,131	-	-	-
310.60 Amusement/Admission Taxes.....	-	-	-	-
310.70 Mechanical Device Taxes.....	-	-	-	-
310.90 Other Local Tax Enabling Act/Act511/Taxes	-	-	-	-
_____.....	-	-	-	-
_____.....	-	-	-	-
_____.....	-	-	-	-
TOTAL TAXES.....	\$ 10,810,289	\$ -	\$ -	\$ -

LICENSES & PERMITS				
320-322 All Other Licenses and Permits.....	244,310	-	-	-
321.80 Cable Television Franchise Fees.....	348,327	-	-	-
TOTAL LICENSES & PERMITS.....	\$ 592,637	\$ -	\$ -	\$ -

FINES & FORFEITS				
330-332 Fines and Forfeits.....	1,449,559	-	-	-
TOTAL FINES & FORFEITS.....	\$ 1,449,559	\$ -	\$ -	\$ -

INTEREST, RENTS, & ROYALTIES				
341.00 Interest Earnings.....	106,182	2,658	59,536	-
342.00 Rents and Royalties.....	21,863	-	-	-
TOTAL INTEREST, RENTS, & ROYALTIES.....	\$ 128,045	\$ 2,658	\$ 59,536	\$ -

** This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.

REVENUES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
TAXES				
301.00 Real Estate Taxes.....	-	-	-	4,806,293
305.00 Occupation Taxes (Levied Under Municipal Code).....	-	-	-	-
308.00 Residence Taxes (Levied by Cities of the 3rd Class).....	-	-	-	-
309.00 Regional Asset District Sales Tax (Allegheny County Municipalities only).....	-	-	-	-
310.00 Per Capita Taxes.....	-	-	-	-
310.10 Real Estate Transfer Taxes.....	-	-	-	814,663
310.20 Earned Income Taxes/Wage Taxes.....	-	-	-	4,018,202
310.30 Business Gross Receipts Taxes.....	-	-	-	-
310.40 Occupation Taxes (levied under Act 511).....	-	-	-	-
310.50 Local Services Taxes**.....	-	-	-	1,171,131
310.60 Amusement/Admission Taxes.....	-	-	-	-
310.70 Mechanical Device Taxes.....	-	-	-	-
310.90 Other Local Tax Enabling Act/Act511/Taxes	-	-	-	-
_____.....	-	-	-	-
_____.....	-	-	-	-
_____.....	-	-	-	-
TOTAL TAXES.....	\$ -	\$ -	\$ -	\$ 10,810,289

LICENSES & PERMITS				
320-322 All Other Licenses and Permits.....	-	-	-	244,310
321.80 Cable Television Franchise Fees.....	-	-	-	348,327
TOTAL LICENSES & PERMITS.....	\$ -	\$ -	\$ -	\$ 592,637

FINES & FORFEITS				
330-332 Fines and Forfeits.....	-	-	-	1,449,559
TOTAL FINES & FORFEITS.....	\$ -	\$ -	\$ -	\$ 1,449,559

INTEREST, RENTS, & ROYALTIES				
341.00 Interest Earnings.....	91,836	100	1,038,962	1,299,274
342.00 Rents and Royalties.....	364,580	-	-	386,443
TOTAL INTEREST, RENTS, & ROYALTIES.....	\$ 456,416	\$ 100	\$ 1,038,962	\$ 1,685,717

** This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.

	INTERGOVERNMENTAL REVENUES		GOVERNMENTAL FUNDS	
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
FEDERAL				
351.03 Highways and Streets.....	-	-	472,733	-
351.09 Community Development.....	-	862,323	-	-
351.00 All Other Federal Capital and Operating Grants.....	436,208	-	-	-
352.01 National Forest.....	-	-	-	-
352.00 All Other Federal Shared Revenue & Entitlements.....	-	-	-	-
353.00 Federal Payments in Lieu of Taxes.....	-	-	-	-
TOTAL FEDERAL	\$ 436,208	\$ 862,323	\$ 472,733	\$ -

STATE				
354.03 Highways and Streets.....	-	37,992	-	-
354.09 Community Development.....	-	-	18,350	-
354.15 Recycling/Act 101.....	-	-	-	-
354.00 All Other State Capital and Operating Grants.....	296,752	-	-	-
355.01 Public Utility Realty Tax (PURTA).....	14,829	-	-	-
355.02- Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road 355.03 Turnback.....	-	598,612	-	-
355.04 Alcoholic Beverage Licenses.....	9,016	-	-	-
355.05 General Municipal Pension System State Aid.....	1,533,422	-	-	-
355.07 Foreign Fire Insurance Tax Distribution.....	356,553	-	-	-
355.08 Local Share Assessment/Gaming Proceeds.....	-	-	-	-
355.00 All Other Shared Revenues & Entitlements.....	-	-	-	-
356.00 State Payments in Lieu of Taxes.....	-	-	-	-
TOTAL STATE	\$ 2,210,572	\$ 636,604	\$ 18,350	\$ -

LOCAL GOVERNMENT UNITS				
357.03 Highways and Streets.....	-	-	-	-
357.00 All Other Local Governmental Units Capital and Operating Grants.....	-	-	-	-
358.00 Local Government Unit Shared Payments for Contracted Intergovernmental Services.....	-	-	117,871	-
359.00 Local Governmental Units, Authorities Payments, and Payments in Lieu of Taxes.....	-	-	542,969	-
TOTAL LOCAL GOVERNMENT UNITS	\$ -	\$ -	\$ 660,840	\$ -

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

	INTERGOVERNMENTAL REVENUES		PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
			Enterprise	Internal Service	Trust and Agency	Memorandum Only
FEDERAL						
351.03 Highways and Streets.....	-	-	-	-	-	472,733
351.09 Community Development.....	-	-	-	-	-	862,323
351.00 All Other Federal Capital and Operating Grants.....	-	-	-	-	-	436,208
352.01 National Forest.....	-	-	-	-	-	-
352.00 All Other Federal Shared Revenue & Entitlements.....	-	-	-	-	-	-
353.00 Federal Payments in Lieu of Taxes.....	-	-	-	-	-	-
TOTAL FEDERAL	\$ -	\$ -	\$ -	\$ -	\$ -	1,771,264

STATE						
354.03 Highways and Streets.....	-	-	-	-	-	37,992
354.09 Community Development.....	-	-	-	-	-	18,350
354.15 Recycling/Act 101.....	177,258	-	-	-	-	177,258
354.00 All Other State Capital and Operating Grants.....	-	-	-	-	-	296,752
355.01 Public Utility Realty Tax (PURTA).....	-	-	-	-	-	14,829
355.02- Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State 355.03 Road Turnback.....	-	-	-	-	-	598,612
355.04 Alcoholic Beverage Licenses.....	-	-	-	-	-	9,016
355.05 General Municipal Pension System State Aid.....	-	-	-	-	-	1,533,422
355.07 Foreign Fire Insurance Tax Distribution.....	-	-	-	-	-	356,553
355.08 Local Share Assessment/Gaming Proceeds.....	-	-	-	-	-	-
355.00 All Other Shared Revenues & Entitlements.....	-	-	-	-	-	-
356.00 State Payments in Lieu of Taxes.....	-	-	-	-	-	-
TOTAL STATE	\$ 177,258	\$ -	\$ -	\$ -	\$ -	3,042,784

LOCAL GOVERNMENT UNITS						
357.03 Highways and Streets.....	-	-	-	-	-	-
357.00 All Other Local Governmental Units Capital and Operating Grants.....	-	-	-	-	-	-
358.00 Local Government Unit Shared Payments for Contracted Intergovernmental Services.....	-	-	-	-	-	117,871
359.00 Local Governmental Units, Authorities Payments, and Payments in Lieu of Taxes.....	-	-	-	-	-	542,969
TOTAL LOCAL GOVERNMENT UNITS	\$ -	\$ -	\$ -	\$ -	\$ -	660,840

TOTAL INTERGOVERNMENTAL REVENUES	\$ 5,474,888
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REVENUES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
CHARGES FOR SERVICE				
361.00 General Government.....	862,601	-	-	-
362.00 Public Safety.....	1,932,226	-	-	-
363.20 Parking.....	559,577	-	-	-
363.00 All Other Charges for Highway & Streets Services.....	1,270,212	-	952,649	-
364.10 Wastewater/Sewage Charges.....	-	-	-	-
364.30 Solid Waste Collection & Disposal Charge (trash).....	-	-	-	-
364.60 Host Municipality Benefit Fee for Solid Waste Facility.....	-	-	-	-
364.00 All Other Charges for Sanitation Services.....	-	-	-	-
365.00 Health.....	22,755	-	-	-
366.00 Human Services.....	-	-	-	-
367.00 Culture and Recreation.....	8,468	-	-	-
368.00 Airports.....	-	-	-	-
369.00 Bars.....	-	-	-	-
370.00 Cemeteries.....	-	-	-	-
372.00 Electric System.....	-	-	-	-
373.00 Gas System.....	-	-	-	-
374.00 Housing System.....	-	29,695	-	-
375.00 Markets.....	-	-	-	-
377.00 Transit Systems.....	-	-	-	-
378.00 Water System.....	-	-	-	-
379.00 All Other Charges for Service.....	-	-	-	-
TOTAL CHARGES FOR SERVICE.....	\$ 4,655,839	\$ 29,695	\$ 952,649	\$ -

UNCLASSIFIED OPERATING REVENUES				
383.00 Special Assessments.....	3,563	2,533	26,315	-
386.00 Escheats (sale of personal property).....	-	-	-	-
387.00 Contributions & Donations from Private Sectors.....	-	-	-	-
388.00 Fiduciary Fund Pension Contributions.....	-	-	-	-
389.00 All Other Unclassified Operating Revenues ***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING REVENUES.....	\$ 3,563	\$ 2,533	\$ 26,315	\$ -

OTHER FINANCING SOURCES				
391.00 Proceeds of General Fixed Asset Disposition.....	-	-	-	-
392.00 Interfund Operating Transfers**.....	614,477	-	402,865	-
393.00 Proceeds of General Long-Term Debt.....	-	-	-	-
394.00 Proceeds of Short-Term Debt.....	-	-	-	-
395.00 Refunds of Prior Year Expenditures.....	30,257	-	-	-
TOTAL OTHER FINANCING SOURCES.....	\$ 644,734	\$ -	\$ 402,865	\$ -

TOTAL REVENUES.....	\$ 20,931,446	\$ 1,533,813	\$ 2,593,288	\$ -
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** The total of line 392.00 must match the total of line 492.00

***This amount cannot be greater than 1% of "TOTAL REVENUES" in each of the funds.

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

REVENUES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
CHARGES FOR SERVICE				
361.00 General Government.....	-	-	-	862,601
362.00 Public Safety.....	-	-	-	1,932,226
363.20 Parking.....	2,449,820	-	-	3,009,397
363.00 All Other Charges for Highway & Streets Services.....	-	-	-	2,222,861
364.10 Wastewater/Sewage Charges.....	5,593,312	-	-	5,593,312
364.30 Solid Waste Collection & Disposal Charge (trash).....	3,259,886	-	-	3,259,886
364.60 Host Municipality Benefit Fee for Solid Waste Facility.....	-	-	-	-
364.00 All Other Charges for Sanitation Services.....	-	-	-	-
365.00 Health.....	-	-	-	22,755
366.00 Human Services.....	-	-	-	-
367.00 Culture and Recreation.....	-	-	-	8,468
368.00 Airports.....	-	-	-	-
369.00 Bars.....	-	-	-	-
370.00 Cemeteries.....	-	-	-	-
372.00 Electric System.....	-	-	-	-
373.00 Gas System.....	-	-	-	-
374.00 Housing System.....	-	-	-	29,695
375.00 Markets.....	-	-	-	-
377.00 Transit Systems.....	-	-	-	-
378.00 Water System.....	-	-	-	-
379.00 All Other Charges for Service.....	-	353,956	-	353,956
TOTAL CHARGES FOR SERVICE.....	\$ 11,303,018	\$ 353,956	\$ -	\$ 17,295,157

UNCLASSIFIED OPERATING REVENUES				
383.00 Special Assessments.....	-	-	-	32,411
386.00 Escheats (sale of personal property).....	-	-	-	-
387.00 Contributions & Donations from Private Sectors.....	-	-	-	-
388.00 Fiduciary Fund Pension Contributions.....	-	-	2,276,676	2,276,676
389.00 All Other Unclassified Operating Revenues ***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING REVENUES.....	\$ -	\$ -	\$ 2,276,676	\$ 2,309,087

OTHER FINANCING SOURCES				
391.00 Proceeds of General Fixed Asset Disposition.....	7,600	-	-	7,600
392.00 Interfund Operating Transfers**.....	93,425	-	-	1,110,767
393.00 Proceeds of General Long-Term Debt.....	-	-	-	-
394.00 Proceeds of Short-Term Debt.....	-	-	-	-
395.00 Refunds of Prior Year Expenditures.....	-	-	-	30,257
TOTAL OTHER FINANCING SOURCES.....	\$ 101,025	\$ -	\$ -	\$ 1,148,624

TOTAL REVENUES.....	\$ 12,037,717	\$ 354,056	\$ 3,315,638	\$ 40,765,958
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** The total of line 392.00 must match the total of line 492.00

***This amount cannot be greater than 1% of "TOTAL REVENUES" in each of the funds.

EXPENDITURES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
GENERAL GOVERNMENT				
400.00 Legislative (Governing) Body.....	21,561	-	-	-
401.00 Executive (Manager or Mayor).....	906,193	-	-	-
402.00 Auditing Services/Financial Administration.....	490,881	-	-	-
403.00 Tax Collection.....	424,114	-	-	-
404.00 Solicitor/Legal Services.....	48,391	-	-	-
405.00 Secretary/Clerk.....	-	-	-	-
406.00 Other General Government Administration.....	149,474	-	-	-
407.00 IT-Networking Services-Data Processing.....	362,978	-	359,974	-
408.00 Engineering Services.....	634,757	-	-	-
409.00 General Government Buildings and Plant.....	789,922	-	46,050	-
TOTAL GENERAL GOVERNMENT.....	\$ 3,828,271	\$ -	\$ 406,024	\$ -

PUBLIC SAFETY				
410.00 Police.....	8,274,216	-	396,606	-
411.00 Fire.....	594,342	-	-	-
412.00 Ambulance/Rescue.....	-	-	-	-
413.00 UCC and Code Enforcement.....	-	-	-	-
414.00 Planning and Zoning.....	390,976	-	-	-
415.00 Emergency Management & Communications.....	31,168	-	-	-
416.00 Militia and Armories.....	-	-	-	-
417.00 Examination of Licensed Occupations.....	-	-	-	-
418.00 Public Scales (weights and measures).....	-	-	-	-
419.00 Other Public Safety.....	348,823	-	-	-
TOTAL PUBLIC SAFETY.....	\$ 9,639,525	\$ -	\$ 396,606	\$ -

HEALTH AND HUMAN SERVICES				
420.00- 425.00 Health and Human Services.....	323,195	-	-	-

PUBLIC WORKS - SANITATION				
426.00 Recycling Collection and Disposal.....	-	-	-	-
427.00 Solid Waste Collection and Disposal (trash).....	-	-	-	-
428.00 Weed Control.....	-	-	-	-
429.00 Wastewater/Sewage Collection & Treatment.....	-	-	-	-
TOTAL PUBLIC WORKS - SANITATION.....	\$ -	\$ -	\$ -	\$ -

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
GENERAL GOVERNMENT				
400.00 Legislative (Governing) Body.....	-	-	-	21,561
401.00 Executive (Manager or Mayor).....	-	-	-	906,193
402.00 Auditing Services/Financial Administration.....	-	-	-	490,881
403.00 Tax Collection.....	-	-	-	424,114
404.00 Solicitor/Legal Services.....	-	-	-	48,391
405.00 Secretary/Clerk.....	-	-	-	-
406.00 Other General Government Administration.....	-	-	-	149,474
407.00 IT-Networking Services-Data Processing.....	-	-	-	722,952
408.00 Engineering Services.....	-	-	-	634,757
409.00 General Government Buildings and Plant.....	-	236,768	-	1,072,740
TOTAL GENERAL GOVERNMENT.....	\$ -	\$ 236,768	\$ -	\$ 4,471,063

PUBLIC SAFETY

410.00 Police.....	-	-	-	8,670,822
411.00 Fire	-	-	-	594,342
412.00 Ambulance/Rescue.....	-	-	-	-
413.00 UCC and Code Enforcement.....	-	-	-	-
414.00 Planning and Zoning.....	-	-	-	390,976
415.00 Emergency Management & Communications.....	-	-	-	31,168
416.00 Militia and Armories.....	-	-	-	-
417.00 Examination of Licensed Occupations.....	-	-	-	-
418.00 Public Scales (weights and measures).....	-	-	-	-
419.00 Other Public Safety.....	-	-	-	348,823
TOTAL PUBLIC SAFETY.....	\$ -	\$ -	\$ -	\$ 10,036,131

HEALTH AND HUMAN SERVICES

420.00- 425.00 Health and Human Services.....	-	-	-	323,195
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PUBLIC WORKS - SANITATION

426.00 Recycling Collection and Disposal.....	635,492	-	-	635,492
427.00 Solid Waste Collection and Disposal (trash).....	2,570,254	-	-	2,570,254
428.00 Weed Control.....	-	-	-	-
429.00 Wastewater/Sewage Collection & Treatment.....	5,648,717	-	-	5,648,717
TOTAL PUBLIC WORKS - SANITATION.....	\$ 8,854,463	\$ -	\$ -	\$ 8,854,463

EXPENDITURES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
PUBLIC WORKS - HIGHWAYS & STREETS				
430.00 General Services - Administration.....	1,622,840	-	-	-
431.00 Cleaning of Streets and Gutters.....	-	-	-	-
432.00 Winter Maintenance - Snow Removal.....	-	141,084	-	-
433.00 Traffic Control Devices.....	-	206,623	-	-
434.00 Street Lighting.....	-	-	-	-
435.00 Sidewalks and Crosswalks.....	-	-	-	-
436.00 Storm Sewers and Drains.....	-	36,642	63,360	-
437.00 Repairs of Tools and Machinery.....	-	58,044	-	-
438.00 Maintenance & Repairs of Roads & Bridges.....	-	72,457	-	-
439.00 Highway Construction and Rebuilding Projects.....	-	-	1,360,697	-
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS.....	\$ 1,622,840	\$ 514,850	\$ 1,424,057	\$ -

PUBLIC WORKS - OTHER SERVICES				
440.00 Airports.....	-	-	-	-
441.00 Cemeteries.....	-	-	-	-
442.00 Electric System.....	-	-	-	-
443.00 Gas System.....	-	-	-	-
444.00 Markets.....	-	-	-	-
445.00 Parking.....	-	-	-	-
446.00 Storm Water and Flood Control.....	-	-	-	-
447.00 Transit System.....	91,416	-	-	-
448.00 Water System.....	-	-	-	-
449.00 Water Transport and Terminals.....	-	-	-	-
TOTAL PUBLIC WORKS - OTHER SERVICES.....	\$ 91,416	\$ -	\$ -	\$ -

CULTURE AND RECREATION				
451.00 Culture - Recreation Administration.....	-	-	-	-
452.00 Participant Recreation.....	123,358	-	-	-
453.00 Spectator Recreation.....	-	-	-	-
454.00 Parks.....	366,225	-	17,153	-
455.00 Shade Trees.....	386,108	-	28,433	-
456.00 Libraries.....	364,922	-	-	-
457.00 Civil and Military Celebrations.....	22,500	-	-	-
458.00 Senior Citizens' Centers.....	32,453	-	-	-
450.00 All Other Culture and Recreation.....	137,678	-	-	-
TOTAL CULTURE AND RECREATION.....	\$ 1,433,244	\$ -	\$ 45,586	\$ -

COMMUNITY DEVELOPMENT				
461.00 Conservation of Natural Resources.....	13,229	-	-	-
462.00 Community Development and Housing.....	84,427	959,605	-	-
463.00 Economic Development.....	-	-	6,435	-
464.00 Economic Opportunity.....	-	-	-	-
465.00- 469.00 All Other Community Development.....	-	-	-	-
TOTAL COMMUNITY DEVELOPMENT.....	\$ 97,656	\$ 959,605	\$ 6,435	\$ -

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
PUBLIC WORKS - HIGHWAYS & STREETS				
430.00 General Services - Administration.....	-	-	-	1,622,840
431.00 Cleaning of Streets and Gutters.....	-	-	-	-
432.00 Winter Maintenance - Snow Removal.....	-	-	-	141,084
433.00 Traffic Control Devices.....	-	-	-	206,623
434.00 Street Lighting.....	-	-	-	-
435.00 Sidewalks and Crosswalks.....	-	-	-	-
436.00 Storm Sewers and Drains.....	-	-	-	100,002
437.00 Repairs of Tools and Machinery.....	-	-	-	58,044
438.00 Maintenance & Repairs of Roads & Bridges.....	-	-	-	72,457
439.00 Highway Construction and Rebuilding Projects.....	-	-	-	1,360,697
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS.....	\$ -	\$ -	\$ -	\$ 3,561,747

PUBLIC WORKS - OTHER SERVICES				
440.00 Airports.....	-	-	-	-
441.00 Cemeteries.....	-	-	-	-
442.00 Electric System.....	-	-	-	-
443.00 Gas System.....	-	-	-	-
444.00 Markets.....	-	-	-	-
445.00 Parking.....	1,722,557	-	-	1,722,557
446.00 Storm Water and Flood Control.....	-	-	-	-
447.00 Transit System.....	29,568	-	-	120,984
448.00 Water System.....	-	-	-	-
449.00 Water Transport and Terminals.....	-	-	-	-
TOTAL PUBLIC WORKS - OTHER SERVICES.....	\$ 1,752,125	\$ -	\$ -	\$ 1,843,541

CULTURE AND RECREATION				
451.00 Culture - Recreation Administration.....	-	-	-	-
452.00 Participant Recreation.....	-	-	-	123,358
453.00 Spectator Recreation.....	-	-	-	-
454.00 Parks.....	-	-	-	383,378
455.00 Shade Trees.....	-	-	-	414,541
456.00 Libraries.....	-	-	-	364,922
457.00 Civil and Military Celebrations.....	-	-	-	22,500
458.00 Senior Citizens' Centers.....	-	-	-	32,453
450.00 All Other Culture and Recreation.....	-	-	-	137,678
TOTAL CULTURE AND RECREATION.....	\$ -	\$ -	\$ -	\$ 1,478,830

COMMUNITY DEVELOPMENT				
461.00 Conservation of Natural Resources.....	-	-	-	13,229
462.00 Community Development and Housing.....	88,064	-	-	1,132,096
463.00 Economic Development.....	-	-	-	6,435
464.00 Economic Opportunity.....	-	-	-	-
465.00- 469.00 All Other Community Development.....	-	-	-	-
TOTAL COMMUNITY DEVELOPMENT.....	\$ 88,064	\$ -	\$ -	\$ 1,151,760

EXPENDITURES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
DEBT SERVICE				
471.00 Debt Principal (short-term and long-term).....	690,464	-	-	-
472.00 Debt Interest (short-term and long-term).....	344,922	-	-	-
475.00 Fiscal Agent Fees.....	315	-	-	-
TOTAL DEBT SERVICE.....	\$ 1,035,701	\$ -	\$ -	\$ -

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	-	-	-	-
482.00 Judgments and Losses.....	-	-	-	-
483.00 Pension/Retirement Fund Contributions.....	1,533,422	-	-	-
484.00 Worker Compensation Insurance.....	-	-	-	-
487.00 Group Insurance and Other Benefits.....	-	-	-	-
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS.....	\$ 1,533,422	\$ -	\$ -	\$ -

INSURANCE				
486.00 Insurance, Casualty, and Surety.....	-	-	-	-

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....				
489.00 All Other Unclassified Expenditures ***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....	\$ -	\$ -	\$ -	\$ -

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	-	-	-	-
492.00 Interfund Operating Transfers**.....	459,515	-	-	-
493.00 All Other Financing Uses.....	-	-	-	-
TOTAL OTHER FINANCING USES.....	\$ 459,515	\$ -	\$ -	\$ -

TOTAL EXPENDITURES.....	\$ 20,064,785	\$ 1,474,455	\$ 2,278,708	\$ -
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EXCESS/DEFICIT OF REVENUES				
OVER EXPENDITURES.....	\$ 866,661	\$ 59,358	\$ 314,580	\$ -

** The total of line 492.00 must match the total of line 392.00

***This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
DEBT SERVICE				
471.00 Debt Principal (short-term and long-term).....	-	-	-	690,464
472.00 Debt Interest (short-term and long-term).....	575,712	-	-	920,634
475.00 Fiscal Agent Fees.....	-	-	-	315
TOTAL DEBT SERVICE.....	\$ 575,712	\$ -	\$ -	\$ 1,611,413

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	-	-	-	-
482.00 Judgments and Losses.....	-	-	-	-
483.00 Pension/Retirement Fund Contributions.....	-	-	-	1,533,422
484.00 Worker Compensation Insurance.....	-	-	-	-
487.00 Group Insurance and Other Benefits.....	-	-	-	-
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS.....	\$ -	\$ -	\$ -	\$ 1,533,422

INSURANCE				
486.00 Insurance, Casualty, and Surety.....	-	-	-	-

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....	-	-	2,168,584	2,168,584
489.00 All Other Unclassified Expenditures ***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....	\$ -	\$ -	\$ 2,168,584	\$ 2,168,584

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	-	-	-	-
492.00 Interfund Operating Transfers**.....	588,544	62,708	-	1,110,767
493.00 All Other Financing Uses.....	-	-	-	-
TOTAL OTHER FINANCING USES.....	\$ 588,544	\$ 62,708	\$ -	\$ 1,110,767

TOTAL EXPENDITURES.....	\$ 11,858,908	\$ 299,476	\$ 2,168,584	\$ 38,144,916
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES.....				
	\$ 178,809	\$ 54,580	\$ 1,147,054	\$ 2,621,042

** The total of line 492.00 must match the total of line 392.00

***This amount cannot be greater than 1% of "TOTAL EXPENDITURES" in each of the funds.

DEBT STATEMENT

Type	Purpose	Bond (B) Note (N)	Issue Date (year)	Maturity Date (year)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year (Additions)	Principal Paid This Year	Current Year Accretion of Compound Interest Bonds	Outstanding Year-End (1)	Plus (Less) Unamortized Premium (Discount)	Total Balance
GENERAL OBLIGATION BONDS AND NOTES												
	CAPITAL	B	2005	2026	\$ 995,000	\$ 1,360,000	\$ -	\$ -	\$ -	\$ 1,360,000	\$ -	\$ 1,360,000
	CAPITAL	B	2009	2025	29,265,000	28,010,000	-	1,545,000	-	26,465,000	-	\$ 26,465,000
	CAPITAL	N	2010	2020	493,137	470,012	-	46,815	-	423,197	-	\$ 423,197
												\$ -
												\$ -
												\$ -
												\$ -
REVENUE BONDS AND NOTES												
												\$ -
												\$ -
												\$ -
LEASE RENTAL DEBT/GENERAL LEASES												
												\$ -
												\$ -
												\$ -
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												\$ -
OTHER												
												\$ -
												\$ -
												\$ -
												\$ -

Total bonds and notes outstanding.....	\$	28,248,197
Capitalized lease obligations.....		-
Other debt.....		-
TOTAL OUTSTANDING DEBT.....	\$	28,248,197

	Principal		Change in			
	1/1/2011	New Debt	Repayments/ Refundings	Refunding Loss	Absences	12/31/2011
Debt Rollforward						
Governmental Funds	\$ 11,565,078	\$ -	\$ (690,464)	\$ -	\$ -	\$ 10,874,614
Proprietary Funds	18,287,552	-	(901,351)	(852,195)	1,495	16,535,501
	<u>\$ 29,852,630</u>	<u>\$ -</u>	<u>\$ (1,591,815)</u>	<u>\$ (852,195)</u>	<u>\$ 1,495</u>	<u>\$ 27,410,115</u>

<u>Reconciliation</u>	
Total outstanding debt	\$ 28,248,197
Refunding loss	(852,195)
Compensated absences	14,113
Total long-term liabilities, current and long-term portions as show on page 3	\$ 27,410,115

