

CITY OF BRADY
REPORT OF AUDIT
SEPTEMBER 30, 2010

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SEPTEMBER 30, 2010**

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INTRODUCTORY SECTION

**CITY OF BRADY
CITY OFFICIALS
SEPTEMBER 30, 2010**

Gail Lohn	Mayor
Brendan Weatherman	Mayor Pro-Tem
Mary Bradshaw	Council Member
Missy Davis	Council Member
Linda Lott	Council Member
James Stewart	Council Member
James Minor	City Manager
Lisa Remini	Finance Officer
Christi McAnally	City Secretary

FINANCIAL SECTION



MICHAEL D. SCHAFFNER AND ASSOCIATES, PC

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Michael D. Schaffner, CPA

Jodi L. Crudgington, CPA

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and
Members of the City Council
Brady, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brady, Texas, as of and for the year ended September 30, 2010, 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 Brady's 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 standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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, each major fund, the aggregate remaining fund information, and the respective budgetary comparisons for the General Fund and the Special Revenue Fund of the City of Brady, Texas, as of September 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2010 on our consideration of the City of Brady's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant

agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 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 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 of inquiries of management about 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 conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Brady's financial statements as a whole. The statements listed under the Supplemental Section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Michael D. Schaffner and Associates
Michael D. Schaffner and Associates, PC
December 29, 2010

CITY OF BRADY, TEXAS

Management's Discussion and Analysis September 30, 2010

As management of the City of Brady, we offer readers of these financial statements this narrative overview and analysis of the financial activities of the City of Brady for the fiscal year ended September 30, 2010. We encourage readers to consider the information presented here in conjunction with the City's audited financial statements, which follow this section.

Financial Highlights

- ❑ The City's assets exceeded liabilities at September 30, 2010 by \$26,032,505. Of this amount \$4,771,624 or 18.3% of net assets, is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- ❑ The City's Total Net Assets increased by \$2,502,230 during the year.
- ❑ The total cost of all the City's programs was \$354,367 more than last year at \$15,584,861.
- ❑ During the year, the City had operating expenses of \$6,684,199 for governmental activities, which was \$1,520,047 more than the \$5,164,152 generated in program and general revenues. Once budgeted transfers from business-type activities of \$2,785,830 are recognized, governmental net assets reflect a 16% increase in the amount of \$1,265,783.
- ❑ The City's business-type activities, after transfers to the General fund, reflect an increase in business-type net assets by \$1,236,477.
- ❑ The City reduced its' total long-term debt obligations by \$528,592 or 5.8%.

The following discussion and analysis are intended to serve as an introduction to the City of Brady's basic financial statements. The basic financial statements comprise three components:

- 1) government-wide financial statements,
- 2) fund financial statements, and
- 3) notes to the financial statements.

Reporting the City as a Whole

The government-wide financial statements are designed to provide readers with a broad overview of the City of Brady's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 15 through 17 of the audit report.

- ❑ The statement of net assets presents information on all of the City of Brady assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City of Brady 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 are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

CITY OF BRADY, TEXAS

Management's Discussion and Analysis September 30, 2010

Thus, one of the most important questions asked about the City's finances, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used in most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

In the Statement of Net Assets and the Statement of Activities, we divide the City into two kinds of activities:

- ❑ Governmental activities- Most of the City's basic services are reported here, including the Police, EMS, Fire, Public Parks, Golf Course, Airport, Streets, Municipal Court, and General Administration. Property taxes, sales taxes, franchise fees, and service fees financially support these activities.
- ❑ Business-type activities- The City charges a rate per unit sold to customers to help it cover all or most of the cost of certain services it provides. The City's Electric, Water, Sewer, Gas, and Solid Waste, departments are reported here.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets

As stated earlier, net assets may serve over time as a useful indicator of a government's financial position. The City's financial position as a whole is stronger compared to fiscal year 2009, as city net assets increased by \$2,502,230 or 10.63%. The largest part of the City of Brady's net assets reflects its investment in capital assets (land, buildings and improvements, infrastructure assets, and equipment) less any related debt used to acquire those assets that is still outstanding. The City of Brady uses these assets to provide services to citizens; consequently these assets are not available for future spending. Although the City of Brady's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

About 1 % of the City's governmental net assets are subject to restrictions on how they may be used. The remaining balance of unrestricted assets at \$962,415 may be used to meet the government's ongoing obligations to citizens and creditors. At the end of the fiscal year, the City of Brady is able to report positive balances in all categories of net assets, both for the government as a whole as well as governmental and business-type activities.

Total primary net activities of the City as a whole resulted in an increase in net assets for the fiscal year for a net value of \$26,032,505. The City's total unrestricted net assets in the amount of \$4,771,624 that can be used to finance day-to-day operations increased 32% compared to last year's balance.

CITY OF BRADY, TEXAS

Management's Discussion and Analysis
September 30, 2010

The following reflects a comparative condensed Statement of Net Assets:

Net Assets as of September 30, 2010 and 2009						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 1,192,308	789,045	\$ 4,509,912	3,498,106	\$ 5,702,220	4,287,151
Capital and other LongTerm Assets	10,682,628	9,738,764	20,137,292	20,245,993	30,819,920	29,984,757
Total Assets	11,874,936	10,527,809	24,647,204	23,744,099	36,522,140	34,271,908
Current Liabilities	591,232	416,133	1,536,584	1,315,032	2,127,816	1,731,165
Non-Current Liabilities	2,339,722	2,422,621	6,022,097	6,576,991	8,361,819	8,999,612
Total Liabilities	2,930,954	2,838,754	7,558,681	7,892,023	10,489,635	10,730,777
Net Assets:						
Invested in Capital Assets						
Net of Related Debt	7,875,039	6,911,876	13,068,411	12,744,258	20,943,450	19,656,134
Restricted	106,528	112,764	210,903	155,828	317,431	268,592
Unrestricted	962,415	664,416	3,809,209	2,951,990	4,771,624	3,616,406
TOTAL NET ASSETS	\$ 8,943,982	7,689,056	\$ 17,088,523	15,852,076	\$ 26,032,505	23,541,132

CITY OF BRADY, TEXAS

Management's Discussion and Analysis September 30, 2010

Statement of Activities

The following reflects a comparative statement of changes in net assets of the primary government:

Statement of Activities for the Fiscal Year Ending September 30, 2010 and 2009						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Revenues						
Program Revenues:						
Charges for Services	\$ 1,545,376	1,499,449	\$ 12,598,331	12,159,678	\$ 14,143,707	13,659,127
Grants and Contributions	1,994,471	1,250,361		16,375	1,994,471	1,266,736
General Revenues:						
Property Taxes	526,872	480,666			526,872	480,666
Sales Taxes	867,668	1,045,776			867,668	1,045,776
Other Taxes	155,043	185,992			155,043	185,992
Investment Earnings	35,797	32,352	33,168	37,044	68,965	69,396
Other Revenue	38,925	6,912	265,240	11,546	304,165	18,458
Gain on Sale of Assets		(7,642)	26,200	623	26,200	-7,019
TOTAL REVENUES	\$ 5,164,152	4,493,866	\$ 12,922,939	12,225,266	\$ 18,087,091	16,719,132
Expenses						
Utility Enterprises			8,900,662	9,092,100	8,900,662	9,092,100
General Government	737,541	717,785			737,541	717,785
Public Safety	2,727,455	2,425,428			2,727,455	2,425,428
Streets	583,555	548,372			583,555	548,372
Recreation and Leisure	1,916,660	1,670,364			1,916,660	1,670,364
Community Development	633,723	696,163			633,723	696,163
Interest on Long-Term Debt	85,265	80,282			85,265	80,282
TOTAL EXPENSES	\$ 6,684,199	6,138,394	\$ 8,900,662	9,092,100	\$ 15,584,861	15,230,494
Excess (Deficiency) before Transfers	(1,520,047)	(1,644,528)	4,022,277	3,133,166	2,502,230	1,488,638
Transfers	2,785,830	2,346,730	(2,785,830)	(2,346,730)		
Increase (Decrease) in Net Assets	1,265,783	702,202	1,236,447	786,436	2,502,230	1,488,638
Net Assets - Beginning	7,678,199	6,986,854	15,852,076	15,065,640	23,530,275	22,052,494
Net Assets - Ending	\$ 8,943,982	7,689,056	\$ 17,088,523	15,852,076	\$ 26,032,505	23,541,132

CITY OF BRADY, TEXAS

Management's Discussion and Analysis September 30, 2010

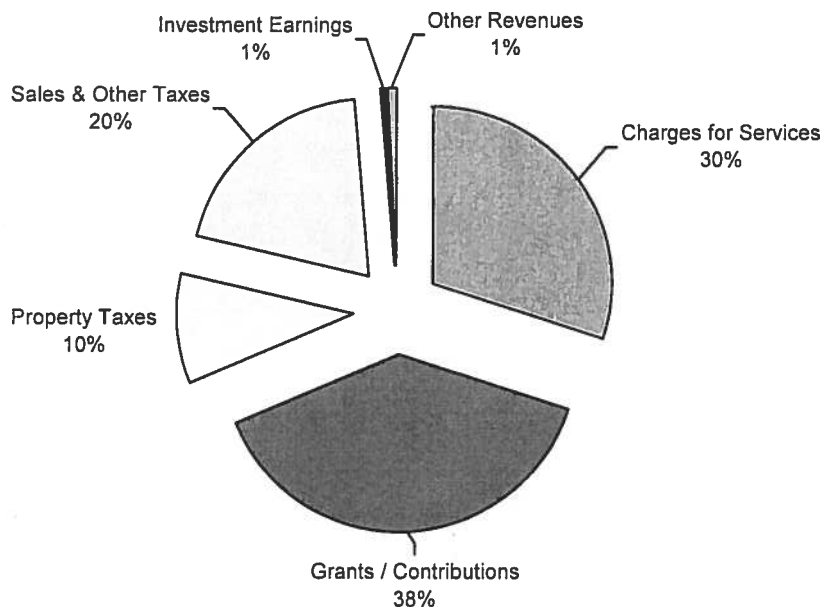
Sales tax revenues declined by 17% or \$209,057 compared to 2009 collections. However, total charges for services reflect a modest increase, and the City was awarded almost two million dollars to fund specific capital infrastructure improvements during the fiscal year 2010. Additionally, the City received a one-time legal settlement in the amount of \$250,000. These events resulted in an increase in total primary governmental revenues for fiscal year 2010 by \$1,367,959 compared to 2009.

A modest 2% increase in total primary governmental expenditures promoted an increase in Net Assets of \$2,502,230 for the fiscal year 2010.

Governmental Activities

The result of fiscal year 2010 governmental activity records an increase of \$1,265,783 in net assets, to \$8,943,982. Of the total governmental activities' net assets, at \$7,875,039 is invested in capital assets net of related debt, and \$962,415 is unrestricted, that is, having no legal commitment.

Revenues – Governmental Activities Fiscal Year Ending September 30, 2010



The Governmental program revenues mix is similar to last year. For fiscal year 2010, the majority of governmental revenues are derived from primarily two revenue sources: charges for services and grants/contributions comprising 68% of the governmental program revenues mix.

Grant/Contribution Revenue increased by \$744,110 from last year primarily due to the fact that capital projects that were begun late in fiscal year 2008 qualified for continued funding from the Texas Parks and Wildlife grant and the Texas Department of Transportation-Aviation Division grant during this fiscal year.

CITY OF BRADY, TEXAS

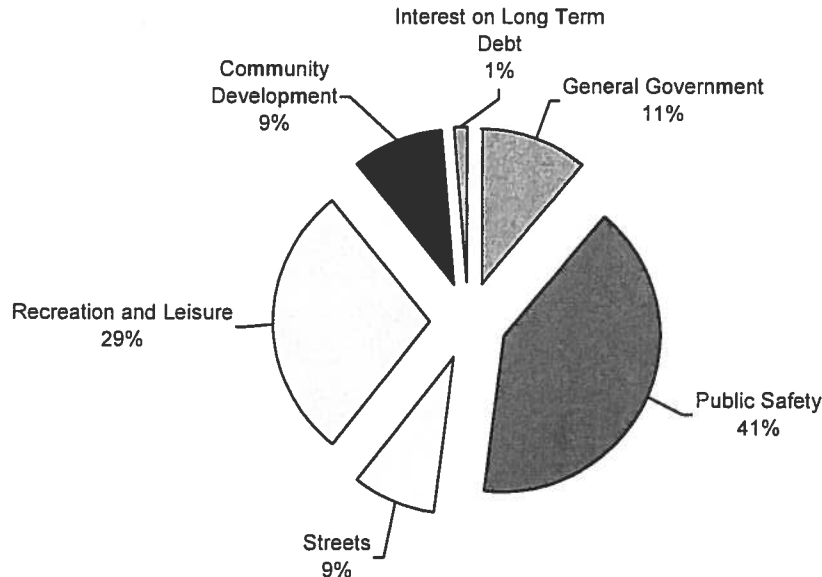
Management's Discussion and Analysis September 30, 2010

Charges for services are fee collections set by the City Council for specific activities by the end-user. EMS services make up \$631,756 or 41% of the \$1,545,376 total amount collected for services this year. Airport services generated \$403,986 or 26% of the total dollars charged for services this year. Fuel sales to the Military continue to comprise a significant portion of the airports' revenues. Other "Charges for Services" include golf course and lake rental fees, municipal court fines, right of way fees, cemetery lot sales and fees, and collections for senior citizen meals. The combined revenues from the aforementioned sales plus \$127,387 in golf fees, and \$93,712 in lake fees, represent the bulk or 81% of total service charge revenues.

Other revenue categories include sales and other taxes. The City received \$867,668 in sales tax revenues and \$50,217 in franchise tax revenues, which is a 17% increase from last year's collections. Included in other taxes are motel tax collections at \$103,685 that was passed on to the Chamber of Commerce, Heart of Texas Historical museum, and HOT Country Music museum for the promotion of tourism to enhance sales tax dollars to the City of Brady.

The City maintains a low property tax rate at \$.25 cents per \$100 of 2009 values; and collected \$526,872 in property tax revenue.

Expenses – Governmental Activities Fiscal Year Ending September 30, 2010



The relative mix of expenditure activities continues to remain similar to last fiscal year. Public Safety remains the largest governmental activity, expending \$2,727,455 of the \$6,684,199 total costs for all governmental programs. The Fire, EMS, Police, Animal Control, Municipal Court, and Building and Inspection departments are included in this category.

CITY OF BRADY, TEXAS

Management's Discussion and Analysis September 30, 2010

Recreation and Leisure continues to be the second largest expense category, utilizing \$1,916,660 of total governmental funds. The Airport, Parks, Golf Course, Swimming Pool, Civic Center, Lake, and G. Rollie White Complex are included in this category.

The remaining 30% of expenditures is closely divided among General and Administrative costs totaling \$737,541, Community Development totaling \$633,723, and Street maintenance totaling \$583,555.

Business-Type Activities

The business-type activities increased the City of Brady's net assets by \$1,236,447.

Of the total business-type activities' net assets, \$13,068,411 is invested in capital assets net of related debt, and \$3,809,209 is unrestricted, that is, having no legal commitment. In addition, the City maintains fully funded restricted reserve levels of \$210,903 for debt service requirements.

The business-type activities include water, sewer, and solid waste operations, and electric and gas distribution operations. The cost of all business-type activities this year was \$8,900,662. As shown in the statement of activities, the amounts paid by users of the operations were \$12,598,331. The additional revenue sources included investment earnings of \$33,168, and other revenues of \$41,440. This year, the City also received a one time legal settlement of \$250,000. Therefore, excess revenues over expenditures for the year record \$4,022,277.

The City historically transfers excess revenues from the business-type activities to the governmental funds as needed to cover the cost of governmental services. Transfers in the amount of \$2,785,630 were posted this fiscal year to provide for the City's governmental program costs.

Revenue derived from charges for services increased 3.6% or \$438,653. Total expenditures for the business-type activities reflect a slight reduction of \$191,438, or 2% due in part to receding fuel prices.

Reporting the City's Most Significant Funds

Analysis of the City's major funds begins on page 18. The fund financial statements, found on 18 through 22 of the audit report, provide detailed information about the most significant funds. The City of Brady, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance and related legal requirements. All of the funds of the City of Brady can be divided into two categories: governmental funds and proprietary funds.

CITY OF BRADY, TEXAS

Management's Discussion and Analysis September 30, 2010

- Governmental funds are used to account for essentially the same functions reported as governmental activities in the governmental-wide financial statements. Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in near future to finance the City's programs. We describe the relationship between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliations at the bottom of the fund financial statements.
- Proprietary funds- When the City charges customers for the services it provides – with intent to cover all costs of the service provided- these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

In summary, fund financial statements are considered the traditional method of portraying available funds for immediate spending needs. It is a relative measure of a City government's ability to meet General fund program costs in the near future. Therefore, the City's fund balance does not reflect the equity value of the long-term investment the City has in its infrastructure and capital assets. GASB 34 statements of net assets and activities are therefore designed to reflect the value of all capital assets of the City, so that the total net asset figures compare similar to a private entity's retained earnings.

FUND FINANCIAL ANALYSIS

Governmental Type Funds

The City of Brady reports a combined governmental fund balance of \$1,002,989, reflecting an increase of \$343,290 in comparison with the previous year. Unreserved fund balance equals \$910,505 and is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to provide payment for long-term debt obligations and community projects.

As stated earlier, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The Government Finance Officers Association recommends, at a minimum, that governmental unreserved fund balances be maintained at no less than two months of regular general fund operational revenues or expenditures. City of Brady's current general unreserved fund balance is considered adequate as it represents 6 months of general fund operating revenues, and 2 months of general operating expenditures.

CITY OF BRADY, TEXAS

Management's Discussion and Analysis
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Business Type Funds

The City's business-type fund statements provide the same type of information found in the government-wide financial statements, but in more detail. The City of Brady is the owner of the Electric/Sewer, Water, Gas, and Solid Waste distribution enterprises. Each enterprise is considered a major fund. The net change in assets for fiscal year 2010 is as follows: Electric/Sewer fund \$596,683 Water fund- \$412,547 Gas fund- \$385,074 Solid Waste fund- \$(135,244). Because the Utility Support fund is the only remaining business-type fund, it is being presented as a major fund even though it does not meet the criteria of a major fund established in Government Accounting Standards Board (GASB) Statement No. 34. The major business-type funds subsidize the Utility Support fund and transferred \$94,149 to reflect a slightly negative change in net assets for the year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The City of Brady's budget is a dynamic document. Once adopted in September 2009, the Council may approve budgetary amendments during the course of the fiscal year to recognize changes in operational demands.

Final budget comparisons to actual performance are considered reasonable and reflect that total general fund revenues fell short of final budget projections by \$17,592 and total expenditures were under budget by \$102,270 for a net positive variance to the final budget of \$84,678 before transfers.

The original revenue projections for the General Fund budget was increased by \$329,101 to reflect better than projected revenue collections for lake services, EMS services, and EDC contributions.

The original expenditure projections for the General Fund budget were increased by \$359,677 during fiscal year 2010. The budget was primarily adjusted to reflect the fact that the City is now responsible for the entire lake operations. Overall, year-end actual performance was less than the final budget numbers, as mid-year projected costs did not fully materialize.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City has invested in a broad range of capital assets, including land, buildings, fixtures, various equipment, vehicles, park and landfill facilities, streets, water, sewer, electric, and gas infrastructure systems. The City of Brady's investment in capital assets for its governmental and business-type activities as of September 30, 2010 is \$29,569,855, net of accumulative depreciation, reflecting a slight increase from last year. The majority of the city's capital assets are invested in buildings, improvements, and infrastructure.

Governmental Activities report the addition of \$2,170,206 in various capital enhancements including infrastructure improvements to the municipal airport, municipal buildings, a new ambulance, and various small equipment.

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Business Activities report the addition of \$745,599 in capital assets. Various infrastructure improvements were made in the electric and water departments, a new bucket truck and used boom truck was purchased for the electric department, and a new trash truck was purchased for the solid waste department.

The City's fiscal year 2011 capital budget calls for spending \$4,580,313 for capital projects, which includes \$1,571,433 for the Governmental Activities and \$3,008,880 for the Business-type Activities. Budgeted funding sources for these capital projects include \$2,756,995 in grant awards, \$1,526,318 from current revenues, and the issuance of \$297,000 in debt.

Principal projects for Governmental Activities include completing the E.O. Martin Memorial park area, purchasing various emergency equipment, and renovating established City parks. Principal projects for the Business-type funds are relocating the public service building to the armory building, upgrades to the wastewater treatment plant, water and electric distribution systems, and various equipment purchases.

Debt Administration

At September 30, 2010, the City of Brady had \$8,626,405 in bonds, notes and capital leases outstanding.

In reviewing Governmental Activities, three equipment lease notes in the amount of \$237,226 were issued. In reviewing Business-type Activities, one equipment note in the amount of \$282,511 was issued and total long-term obligations were reduced by \$780,196 through scheduled debt service payments. All scheduled payments were met according to terms.

The following is a summary statement of outstanding debt as of September 30, 2010:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
General Obligation Refunding Bonds	\$ 2,134,550	2,310,550	\$ 105,450	204,450	\$ 2,240,000	2,515,000
Certificates of Obligations			4,970,000	5,255,000	4,970,000	5,255,000
Notes to Financial Institutions	182,000	218,000			182,000	218,000
Infrastructure Lease Notes			705,847	1,045,606	705,847	1,045,606
Equipment Lease Notes	239,387	58,294	289,171	63,097	528,558	121,391
Total Bonds, Notes, and Capital Leases	2,555,937	2,586,844	6,070,468	6,568,153	8,626,405	9,154,997

CITY OF BRADY, TEXAS

Management's Discussion and Analysis September 30, 2010

In summary, of all debts outstanding, \$1,048,422 was retired and \$519,737 was added to total long-term liabilities for the fiscal year. Total compensated absences for Governmental Activities are \$67,806 and \$26,752 for Business Activities.

The City's refunding bond series 2003 maintains an investment grade Baa1 rating from Moody's Investor's Service.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City's elected and appointed officials considered many factors when setting the fiscal year 2011 budget, tax rates, and fees that will be charged. One of those factors is the economy.

Brady's local economy is centered in agri-businesses and manufacturers of sand products. The economic outlook for Brady/McCulloch County is considered mostly stable, but continues to struggle with the negative effects of the nations' economic challenges. Several manufacturing plants in the area however, have benefited from the current oil market conditions. Gasoline prices continue its' volatility and is considered a major force in driving the cost of goods beyond historical averages. These indicators were taken into account when adopting the General Fund budget for fiscal year 2011. Council chose to refrain from across the board utility rate increases and adopted cost efficiencies to support the 2011 Budget. Only the City's electric distribution rate was increased by less than a penny at .007 cents per kilowatt. The Council adopted a balanced budget to ensure a stable fund balance position is maintained.

Request for Information

This financial report is designed to provide a general overview of the City of Brady's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Officer, Lisa Remini or City Manager, James Minor at City of Brady, 201 East Main, 325-597-2152.

CITY OF BRADY
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2010

	PRIMARY GOVERNMENT		
	GOVERNMENTAL	BUSINESS - TYPE	TOTAL
	ACTIVITIES	ACTIVITIES	
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 1,023,335	\$ 3,483,777	\$ 4,507,112
Receivables, net (Note 1)	168,973	825,651	994,624
Inventory	-	200,484	200,484
Total Current Assets	<u>1,192,308</u>	<u>4,509,912</u>	<u>5,702,220</u>
Noncurrent Assets			
Restricted Assets			
Cash	103,968	943,931	1,047,899
Receivables, net	87,043	-	87,043
Bond Issuance Premium, net of amortization	19,576	10,541	30,117
Bond Issuance Costs, net of amortization	41,065	43,941	85,006
Construction in Progress (Note 5)	1,070,158	48,165	1,118,323
Land (Note 5)	728,734	84,829	813,563
Other Capital Assets, net of depreciation (Note 5)	8,632,084	19,005,885	27,637,969
Total Noncurrent Assets	<u>10,682,628</u>	<u>20,137,292</u>	<u>30,819,920</u>
Total Assets	<u>\$ 11,874,936</u>	<u>\$ 24,647,204</u>	<u>\$ 36,522,140</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 298,779	\$ 672,093	\$ 970,872
Interest Payable	8,432	17,392	25,824
Other Payables	-	38,948	38,948
Bonds, Notes, and Leases Payable (Note 11)	284,021	808,151	1,092,172
Total Current Liabilities	<u>591,232</u>	<u>1,536,584</u>	<u>2,127,816</u>
Noncurrent Liabilities			
Accrued Compensated Absences (Note 11)	67,806	26,752	94,558
Landfill Closure (Note 12)	-	155,579	155,579
Customer Deposits	-	577,449	577,449
Bonds, Notes, and Leases Payable (Note 11)	2,271,916	5,262,317	7,534,233
Total Noncurrent Liabilities	<u>2,339,722</u>	<u>6,022,097</u>	<u>8,361,819</u>
Total Liabilities	<u>2,930,954</u>	<u>7,558,681</u>	<u>10,489,635</u>
NET ASSETS			
Invested in Capital Assets, net of related debt	7,875,039	13,068,411	20,943,450
Restricted for:			
Community Projects (Note 1)	46,438	-	46,438
Debt Service (Note 1)	60,090	210,903	270,993
Unrestricted	<u>962,415</u>	<u>3,809,209</u>	<u>4,771,624</u>
Total Net Assets	<u>\$ 8,943,982</u>	<u>\$ 17,088,523</u>	<u>\$ 26,032,505</u>

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2010

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities							
Administration	\$ 474,192	\$ 55,453	\$ -	\$ -	(418,739)	\$ -	(418,739)
Airport	907,215	403,986	15,421	-	(487,808)	-	(487,808)
Public Property Maintenance	322,619	45,683	5,284	-	(271,652)	-	(271,652)
Mayor and Council	18,222	-	-	-	(18,222)	-	(18,222)
Golf Course	396,173	127,387	8,742	-	(260,044)	-	(260,044)
Swimming Pool	68,695	15,105	-	-	(53,590)	-	(53,590)
Fire Department	768,989	11,893	80,000	-	(677,096)	-	(677,096)
Police Department	933,960	21,364	42,283	49,869	(820,444)	-	(820,444)
Street Department	583,555	2,594	-	-	(580,961)	-	(580,961)
Civic Center	23,094	32,850	-	-	9,756	-	9,756
Municipal Court	53,123	44,217	-	-	(8,906)	-	(8,906)
Community Services	46,978	-	-	-	(46,978)	-	(46,978)
Repair Shop	56,732	171	-	-	(56,561)	-	(56,561)
Animal Control	42,798	895	-	-	(41,903)	-	(41,903)
EMS	817,330	631,756	157,112	-	(28,462)	-	(28,462)
Lake Department	187,114	93,712	-	175,035	81,633	-	81,633
Financial Administration	188,395	1,811	-	-	(186,584)	-	(186,584)
Buildings/Permits	111,255	24,101	-	-	(87,154)	-	(87,154)
G. Rolie White Complex	11,750	1,231	-	-	(10,519)	-	(10,519)
Special Revenue Funds	586,745	31,167	157,644	1,303,081	905,147	-	905,147
Interest on Long-Term Debt	85,265	-	-	-	(85,265)	-	(85,265)
Total Governmental Activities	6,684,199	1,545,376	466,486	1,527,985	(3,144,352)		(3,144,352)
Business-Type Activities							
Sewer	403,417	670,245	-	-	-	266,828	266,828
Electric	5,097,509	7,500,357	-	-	-	2,402,848	2,402,848
Water	1,057,363	1,557,744	-	-	-	500,381	500,381
Gas	1,185,005	1,929,904	-	-	-	744,899	744,899
Solid Waste	862,269	791,652	-	-	-	(70,617)	(70,617)
Utility Support	295,099	148,429	-	-	-	(146,670)	(146,670)
Total Business-Type Activities	8,900,662	12,598,331	-	-	3,697,669		3,697,669
Total	15,584,861	14,143,707	466,486	1,527,985	(3,144,352)	3,697,669	553,317

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2010

	Net (Expense) Revenue and Changes in Net Assets		
	Governmental Activities	Business- Type Activities	Total
General Revenues			
Taxes			
Property Taxes, Levied for General Purposes	\$ 526,872	\$ -	\$ 526,872
Sales Taxes	867,668	-	867,668
Franchise Taxes	50,217	-	50,217
Mixed Beverage Taxes	1,141	-	1,141
Motel Occupancy Taxes	103,685	-	103,685
Interest Revenue	35,797	33,168	68,965
Miscellaneous	3,450	15,240	18,690
Donated Assets	35,475	-	35,475
Gain (Loss) on Disposal of Fixed Assets	-	26,200	26,200
Special Items - Legal Settlement	-	250,000	250,000
Transfers	2,785,830	(2,785,830)	-
Total General Revenues, Special Items, and Transfers	4,410,135	(2,461,222)	1,948,913
Change in Net Assets	1,265,783	1,236,447	2,502,230
Net Assets - Beginning (Note 1)	7,678,199	15,852,076	23,530,275
Net Assets - Ending	\$ 8,943,982	\$ 17,088,523	\$ 26,032,505

See accompanying notes to the basic financial statements.

**CITY OF BRADY
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2010**

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,101,536	\$ 25,767	\$ 1,127,303
Receivables, net			
Accounts	92,363	87,043	179,406
Taxes (Note 1)	70,370	-	70,370
TOTAL ASSETS	\$ 1,264,269	\$ 112,810	\$ 1,377,079
LIABILITIES			
Liabilities			
Accounts Payable	\$ 218,363	\$ 80,416	\$ 298,779
Interest Payable	4,941	-	4,941
Deferred Revenues	70,370	-	70,370
Total Liabilities	293,674	80,416	374,090
FUND BALANCES			
Fund Balance:			
Unreserved	910,505	-	910,505
Reserved - Debt Service (Note 1)	60,090	-	60,090
Reserved - Community Projects (Note 1)	-	32,394	32,394
Total Fund Equity	970,595	32,394	1,002,989
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,264,269	\$ 112,810	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$8,208,052	10,430,975
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Some assets are not available to pay for current period expenditures and therefore are not reported in the funds:	
Accrued Interest Receivable	6,239
Bond Insurance Premium, net of amortization of \$9,605	19,577
Bond Issuance Costs, net of amortization of \$20,150	41,065

Some liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Deferred Revenues	70,370
Notes, Bonds and Capital Leases Payable	(2,555,937)
Accrued Compensated Absences	(67,806)
Accrued Interest Payable	(3,490)

Net Assets of Governmental Activities	\$ 8,943,982
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See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<u>REVENUES</u>			
General Revenues			
Property Taxes	\$ 531,498	\$ -	\$ 531,498
Sales Taxes	697,544	170,124	867,668
Franchise Taxes	50,217	-	50,217
Occupancy Taxes	-	103,685	103,685
Mixed Beverage Taxes	1,141	-	1,141
Interest Income	32,076	-	32,076
Miscellaneous Revenue	3,450	-	3,450
Charges for Services			
Administration	55,453	-	55,453
Airport	403,986	-	403,986
Public Property Maintenance	45,683	-	45,683
Golf Course	127,387	-	127,387
Swimming Pool	15,105	-	15,105
Fire Department	11,893	-	11,893
Police Department	21,364	-	21,364
Street Department	2,594	-	2,594
Civic Center	32,850	-	32,850
Municipal Court	44,217	-	44,217
Repair Shop	171	-	171
Animal Control	895	-	895
EMS	631,756	-	631,756
Lake Department	93,712	-	93,712
Financial Administration	1,811	-	1,811
Buildings/Permits	24,101	-	24,101
G.R. White	1,231	-	1,231
Senior Citizens	-	31,167	31,167
Total Charges for Services	<u>1,514,209</u>	<u>31,167</u>	<u>1,545,376</u>
Grant Revenues			
Operating Grants and Contributions			
Airport	15,421	-	15,421
Public Property Maintenance	5,284	-	5,284
Golf Course	8,742	-	8,742
Fire Department	80,000	-	80,000
Police Department	42,283	-	42,283
EMS	157,112	11,589	168,701
Senior Citizens	-	135,555	135,555
Pass-Through	-	10,500	10,500
Total Operating Grants and Contributions	<u>308,842</u>	<u>157,644</u>	<u>466,486</u>

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Capital Grants and Contributions			
Community Development	\$ -	\$ 1,303,081	\$ 1,303,081
Lake Department	175,035	-	175,035
Police Department	49,869	-	49,869
Total Capital Grants and Contributions	<u>224,904</u>	<u>1,303,081</u>	<u>1,527,985</u>
Total Operating and Capital Grants and Contributions	<u>533,746</u>	<u>1,460,725</u>	<u>1,994,471</u>
Total Revenues	<u>3,363,881</u>	<u>1,765,701</u>	<u>5,129,582</u>
<u>EXPENDITURES</u>			
Current			
Administration	454,926	-	454,926
Airport	571,055	-	571,055
Public Property Maintenance	291,582	-	291,582
Mayor and Council	18,222	-	18,222
Golf Course	373,828	-	373,828
Swimming Pool	68,695	-	68,695
Fire Department	758,139	-	758,139
Police Department	882,974	-	882,974
Street Department	303,914	-	303,914
Civic Center	18,717	-	18,717
Municipal Court	51,797	-	51,797
Community Services	46,978	-	46,978
Municipal Repair Shop	56,860	-	56,860
Animal Control	40,850	-	40,850
EMS	743,745	-	743,745
Lake Department	173,867	-	173,867
GR White Complex	8,122	-	8,122
Financial Administration	190,604	-	190,604
Building and Permitting	110,743	-	110,743
Senior Citizens	-	264,788	264,788
Occupancy Taxes	-	103,685	103,685
Sales Taxes	-	170,124	170,124
Grant Expenditures	-	1,473,807	1,473,807
Capital Outlay	534,822	5,300	540,122
Debt Service			
Principal	268,133	-	268,133
Interest	<u>85,822</u>	<u>-</u>	<u>85,822</u>
Total Expenditures	<u>6,054,395</u>	<u>2,017,704</u>	<u>8,072,099</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,690,514)	(252,003)	(2,942,517)

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
OTHER FINANCING SOURCES (USES)			
Donated Assets	\$ 30,175	\$ 5,300	\$ 35,475
Transfers In	2,740,635	253,241	2,993,876
Loan Proceeds	237,226	-	237,226
Transfers Out	<u>-</u>	<u>(10,217)</u>	<u>(10,217)</u>
Total Other Financing Sources (Uses)	<u>3,008,036</u>	<u>248,324</u>	<u>3,256,360</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	317,522	(3,679)	313,843
Fund Balance - Beginning (Note 1)	<u>653,073</u>	<u>36,073</u>	<u>689,146</u>
Fund Balance - Ending	\$ <u><u>970,595</u></u>	\$ <u><u>32,394</u></u>	\$ <u><u>1,002,989</u></u>

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

Reconciliation of the change in fund balances - total governmental funds to the change in net assets of governmental activities:

Net Change in Fund Balances - Total Governmental Funds	\$	313,843
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$1,769,141) exceeded depreciation (\$838,886) in the current period.		932,255
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Loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond and note principal is an expenditure in the governmental funds, but the repayments reduce long-term liabilities in the statement of net assets. Also, governmental funds report the effect of issuance cost, premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities. This is the amount by which payments exceeded proceeds.

Loan Proceeds		(237,226)
Bond and loan principal payments		268,133
Amortization of bond issuance costs and premiums		(4,520)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:		
Property Tax Revenue		(4,626)
Interest Income		3,722

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Interest Expense		556
Accrued compensated absences		(6,354)

Change in net assets of governmental activities	\$	<u>1,265,783</u>
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CITY OF BRADY

STATEMENT OF NET ASSETS

PROPRIETARY FUNDS

SEPTEMBER 30, 2010

	Sewer and Electric	Enterprise Funds				Totals
		Water Department	Gas Department	Solid Waste	Utility Support	
ASSETS						
Current Assets						
Cash and Cash Equivalents	\$ 1,057,610	\$ 1,362,881	\$ 734,422	\$ 174,894	\$ 153,970	\$ 3,483,777
Receivables:						
Accounts, net	576,714	111,736	68,903	38,379	9,187	804,919
Other	-	-	-	-	20,496	20,496
Interest	-	-	-	-	236	236
Inventory	-	-	-	-	200,484	200,484
Total Current Assets	1,634,324	1,474,617	803,325	213,273	384,373	4,509,912
Noncurrent Assets						
Restricted Assets:						
Cash and Cash Equivalents	96,690	114,213	-	155,579	577,449	943,931
Bond Issuance Premium, net of amortization	10,541	-	-	-	-	10,541
Bond Issuance Costs, net of amortization	22,112	21,829	-	-	-	43,941
Capital Assets						
Construction in Progress	35,711	-	-	12,454	-	48,165
Land & Improvements	12,397	4,532	500	67,400	-	84,829
Buildings & Equipment	7,564,594	18,271,212	2,061,883	1,103,301	437,852	29,438,842
Accumulated Depreciation	(4,881,939)	(3,606,433)	(862,511)	(787,003)	(295,071)	(10,432,957)
Total Noncurrent Assets	2,860,106	14,805,353	1,199,872	551,731	720,230	20,137,292
Total Assets	4,494,430	16,279,970	2,003,197	765,004	1,104,603	24,647,204
LIABILITIES						
Current						
Accounts Payable	\$ 548,186	\$ 33,112	\$ 19,775	\$ 44,673	\$ 26,347	\$ 672,093
Interest Payable	4,247	10,877	1,758	510	-	17,392
Other Payables	-	-	-	-	38,948	38,948
Bonds, Notes and Loans Payable	258,625	394,244	115,258	40,024	-	808,151
Total Current Liabilities	811,058	438,233	136,791	85,207	65,295	1,536,584
Noncurrent						
Compensated Absences	9,482	3,683	4,530	6,301	2,756	26,752
Landfill Closure	-	-	-	155,579	-	155,579
Utility Deposits	-	-	-	-	577,449	577,449
Bonds, Notes and Loans Payable	157,746	4,773,538	129,677	201,356	-	5,262,317
Total Noncurrent Liabilities	167,228	4,777,221	134,207	363,236	580,205	6,022,097
Total Liabilities	978,286	5,215,454	270,998	448,443	645,500	7,558,681
NET ASSETS						
Invested in Capital Assets, net of related debt	2,314,392	9,501,529	954,937	154,772	142,781	13,068,411
Restricted for Debt Service	96,690	114,213	-	-	-	210,903
Unrestricted	1,105,062	1,448,774	777,262	161,789	316,322	3,809,209
Total Net Assets	3,516,144	11,064,516	1,732,199	316,561	459,103	17,088,523

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	Sewer and Electric	Water Department	Gas Department	Solid Waste	Utility Support	Totals
OPERATING REVENUES						
Charges for Services:						
Electrical Distribution	\$ 7,500,357	\$ -	\$ -	\$ -	\$ -	\$ 7,500,357
Wastewater	670,245	-	-	-	-	670,245
Water Department	-	1,557,744	-	-	-	1,557,744
Gas Department	-	-	1,929,904	-	-	1,929,904
Solid Waste	-	-	-	791,652	-	791,652
Utility Support	-	-	-	-	148,429	148,429
Total Charges for Services	8,170,602	1,557,744	1,929,904	791,652	148,429	12,598,331
Miscellaneous Revenues	-	-	-	-	15,240	15,240
Total Operating Revenues	8,170,602	1,557,744	1,929,904	791,652	163,669	12,613,571
OPERATING EXPENSES						
Sewer and Electric						
Electrical Distribution	4,863,591	-	-	-	-	4,863,591
Power Plant	5,779	-	-	-	-	5,779
Wastewater	306,084	-	-	-	-	306,084
Water Department	-	621,057	-	-	-	621,057
Gas Department	-	-	1,081,490	-	-	1,081,490
Solid Waste	-	-	-	741,767	-	741,767
Utility Support	-	-	-	-	-	-
Administration	-	-	-	-	39,824	39,824
Meter Shop	-	-	-	-	100,265	100,265
Billing-Collection	-	-	-	-	128,373	128,373
Bad Debt Expense	61,000	12,000	10,000	7,540	5,500	96,040
Amortization	2,434	1,401	-	-	-	3,835
Depreciation	209,464	381,560	78,686	99,167	21,137	790,014
Total Operating Expenses	5,448,352	1,016,018	1,170,176	848,474	295,099	8,778,119

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	Sewer and Electric	Water Department	Gas Department	Solid Waste	Utility Support	Totals
Operating Income (Loss)	\$ 2,722,250	\$ 541,726	\$ 759,728	\$ (56,822)	\$ (131,430)	\$ 3,835,452
NON-OPERATING REVENUES (EXPENSES)						
Interest Income	4,641	10,503	1,183	2,173	14,668	33,168
Gain on Disposal of Fixed Assets	22,000	-	-	4,200	-	26,200
Interest Expense	(52,574)	(41,345)	(14,829)	(13,795)	-	(122,543)
Total Non-Operating Revenues (Expenses)	(25,933)	(30,842)	(13,646)	(7,422)	14,668	(63,175)
Income (Loss) Before Transfers	2,696,317	510,884	746,082	(64,244)	(116,762)	3,772,277
SPECIAL ITEM						
Legal Settlement	87,500	87,500	75,000	-	-	250,000
TRANSFERS IN	-	197,838	-	-	94,149	291,987
TRANSFERS OUT	(2,187,134)	(383,675)	(436,008)	(71,000)	-	(3,077,817)
Change in Net Assets	596,683	412,547	385,074	(135,244)	(22,613)	1,236,447
Total Net Assets - Beginning	2,919,461	10,651,969	1,347,125	451,805	481,716	15,852,076
Total Net Assets - Ending	\$ 3,516,144	\$ 11,064,516	\$ 1,732,199	\$ 316,561	\$ 459,103	\$ 17,088,523

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2010
PROPRIETARY FUNDS

	Sewer and Electric	Water	Gas	Solid Waste	Utility Support	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers	\$ 8,043,084	\$ 1,537,573	\$ 1,882,642	\$ 778,335	\$ 157,009	\$ 12,398,643
Payments to Suppliers	(4,623,936)	(473,213)	(1,032,895)	(471,803)	(145,810)	(6,747,657)
Payments to Employees	(392,939)	(131,876)	(117,567)	(223,333)	(113,801)	(979,516)
Receipts (Refunds) of Customer Deposits	-	-	-	-	(1,409)	(1,409)
Net Cash Provided By Operating Activities	<u>3,026,209</u>	<u>932,484</u>	<u>732,180</u>	<u>83,199</u>	<u>(104,011)</u>	<u>4,670,061</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Legal Settlement	87,500	87,500	75,000	-	-	250,000
Operating Subsidies and Transfers from Other Funds	-	197,838	-	-	94,149	291,987
Operating Subsidies and Transfers to Other Funds	(2,187,134)	(383,675)	(436,008)	(71,000)	-	(3,077,817)
Net Cash Provided By Noncapital Financing Activities	<u>(2,099,634)</u>	<u>(98,337)</u>	<u>(361,008)</u>	<u>(71,000)</u>	<u>94,149</u>	<u>(2,535,830)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Purchases of Capital Assets and Construction in Progress	(170,045)	(256,975)	(23,207)	(166,257)	-	(616,484)
Sale of Capital Assets	22,000	-	-	4,200	-	26,200
Loan Proceeds to Purchase Capital Assets	-	-	-	282,511	-	282,511
Principal Paid on Capital Debt	(245,097)	(387,688)	(106,280)	(41,131)	-	(780,196)
Interest Paid on Capital Debt	(53,949)	(42,212)	(15,642)	(13,285)	-	(125,088)
Net Cash Used For Capital & Related Financing Activities	<u>(447,091)</u>	<u>(686,875)</u>	<u>(145,129)</u>	<u>66,038</u>	<u>-</u>	<u>(1,213,057)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and Dividends	4,641	10,503	1,183	2,173	14,848	33,348
Net Cash Provided By Investing Activities	<u>4,641</u>	<u>10,503</u>	<u>1,183</u>	<u>2,173</u>	<u>14,848</u>	<u>33,348</u>
Net Increase In Cash & Cash Equivalents	484,125	157,775	227,226	80,410	4,986	954,522
Balances - Beginning of the Year	670,175	1,319,319	507,196	250,063	726,433	3,473,186
Balances - End of the Year	<u>\$ 1,154,300</u>	<u>\$ 1,477,094</u>	<u>\$ 734,422</u>	<u>\$ 330,473</u>	<u>\$ 731,419</u>	<u>\$ 4,427,708</u>

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2010
PROPRIETARY FUNDS

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED						
(USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ 2,722,250	\$ 541,726	\$ 759,728	\$ (56,822)	\$ (131,430)	\$ 3,835,452
Adjustments To Reconcile Operating Income To Net Cash Provided						
(Used) by Operating Activities:						
Depreciation Expense	209,464	381,560	78,686	99,167	21,137	790,014
Bad Debt Expense	61,000	12,000	10,000	7,540	5,500	96,040
Amortization Expense	2,434	1,401	-	-	-	3,835
Change In Assets & Liabilities:						
Receivables, Net	(127,518)	(20,170)	(47,262)	(13,317)	(4,140)	(212,407)
Other Receivables	-	-	-	-	(2,520)	(2,520)
Inventories	-	-	-	-	(9,910)	(9,910)
Prepaid Expenses	-	-	-	-	2,668	2,668
Accounts Payable	160,940	15,441	(68,763)	32,292	11,759	151,669
Other Payables	-	-	-	-	3,313	3,313
Compensated Absences	(2,361)	526	(209)	(661)	1,021	(1,684)
Customer Deposits Payable	-	-	-	-	(1,409)	(1,409)
Landfill Closure/Postclosure Care Costs	-	-	-	15,000	-	15,000
	<u>303,959</u>	<u>390,758</u>	<u>(27,548)</u>	<u>140,021</u>	<u>27,419</u>	<u>834,609</u>
Net Cash Provided By Operating Activities	\$ 3,026,209	\$ 932,484	\$ 732,180	\$ 83,199	\$ (104,011)	\$ 4,670,061

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
General Revenues				
Property Taxes - Current	\$ 460,000	\$ 473,455	\$ 473,455	\$ -
Property Taxes - Delinquent	25,000	23,000	31,771	8,771
Penalties and Interest	15,000	22,000	23,669	1,669
Payment in Lieu of Property Taxes	1,700	2,691	2,603	(88)
Sales Taxes	800,000	700,000	697,544	(2,456)
Franchise Taxes	55,000	48,000	50,217	2,217
Mixed Beverage Tax	200	1,000	1,141	141
Interest Income	32,150	29,950	32,076	2,126
Miscellaneous Revenue	-	3,371	3,450	79
Charges for Services				
Administration				
Municipal Right of Way Fee	60,000	51,000	50,898	(102)
Rental Income	1,000	2,278	2,275	(3)
Licenses and Permits	700	700	667	(33)
Reimbursed Expenses	-	1,536	1,542	6
Vending Income	25	25	11	(14)
Open Records Fees	-	-	60	60
Total Administration	61,725	55,539	55,453	(86)
Airport				
Rental Income	6,000	10,440	10,600	160
Tee Hangar Rent	7,200	7,200	7,962	762
Hangar A/B Rent	8,000	29,000	30,767	1,767
Tie Down Income	100	100	-	(100)
Miscellaneous Sales	500	6,500	7,073	573
100LL Retail Fuel Sales	130,000	80,000	85,813	5,813
Jet A Retail Fuel Sales	100,000	35,000	42,291	7,291
Military Fuel Sales	232,000	232,000	214,246	(17,754)
Reimbursed Expenses	2,400	3,400	3,902	502
Vending Income	1,000	1,000	1,332	332
Total Airport	487,200	404,640	403,986	(654)
Public Property Maintenance				
Rental Income	8,000	8,000	9,859	1,859
Open/Close Graves	29,000	25,000	21,900	(3,100)
Sale of Cemetery Lots	10,000	9,000	9,599	599
Brush Pick-Up	100	500	660	160
Sale of Scrap	-	800	2,029	1,229
Reimbursed Expenses	-	1,380	1,421	41
Bad Debt Recovery	-	215	215	-
Total Public Property Maintenance	47,100	44,895	45,683	788
Golf Course				
Range Ball Rentals	5,500	3,300	3,764	464
Cart Shed Rental	20,000	19,580	19,944	364
Cart Rentals	20,000	14,000	15,769	1,769
Golf Club Rentals	100	100	373	273
Daily Green Fees	38,000	28,000	31,779	3,779
Annual Green Fees	47,000	35,470	36,842	1,372

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Charges for Services - continued				
Golf Course - continued				
Merchandise Revenue/Taxable	\$ 5,500	\$ 5,500	\$ 5,868	\$ 368
Merchandise Revenue/Nontaxable	2,500	2,500	3,174	674
Cash Long (Short)	-	-	(133)	(133)
Reimbursed Expenses	-	2,440	2,440	-
Bad Debt Recovery	-	-	37	37
Vending Income	12,000	7,200	7,530	330
Total Golf Course	150,600	118,090	127,387	9,297
Swimming Pool				
Swimming Pool Fees	8,500	15,500	14,905	(595)
Bad Debt Recovery	-	124	200	76
Total Swimming Pool	8,500	15,624	15,105	(519)
Fire Department				
Specialized Fire Service Collection	5,000	1,550	1,550	-
Reimbursed Expenses	-	10,340	10,343	3
Total Fire Department	5,000	11,890	11,893	3
Police Department				
Accident Reports/Warrant Fees	700	700	737	37
Drug Seizures	-	13,180	13,180	-
Reimbursed Expenses	-	7,446	7,447	1
Total Police Department	700	21,326	21,364	38
Street Department				
Street Surcharge	-	-	36	36
Reimbursed Expenses	-	2,558	2,558	-
Total Street Department	-	2,558	2,594	36
Civic Center				
Rental Income	9,000	11,000	10,350	(650)
Reimbursed Expenses	-	22,500	22,500	-
Total Civic Center	9,000	33,500	32,850	(650)
Municipal Court				
Fines and Fees	40,000	42,000	41,166	(834)
Security Fund	700	820	796	(24)
Technology Fund	400	590	570	(20)
Reimbursed Expenses	-	-	1,685	1,685
Total Municipal Court	41,100	43,410	44,217	807
Repair Shop				
Reimbursed Expenses	-	170	171	1
Animal Control				
Dog Pound Fees	500	600	670	70
Permits/Licenses	-	220	225	5
Total Animal Control	500	820	895	75
EMS				
EMS Service Collections	500,000	550,000	619,879	69,879
Ambulance Standby	3,500	4,975	3,875	(1,100)
Reimbursed Expenses	-	7,710	7,710	-
Bad Debt Recovery	1,000	250	270	20
Vending Income	-	-	22	22
Total EMS	504,500	562,935	631,756	68,821

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Charges for Services - continued				
Lake Department				
Rental Income	\$ 500	\$ 125,500	\$ 4,041	\$ (121,459)
Pavilion Rental	-	500	500	-
Cabin Rental	-	2,550	2,390	(160)
Cabana Rental	-	11,850	11,470	(380)
RV Space Rental	-	13,600	14,820	1,220
RV Full Space Rental	-	12,100	16,562	4,462
RV Trailer Rental	-	4,200	4,321	121
Paddle Boat Rental	-	255	289	34
Merchandise/Taxable	-	7,100	7,026	(74)
Merchandise/Nontaxable	-	12,000	12,253	253
Camping Fees	-	2,360	2,749	389
Boat Dock Fees	1,235	1,352	1,333	(19)
Boat Launch Fees	-	760	880	120
Marina/Fishing Fees	-	4,100	4,469	369
Lake Lot Leases	3,850	3,850	4,068	218
Lake Store Lease	300	300	300	-
Marina Lease	4,150	4,500	4,500	-
Reimbursed Expenses	-	-	1,652	1,652
Cash Long (Short)	-	-	(152)	(152)
Tips	-	41	50	9
Vending Income	-	191	191	-
Total Lake Department	10,035	207,109	93,712	(113,397)
Financial Administration				
Reimbursed Expenses	400	6	1,811	1,805
Buildings/Permits				
Permits/Inspections/Licenses	20,000	32,000	32,345	345
Sales Concessions	-	(11,275)	(11,275)	-
Rezoning Fees	-	200	300	100
Miscellaneous	-	2,695	2,698	3
Reimbursed Expenses	-	-	33	33
Total Buildings/Permits	20,000	23,620	24,101	481
G.R. White Complex				
Reimbursed Expenses	-	1,073	1,231	158
Total Charges for Services	1,346,360	1,547,205	1,514,209	(32,996)
Grant Revenues				
Operating Grants and Contributions				
Airport				
TX DOT RAMP Program	25,000	15,000	15,421	421
Public Property Maintenance				
County Subsidies	3,600	3,600	3,600	-
Donations	-	684	684	-
Walmart Community Grant	-	1,000	1,000	-
Golf Course				
Donations	10,000	8,742	8,742	-
Fire Department				
County Subsidies	80,000	80,000	80,000	-

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Operating Grants and Contributions - continued				
Police Department				
Donations	\$ -	\$ 1,000	\$ 1,100	\$ 100
County Subsidies	40,000	40,000	40,000	-
Police Education Subsidies	1,250	1,182	1,183	1
EMS				
County Subsidies	80,000	80,000	80,000	-
Hospital Subsidies	77,112	77,112	77,112	-
Total Operating Grants and Contributions	<u>316,962</u>	<u>308,320</u>	<u>308,842</u>	<u>522</u>
Capital Grants and Contributions				
Brady Lake				
EDC Reimbursements	-	172,613	175,035	2,422
Police Department				
COPsync Grant	-	49,868	49,869	1
Total Capital Grants and Contributions	<u>-</u>	<u>222,481</u>	<u>224,904</u>	<u>2,423</u>
Total Revenues	<u>\$ 3,052,372</u>	<u>\$ 3,381,473</u>	<u>\$ 3,363,881</u>	<u>\$ (17,592)</u>

EXPENDITURES

Administration

Current

Regular Pay	\$ 186,307	\$ 204,182	\$ 200,138	\$ 4,044
Overtime Pay	200	500	312	188
Hospital Insurance	24,750	24,750	23,418	1,332
Municipal Retirement	13,689	13,689	14,348	(659)
Workers Compensation Insurance	694	694	719	(25)
Unemployment Insurance	338	338	958	(620)
Payroll Taxes	14,548	16,494	16,967	(473)
Employee Expense	9,000	5,000	5,847	(847)
Employee Training	3,000	2,000	1,684	316
Uniforms and Accessories	1,085	1,085	1,165	(80)
Organ Dues/Fees	10,500	3,000	2,947	53
Car Allowance	4,590	4,590	4,500	90
Supplies	18,000	16,000	13,636	2,364
Fuel	1,000	500	439	61
Repairs - Vehicles	400	400	962	(562)
Repairs - Buildings	-	3,500	3,278	222
Repairs - Office Equipment	-	-	400	(400)
Repairs - General	10,000	5,000	2,611	2,389
Utilities	36,000	29,700	29,307	393
Telephone/Pagers/Alarm System	8,000	14,630	14,580	50
Janitorial/Pest Services	7,824	9,136	9,229	(93)
Professional Fees	18,000	3,000	872	2,128
Agency Fees	1,350	2,300	2,110	190
City Attorney	11,000	25,000	25,225	(225)
Property/Liability Insurance	12,569	12,569	11,605	964
Rentals/Leases	15,500	15,500	14,301	1,199
Computer Software Maintenance	500	500	350	150
Computer Hardware Maintenance	2,500	2,500	853	1,647
Internet Access Fee	1,800	1,600	1,525	75

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Administration - continued				
Current - continued				
Property Tax Collection Fees	\$ 14,750	\$ 15,800	\$ 15,799	\$ 1
State Tax Collection Fees	22,000	17,800	17,353	447
Drug Testing	110	110	75	35
Postage	10,000	14,500	11,926	2,574
Record Retention	3,500	3,500	4,965	(1,465)
Donations/Memorials	100	100	121	(21)
Contingency	20,775	33,727	-	33,727
Bad Debt Expense	-	-	15	(15)
Miscellaneous	-	775	386	389
Total Current	<u>484,379</u>	<u>504,469</u>	<u>454,926</u>	<u>49,543</u>
Total Administration	<u>484,379</u>	<u>504,469</u>	<u>454,926</u>	<u>49,543</u>
Airport				
Current				
Regular Pay	77,438	106,788	106,789	(1)
Overtime Pay	5,000	5,000	3,221	1,779
Municipal Retirement	4,093	6,577	5,840	737
Employee Expense	2,000	2,000	1,577	423
Employee Training	4,000	5,500	5,557	(57)
Hospital Insurance	13,200	17,370	17,370	-
Worker's Compensation Insurance	2,628	2,628	2,625	3
Unemployment Insurance	360	360	1,155	(795)
Payroll Taxes	7,079	9,260	8,927	333
Chemicals	800	800	65	735
Supplies	9,000	9,700	11,169	(1,469)
Fuel	3,000	1,000	1,026	(26)
Purchased 100LL Fuel for Resale	112,000	78,000	96,192	(18,192)
Purchased JetA Fuel for Resale	252,498	252,498	221,951	30,547
Purchased Merchandise for Resale	3,000	5,000	4,133	867
IRS Fuel Tax Refund	(22,500)	(20,600)	(21,416)	816
Janitorial/Pest Services	1,500	1,500	520	980
Repairs - Vehicles	2,500	4,500	4,428	72
Repairs - Communication Equipment	4,000	4,000	1,504	2,496
Repairs - Buildings	2,500	2,500	2,503	(3)
Repairs - Office Equipment	500	500	630	(130)
Repairs - Small Equipment	2,500	2,500	2,136	364
Repairs - Other Mobile Equipment	500	500	8	492
Repairs - Fuel Farm	9,000	9,000	8,983	17
Repairs - General	5,000	3,000	1,912	1,088
Commission on Fuel Sales	8,321	8,321	4,782	3,539
Utilities	36,000	40,600	40,688	(88)
Telephone/Pagers/Alarm System	3,500	3,500	2,578	922
Drug Testing	180	180	130	50
Rentals/Leases	4,000	4,000	2,782	1,218
Car Allowance	2,400	2,400	2,400	-
Organ Dues/Fees	650	650	247	403

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Airport - continued				
Current - continued				
Computer Software Maintenance	\$ -	\$ -	\$ 83	\$ (83)
Computer Hardware Maintenance	233	3,233	2,697	536
Internet Access Fee	287	287	227	60
Professional Fees	600	305	305	-
Property/Liability Insurance	5,987	5,987	5,586	401
Agency Fees	350	-	-	-
City Attorney	500	-	-	-
Uniforms and Accessories	3,606	606	546	60
Credit Card Fees	3,000	3,000	2,096	904
Bad Debt Expense	-	-	338	(338)
RAMP Grant Project	50,000	16,765	16,765	-
Total Current	621,210	599,715	571,055	28,660
Total Airport	621,210	599,715	571,055	28,660
Public Property Maintenance				
Current				
Regular Pay	146,284	130,000	129,182	818
Overtime Pay	8,000	8,000	7,443	557
Contract Labor	3,000	3,000	145	2,855
Hospital Insurance	28,050	28,050	23,689	4,361
Municipal Retirement	8,171	6,226	6,302	(76)
Workers Compensation Insurance	7,508	4,000	4,255	(255)
Unemployment Insurance	653	653	1,173	(520)
Payroll Taxes	12,034	11,000	10,396	604
Employee Expense	500	500	270	230
Employee Training	300	300	109	191
Chemicals	8,000	5,500	2,578	2,922
Supplies	8,000	8,000	12,399	(4,399)
Fuel	8,000	8,000	9,103	(1,103)
Repairs - Vehicles	7,500	5,000	2,780	2,220
Repairs - Communication Equipment	1,800	1,800	760	1,040
Repairs - Buildings	12,000	16,000	14,292	1,708
Repairs - Heavy Rolling Stock	12,000	9,000	6,093	2,907
Repairs - Small Equipment	18,000	16,600	9,167	7,433
Repairs - General	11,000	21,000	18,504	2,496
Utilities	32,000	32,000	23,768	8,232
Organ Dues/Fees	500	500	384	116
Janitorial/Pest Services	1,000	1,000	550	450
Professional Fees	500	500	320	180
Property/Liability Insurance	2,759	2,759	2,572	187
Drug Testing	500	500	225	275
Uniforms and Accessories	1,500	2,200	2,391	(191)
Telephone/Pagers/Alarm System	550	1,050	864	186
Rentals/Leases	1,000	1,700	1,668	32
Bad Debt Expense	-	200	200	-
Total Current	341,109	325,038	291,582	33,456

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Public Property Maintenance - continued				
Capital Outlay	\$ 31,000	\$ 19,088	\$ 19,088	\$ -
Total Public Property Maintenance	<u>372,109</u>	<u>344,126</u>	<u>310,670</u>	<u>33,456</u>
Mayor and Council				
Current				
Regular Pay	4,320	4,320	3,820	500
Workers Compensation Insurance	42	42	11	31
Payroll Taxes	337	337	292	45
Employee Expense	1,700	4,400	4,401	(1)
Employee Training	4,000	1,000	887	113
Supplies	1,000	500	472	28
City Attorney	10,000	4,000	3,388	612
Election/Agenda Expenses	8,600	8,600	4,951	3,649
Total Current	<u>29,999</u>	<u>23,199</u>	<u>18,222</u>	<u>4,977</u>
Total Mayor and Council	<u>29,999</u>	<u>23,199</u>	<u>18,222</u>	<u>4,977</u>
Golf Course				
Current				
Regular Pay	121,662	136,430	137,203	(773)
Overtime Pay	4,000	5,300	5,207	93
Contract Labor	2,500	2,100	1,650	450
Hospital Insurance	13,200	13,200	12,940	260
Municipal Retirement	5,228	5,228	5,049	179
Workers Compensation Insurance	3,337	4,076	5,000	(924)
Unemployment Insurance	540	540	1,293	(753)
Payroll Taxes	9,802	9,802	10,756	(954)
Supplies	6,000	7,000	7,185	(185)
Supplies - Tournament	750	1,205	1,206	(1)
Supplies - Flower/Garden	750	90	69	21
Rentals/Leases	11,320	11,950	14,761	(2,811)
Employee Expense	1,000	1,715	1,952	(237)
Employee Training	675	850	847	3
Organ Dues/Fees	1,000	400	335	65
Telephone/Pagers/Alarm System	2,600	1,300	1,556	(256)
Drug Testing	250	250	75	175
Fuel	3,700	6,700	7,698	(998)
Computer Software Maintenance	-	60	60	-
Computer Hardware Maintenance	-	110	108	2
Internet Access Fee	250	1,030	1,030	-
Repairs - Vehicles	100	100	91	9
Repairs - Buildings	3,500	7,500	7,628	(128)
Repairs - Office Equipment	-	441	441	-
Repairs - Small Equipment	7,000	7,000	8,146	(1,146)
Repairs - Irrigation System	5,500	5,500	6,596	(1,096)
Repairs - General	12,500	30,006	31,184	(1,178)
Utilities	71,000	50,000	57,457	(7,457)
Professional Fees	-	250	250	-

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Golf Course - continued				
Current - continued				
Laboratory Testing	\$ 350	\$ 350	\$ -	\$ 350
Property/Liability Insurance	1,811	1,811	978	833
Uniforms and Accessories	-	-	10	(10)
Credit Card Fees	600	800	812	(12)
Purchased Merchandise for Resale	13,000	13,000	13,899	(899)
Bad Debt Expense	100	100	1,012	(912)
Chemicals	8,000	16,550	16,447	103
Fertilization	5,000	5,000	5,370	(370)
Topdress/Aerification	7,000	7,000	7,022	(22)
Waste Disposal Fees	-	505	505	-
Total Current	324,025	355,249	373,828	(18,579)
Capital Outlay	17,000	-	24,311	(24,311)
Debt Service				
Principal Debt Requirements	40,423	40,423	40,423	-
Interest Expense	11,981	11,970	11,970	-
Total Golf Course	393,429	407,642	450,532	(42,890)
Swimming Pool				
Current				
Regular Pay	55,000	52,300	43,996	8,304
Overtime Pay	500	500	104	396
Workers Compensation Insurance	501	1,301	1,526	(225)
Unemployment Insurance	1,350	1,350	1,040	310
Payroll Taxes	4,329	4,100	3,374	726
Fuel	80	80	-	80
Employee Expense	2,000	2,000	80	1,920
Employee Training	-	-	1,585	(1,585)
Chemicals	3,000	3,000	1,147	1,853
Supplies	2,500	2,500	4,067	(1,567)
Repairs - Buildings	-	-	51	(51)
Repairs - General	2,000	1,000	917	83
Utilities	15,000	10,000	9,006	994
Telephone/Pagers/Alarm System	500	700	827	(127)
Drug Testing	500	1,000	975	25
Total Current	87,260	79,831	68,695	11,136
Total Swimming Pool	87,260	79,831	68,695	11,136
Fire Department				
Current				
Regular Pay	376,353	400,151	409,944	(9,793)
Overtime Pay	35,000	14,000	13,337	663
Standby Pay	500	1,250	1,150	100
Contract Labor	2,000	-	-	-
Hospital Insurance	52,800	52,800	49,551	3,249
Municipal Retirement	24,680	24,680	22,675	2,005
Workers Compensation Insurance	5,840	13,000	11,996	1,004

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Fire Department - continued				
Current - continued				
Unemployment Insurance	\$ 1,440	\$ 1,440	\$ 3,687	\$ (2,247)
Payroll Taxes	32,086	33,800	32,520	1,280
Employee Expense	5,000	7,500	7,906	(406)
Employee Training	6,000	12,195	14,404	(2,209)
Organ Dues/Fees	1,000	2,000	1,393	607
Chemicals	5,000	525	525	-
Supplies	10,000	19,100	17,833	1,267
Fuel	18,000	19,500	19,928	(428)
Repairs - Vehicles	24,000	32,000	30,906	1,094
Repairs - Communication Equipment	5,000	5,000	5,012	(12)
Repairs - Buildings	10,000	4,000	4,284	(284)
Repairs - Office Equipment	2,000	3,100	2,539	561
Repairs - Small Equipment	5,500	17,042	17,199	(157)
Repairs - General	1,500	1,600	1,544	56
Utilities	12,097	9,000	9,073	(73)
Telephone/Pagers/Alarm System	2,000	3,400	4,533	(1,133)
Drug Testing	1,320	1,320	1,270	50
Commission Billing Service	550	300	316	(16)
Professional Fees	1,555	55	-	55
Agency Fees	500	-	-	-
Janitorial/Pest Services	-	-	448	(448)
Rentals/Leases	100	705	678	27
Property/Liability Insurance	11,024	11,024	10,405	619
Uniforms and Accessories	15,500	24,250	24,070	180
Volunteer Maintenance Fund	27,400	27,400	27,400	-
Volunteer Pension Fund	5,740	7,400	5,874	1,526
Computer Software Maintenance	4,200	2,400	2,368	32
Computer Hardware Maintenance	4,825	3,625	3,371	254
Laboratory Testing	5,000	-	-	-
Total Current	715,510	755,562	758,139	(2,577)
Capital Outlay	10,000	-	-	-
Total Fire Department	725,510	755,562	758,139	(2,577)
Police Department				
Current				
Regular Pay	446,280	465,000	465,453	(453)
Overtime Pay	35,000	44,000	44,943	(943)
Standby Pay	8,000	8,000	7,164	836
Hospital Insurance	99,000	99,000	88,681	10,319
Municipal Retirement	35,314	35,314	37,038	(1,724)
Workers Compensation Insurance	15,016	15,016	14,277	739
Unemployment Insurance	1,350	4,104	3,294	810
Payroll Taxes	37,540	37,540	39,083	(1,543)
Employee Expense	6,500	6,500	5,973	527
Employee Training	6,500	6,500	4,950	1,550

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Police Department - continued				
Current - continued				
Organ Dues/Fees	\$ 300	\$ 300	\$ 250	\$ 50
Supplies	8,000	12,000	11,196	804
Fuel	21,000	19,000	19,937	(937)
Repairs - Vehicles	8,500	10,500	11,166	(666)
Repairs - Communication Equipment	3,000	9,761	10,153	(392)
Repairs - Buildings	2,500	2,500	2,175	325
Repairs - Office Equipment	1,000	1,000	424	576
Repairs - Small Equipment	2,000	2,200	2,226	(26)
Repairs - General	1,000	1,000	474	526
Utilities	24,000	20,000	19,392	608
Computer Software Maintenance	2,000	2,835	2,835	-
Computer Hardware Maintenance	1,500	1,500	1,301	199
Internet Access Fee	1,945	1,945	1,380	565
Telephone/Pagers/Alarm System	8,000	9,948	10,505	(557)
Professional Fees	1,000	1,000	1,014	(14)
City Attorney	2,000	2,000	1,131	869
Janitorial/Pest Services	5,400	5,400	5,528	(128)
Rentals/Leases	2,750	2,750	2,777	(27)
Property/Liability Insurance	7,949	7,949	7,418	531
Uniforms and Accessories	6,000	6,500	6,387	113
Jail Cost	2,000	1,250	480	770
Drug Testing	500	1,200	1,079	121
Drug Enforcement Program	500	9,220	321	8,899
Police Ed Subsidy	1,000	1,000	1,765	(765)
COPsync Grant	-	49,868	49,869	(1)
K-9 Expense	1,000	1,000	935	65
Total Current	805,344	904,600	882,974	21,626
Capital Outlay	30,600	31,036	62,961	(31,925)
Debt Service				
Principal Debt Requirements	11,100	10,198	10,198	-
Interest Expense	-	1,470	1,470	-
Total Police Department	847,044	947,304	957,603	(10,299)
Street Department				
Current				
Regular Pay	122,805	113,000	110,904	2,096
Overtime Pay	6,000	3,400	1,891	1,509
Contract Labor	6,000	6,000	4,735	1,265
Hospital Insurance	28,050	24,000	24,960	(960)
Municipal Retirement	8,131	6,538	7,433	(895)
Workers Compensation Insurance	8,760	8,760	8,732	28
Unemployment Insurance	473	473	897	(424)
Payroll Taxes	10,047	9,000	8,512	488
Employee Expense	500	650	445	205
Employee Training	300	300	-	300
Materials	50,000	50,000	44,088	5,912

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Street Department - continued				
Current - continued				
Supplies	\$ 7,500	\$ 5,000	\$ 6,453	\$ (1,453)
Fuel	20,000	20,000	21,017	(1,017)
Rentals/Leases	2,500	300	155	145
Repairs - Vehicles	5,000	3,000	1,484	1,516
Repairs - Communication Equipment	1,800	1,000	351	649
Repairs - Office Equipment	-	-	31	(31)
Repairs - Heavy Rolling Stock	20,000	24,000	18,037	5,963
Repairs - Small Equipment	6,000	6,000	2,299	3,701
Repairs - General	12,000	9,000	5,462	3,538
Utilities	19,300	20,800	22,064	(1,264)
Telephone/Pager/Alarm System	500	500	539	(39)
Professional Fees	100	100	-	100
Property/Liability Insurance	7,949	7,949	7,418	531
Uniforms and Accessories	1,500	2,050	1,939	111
Chemicals	6,000	6,000	3,763	2,237
Bond Collection Fees	210	210	210	-
Amortization Expense	4,520	4,520	-	4,520
Drug Testing	400	400	95	305
Total Current	356,345	332,950	303,914	29,036
Capital Outlay	38,000	-	-	-
Debt Service				
Principal Debt Requirements	185,138	185,138	185,138	-
Interest Expense	63,889	63,889	63,889	-
Total Street Department	643,372	581,977	552,941	29,036
Civic Center				
Current				
Supplies	3,000	2,000	3,146	(1,146)
Repairs - Buildings	100	100	69	31
Repairs - General	7,000	1,800	1,230	570
Utilities	8,260	7,260	7,417	(157)
Janitorial/Pest Services	6,500	7,500	6,455	1,045
Bad Debt Expense	-	600	400	200
Total Current	24,860	19,260	18,717	543
Capital Outlay	-	22,500	22,500	-
Total Civic Center	24,860	41,760	41,217	543
Municipal Court				
Current				
Regular Pay	21,952	18,564	18,563	1
Contract Labor	500	-	-	-
Hospital Insurance	1,650	1,650	1,618	32
Municipal Retirement	696	796	887	(91)
Workers Compensation Insurance	125	125	28	97
Unemployment Insurance	23	23	103	(80)
Payroll Taxes	1,712	1,412	1,439	(27)

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Municipal Court - continued				
Current - continued				
Employee Expense	\$ 100	\$ 100	\$ -	\$ 100
Employee Training	1,000	500	215	285
Supplies	800	800	535	265
Car Allowance	220	300	300	-
Computer Software Maintenance	1,200	1,240	2,890	(1,650)
Computer Hardware Maintenance	300	100	84	16
Organ Dues/Fees	150	121	121	-
Telephone/Pagers/Alarm System	1,000	1,200	1,270	(70)
Agency Fees	100	252	252	-
City Attorney	4,500	3,150	3,463	(313)
Comptroller Court Costs/Fees	14,000	21,473	19,974	1,499
Bad Debt Expense	300	300	-	300
Technology Upgrades	300	300	55	245
Total Current	<u>50,628</u>	<u>52,406</u>	<u>51,797</u>	<u>609</u>
Total Municipal Court	<u>50,628</u>	<u>52,406</u>	<u>51,797</u>	<u>609</u>
Community Services				
Current				
Library Subsidy	42,000	42,000	42,000	-
Boy Scouts Subsidy	2,200	2,000	1,528	472
Girl Scouts Subsidy	900	1,175	950	225
McCulloch County Conservation	2,500	2,500	2,500	-
Various Organizations Subsidy	5,000	-	-	-
Total Current	<u>52,600</u>	<u>47,675</u>	<u>46,978</u>	<u>697</u>
Total Special Services	<u>52,600</u>	<u>47,675</u>	<u>46,978</u>	<u>697</u>
Municipal Repair Shop				
Current				
Regular Pay	31,857	32,600	32,944	(344)
Overtime Pay	500	800	672	128
Hospital Insurance	6,600	6,600	5,469	1,131
Municipal Retirement	2,374	2,374	2,453	(79)
Workers Compensation Insurance	1,363	1,363	1,325	38
Unemployment Insurance	90	90	189	(99)
Payroll Taxes	2,524	2,524	2,502	22
Employee Expense	300	115	15	100
Employee Training	200	-	-	-
Chemicals	250	250	92	158
Supplies	2,800	1,700	5,718	(4,018)
Fuel	1,300	1,000	772	228
Repairs - Vehicles	600	800	416	384
Repairs - Small Equipment	600	600	306	294
Repairs - General	600	800	2,388	(1,588)
Telephone/Pagers/Alarm System	300	140	93	47
Uniforms and Accessories	1,000	1,140	1,093	47
Recycling Costs	-	200	177	23

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	<u>Variance with</u> <u>Final Budget</u> <u>Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Municipal Repairs Shop - continued				
Current - continued				
Rentals/Leases	\$ 200	\$ 200	\$ 236	\$ (36)
Drug Testing	55	55	-	55
Total Current	53,513	53,351	56,860	(3,509)
Total Municipal Repair Shop	53,513	53,351	56,860	(3,509)
Animal Control				
Current				
Regular Pay	20,181	23,848	23,848	-
Overtime Pay	1,200	400	277	123
Hospital Insurance	6,600	6,600	6,470	130
Municipal Retirement	1,569	1,770	1,783	(13)
Workers Compensation Insurance	539	539	608	(69)
Unemployment Insurance	90	90	70	20
Payroll Taxes	1,668	1,668	1,846	(178)
Employee Expense	100	100	43	57
Employee Training	800	-	-	-
Supplies	1,000	1,000	1,146	(146)
Fuel	3,500	2,500	2,544	(44)
Repairs - Vehicles	500	1,100	742	358
Repairs - Buildings	100	100	-	100
Repairs - Small Equipment	500	-	-	-
Repairs - General	200	200	-	200
Utilities	1,000	1,050	1,047	3
Professional Fees	50	200	150	50
City Attorney	500	-	-	-
Veterinary Fees	500	500	-	500
Computer Hardware Maintenance	800	-	-	-
Drug Testing	110	110	-	110
Chemicals	300	-	-	-
Uniforms and Accessories	400	200	276	(76)
Total Current	42,207	41,975	40,850	1,125
Total Animal Control	42,207	41,975	40,850	1,125
EMS				
Current				
Regular Pay	358,677	359,100	357,953	1,147
Overtime Pay	22,000	27,000	26,662	338
Standby Pay	12,000	9,000	8,703	297
Hospital Insurance	46,200	46,500	45,923	577
Municipal Retirement	21,301	23,424	22,580	844
Workers Compensation Insurance	18,353	14,230	13,807	423
Unemployment Insurance	810	1,910	2,006	(96)
Payroll Taxes	29,693	29,500	29,221	279
Employee Expense	5,000	5,000	3,558	1,442
Employee Training	7,500	13,530	12,252	1,278
Organ Dues/Fees	800	300	134	166

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
EMS - continued				
Current - continued				
Supplies	\$ 6,000	\$ 10,500	\$ 11,117	\$ (617)
Computer Software Maintenance	4,000	1,700	1,658	42
Computer Hardware Maintenance	2,000	1,000	813	187
Medical Supplies	30,000	39,900	42,178	(2,278)
Fuel	24,206	20,706	15,245	5,461
Repairs - Vehicles	10,200	13,200	12,766	434
Repairs - Communication Equipment	5,000	5,000	4,787	213
Repairs - Buildings	2,000	3,800	3,645	155
Repairs - Small Equipment	1,000	100	65	35
Repairs - General	5,100	100	65	35
Utilities	10,052	10,052	8,880	1,172
Telephone/Pagers/Alarm System	6,315	11,400	11,264	136
Professional Fees	17,500	15,000	15,000	-
City Attorney	1,500	100	69	31
Agency Fees	2,000	2,000	150	1,850
Property/Liability Insurance	11,152	11,152	10,405	747
Commission - Billing Services	55,000	60,500	70,296	(9,796)
Uniforms and Accessories	10,017	10,317	10,161	156
Rentals/Leases	2,000	2,000	1,952	48
Drug Testing	550	550	430	120
Total Current	727,926	748,571	743,745	4,826
Capital Outlay	180,000	180,565	180,565	-
Debt Service				
Principal Debt Requirements	41,605	32,373	32,374	(1)
Interest Expense	-	8,493	8,493	-
Total City/County EMS	949,531	970,002	965,177	4,825
Lake Department				
Current				
Regular Pay	-	29,370	33,323	(3,953)
Overtime Pay	-	7,131	6,527	604
Hospital Insurance	-	2,083	3,386	(1,303)
Municipal Retirement	-	2,343	2,227	116
Workers Compensation Insurance	-	1,537	1,368	169
Unemployment Insurance	-	500	431	69
Payroll Taxes	-	3,100	3,053	47
Employee Expense	-	600	625	(25)
Telephone/Pagers/Alarm System	504	854	858	(4)
Chemicals	3,000	-	-	-
Supplies	2,500	16,000	17,617	(1,617)
Fuel	-	350	912	(562)
Repairs - Vehicles	-	2,000	872	1,128
Repairs - Buildings	5,000	3,500	1,860	1,640
Repairs - Heavy Rolling Stock	-	860	861	(1)
Repairs - Small Equipment	1,500	1,500	1,446	54
Repairs - General	10,000	18,000	23,492	(5,492)

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Lake Department - continued				
Current - continued				
Organ Dues/Fees	\$ 500	\$ 400	\$ 384	\$ 16
Utilities	5,000	16,000	16,174	(174)
Janitorial/Pest Services	-	225	280	(55)
Professional Fees	-	5,000	5,000	-
Waste Disposal Service	4,000	19,000	14,894	4,106
Flood Plain Management	3,700	1,000	1,000	-
Bad Debt Expense	200	5,013	6,752	(1,739)
Rentals/Leases	1,000	2,500	3,991	(1,491)
Contract Labor	-	1,717	1,717	-
Internet Access Fee	-	-	52	(52)
Lake Rental Refunds	-	500	455	45
Drug Testing	-	150	260	(110)
Uniforms and Accessories	-	-	358	(358)
Credit Card Fees	-	400	432	(32)
Car Allowance	-	625	625	-
Purchased Merchandise for Resale	-	20,000	22,635	(2,635)
Total Current	36,904	162,258	173,867	(11,609)
Capital Outlay	-	225,500	225,397	103
Total Lake Department	36,904	387,758	399,264	(11,506)
G.R. White Complex				
Current				
Utilities	6,500	6,500	6,872	(372)
Rentals/Leases	-	-	520	(520)
Supplies	300	300	7	293
Janitorial/Pest Services	200	200	245	(45)
Repairs - General	700	700	478	222
Total Current	7,700	7,700	8,122	(422)
Total G.R. White Complex	7,700	7,700	8,122	(422)
Financial Administration				
Current				
Regular Pay	118,900	118,900	117,784	1,116
Overtime Pay	400	400	49	351
Hospital Insurance	19,800	19,800	19,403	397
Municipal Retirement	8,754	8,754	8,581	173
Workers Compensation Insurance	407	407	399	8
Unemployment Insurance	270	270	567	(297)
Payroll Taxes	9,305	9,305	8,520	785
Employee Expense	300	300	290	10
Employee Training	1,000	500	457	43
Organ Dues/Fees	100	125	205	(80)
Supplies	4,500	4,500	4,918	(418)
Repairs - Office Equipment	1,000	1,000	500	500

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Financial Administration - continued				
Current - continued				
Professional Fees	\$ 100	\$ 100	\$ 138	\$ (38)
Drug Testing	55	55	-	55
Car Allowance	180	180	180	-
Auditor	27,000	27,155	27,505	(350)
Computer Software Maintenance	-	-	22	(22)
Computer Hardware Maintenance	2,000	2,000	1,086	914
Total Current	194,071	193,751	190,604	3,147
Total Financial Administration	194,071	193,751	190,604	3,147
Building and Permitting				
Current				
Regular Pay	60,683	60,683	63,017	(2,334)
Hospital Insurance	6,600	6,600	6,470	130
Municipal Retirement	4,453	4,453	4,604	(151)
Workers Compensation Insurance	573	573	526	47
Unemployment Insurance	90	90	189	(99)
Payroll Taxes	4,733	4,733	4,821	(88)
Employee Expense	200	300	203	97
Employee Training	500	100	150	(50)
Supplies	2,000	2,000	702	1,298
Postage	100	-	-	-
Fuel	1,500	1,500	960	540
Repairs - Vehicles	500	500	431	69
Repairs - Office Equipment	100	100	-	100
Repairs - General	3,000	3,000	1,153	1,847
Telephone/Pagers/Alarm System	325	525	429	96
Professional Fees	15,000	15,000	14,400	600
Agency Fees	-	-	-	-
City Attorney	20,000	3,000	50	2,950
Drug Testing	55	55	-	55
Bad Debt Expense	50	50	-	50
Uniforms and Accessories	200	200	123	77
Compliance Expense	60,000	13,000	12,515	485
Total Current	180,662	116,462	110,743	5,719
Total Building and Permitting	180,662	116,462	110,743	5,719
Total Expenditures	5,796,988	6,156,665	6,054,395	102,270
Excess (Deficiency) of Revenues				
Over Expenditures	(2,744,616)	(2,775,192)	(2,690,514)	84,678

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
OTHER FINANCING SOURCES (USES)				
Donated Assets	\$ -	\$ -	\$ 30,175	\$ 30,175
Transfers In	2,534,016	2,562,282	2,740,635	178,353
Loan Proceeds	210,600	211,165	237,226	26,061
Total Other Financing Sources (Uses)	2,744,616	2,773,447	3,008,036	234,589
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	(1,745)	317,522	319,267
Fund Balance - Beginning (Note 1)	653,073	653,073	653,073	-
Fund Balance - Ending	<u>\$ 653,073</u>	<u>\$ 651,328</u>	<u>\$ 970,595</u>	<u>\$ 319,267</u>

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - SPECIAL REVENUE FUND
YEAR ENDING SEPTEMBER 30, 2010

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Motel Tax Receipts	\$ 115,000	\$ 100,000	\$ 103,685	\$ 3,685
EDC's % of Sales Tax Receipts	216,000	165,000	170,124	5,124
Donations to CVCOG Van Driver	5,000	6,000	6,345	345
Pass-through Grants	-	10,500	10,500	-
Reimbursed Expenses	-	8	565	557
Senior Citizens Program				
County Subsidies	10,000	10,400	10,477	77
CVCOG Section 18 Subsidies	48,400	45,690	47,789	2,099
CVCOG Nutrition Subsidies	45,800	61,800	70,944	9,144
Daily Participants	28,500	32,500	30,594	(1,906)
Sale or Scrap	-	-	8	8
Interest Income	-	564	-	(564)
Community Development				
TPW Grant - Boat Ramp	-	54,600	46,324	(8,276)
TPW Grant - Aquatic Complex	20,000	-	-	-
EMS Grant	5,000	8,500	11,589	3,089
Airport Grant - NPE Program	1,200,000	508,185	499,321	(8,864)
Airport Grant - Stimulus	135,000	559,607	559,607	-
FEMA Grant - Generators	-	225,000	-	(225,000)
FEMA Grant - Warehouse	1,675,868	-	-	-
ORCA Grant - Warehouse	350,000	-	-	-
FEMA Grant - Local	100,000	-	-	-
ORCA Grant - Well #7	200,000	200,000	197,829	(2,171)
Total Revenues	4,154,568	1,988,354	1,765,701	(222,653)
EXPENDITURES				
Motel Tax Remittance - Chamber	101,200	88,000	91,243	(3,243)
Motel Tax Remittance - Museum	9,200	8,000	8,295	(295)
Motel Tax Remittance - Hillbilly	4,600	4,000	4,147	(147)
Sales Tax Remittance - EDC	216,000	165,000	170,124	(5,124)
Donation Remittance - CVCOG	5,000	6,000	6,345	(345)
Pass-through Grants	-	10,500	10,500	-
Senior Citizens Program				
Current				
Regular Pay	133,020	130,520	128,415	2,105
Hospital Insurance	19,800	19,800	19,537	263
Municipal Retirement	5,247	5,000	5,259	(259)
Workers Compensation Insurance	3,911	3,511	3,257	254
Unemployment Insurance	720	720	1,508	(788)
Payroll Taxes	10,376	10,000	9,670	330
Employee Expense	1,000	900	992	(92)
Employee Training	1,000	650	715	(65)
Organ Dues/Fees	50	50	50	-
Supplies	8,500	10,000	9,471	529
Fuel	18,000	18,000	16,517	1,483
Repairs - General	800	2,680	2,537	143
Utilities	10,000	10,400	10,417	(17)

See accompanying notes to the basic financial statements.

CITY OF BRADY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - SPECIAL REVENUE FUND
YEAR ENDING SEPTEMBER 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Senior Citizens Program - continued				
Current - continued				
Telephone/Pagers/Alarm System	\$ 1,300	\$ 1,100	\$ 1,174	\$ (74)
Janitorial/Pest Services	420	575	622	(47)
Food Products	51,000	51,000	52,099	(1,099)
Drug Testing	110	185	430	(245)
Rentals/Leases	1,525	1,625	1,618	7
Waste Disposal Fees	1,300	1,100	500	600
Total Current	268,079	267,816	264,788	3,028
Capital Outlay	-	-	5,300	(5,300)
Total Senior Citizens	268,079	267,816	270,088	(2,272)
Community Development				
Current				
TPW Boat Dock Grant	-	54,600	46,324	8,276
TPW Boat Dock Grant - Local Cost	-	18,315	24,519	(6,204)
TPW Grant - Aquatic Complex	20,000	-	-	-
Local Cost - Aquatic Complex	200,000	200,000	109,466	90,534
EMS Grant	5,000	27,900	30,113	(2,213)
Airport Grant - NPE Program	1,200,000	508,185	499,321	8,864
Local Cost - Runway - Brady	-	-	(10,217)	10,217
Airport Grant - Stimulus	135,000	559,607	559,607	-
Local Cost - Stimulus	15,000	-	-	-
FEMA Grant - Warehouse	1,675,868	-	-	-
FEMA Grant - Generators	-	225,000	-	225,000
Local Cost - Generators	-	75,000	-	75,000
ORCA Grant - Warehouse	350,000	-	-	-
FEMA Grant - Local Cost	208,622	-	-	-
ORCA Grant - Well #7	200,000	200,000	197,829	2,171
Total Community Development	4,009,490	1,868,607	1,456,962	411,645
Total Expenditures	4,613,569	2,417,923	2,017,704	400,219
Excess (Deficiency) of Revenues Over Expenditures	(459,001)	(429,569)	(252,003)	177,566
OTHER FINANCING SOURCES (USES)				
Donated Assets	-	-	5,300	5,300
Transfers In	459,001	408,166	253,241	(154,925)
Transfers Out	-	-	(10,217)	(10,217)
Total Other Financing Sources and Uses	459,001	408,166	248,324	(159,842)
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	(21,403)	(3,679)	17,724
Fund Balance - Beginning	36,073	36,073	36,073	-
Fund Balance - Ending	\$ 36,073	\$ 14,670	\$ 32,394	\$ 17,724

See accompanying notes to the basic financial statements.

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The City of Brady (the City) operates under a Council-Manager form of government. All powers of the City shall be vested in the elective council, which shall enact local legislation, adopt budgets, determine policies, make appointments and control the funds of the City of Brady. All powers of the City shall be exercised in the manner provided by its Charter, or if the manner is not prescribed, then in such manner as may be prescribed by ordinance. The Mayor shall be the Chief Executive Officer of the City. The Council shall appoint a City Manager who shall be held responsible to the Council for the execution of the laws and the routine administration of the government either as prescribed in its Charter or from time to time by the Council through ordinance. The City provides the following services: public safety, streets, public improvements, water, sewer, electricity, natural gas, sanitation and general administrative services.

The City's financial statements are prepared in accordance with generally accepted principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The City's basic financial statements include the accounts of all City operations. 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 sue 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 has no component units.

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purposes of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The City's funds are grouped into two broad fund categories for financial statement presentation purposes. Governmental funds include the General Fund, Special Revenue Fund, and non-major governmental funds. Proprietary funds include the enterprise funds.

Basis of Presentation - Measurement Focus/Basis of Accounting

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Activities) report information on all of the activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds. The primary effect of internal activity has been eliminated from the government-wide financial statements.

The government-wide Statement of Activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the City and for each governmental program. Direct expenses are those that are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. The City does not allocate indirect expenses in the Statement of Activities. Program revenues include charges paid by the recipients of goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the City.

Net assets should be reported as restricted when constraints placed on net asset use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net assets restricted for community projects result from special revenue funds and the restrictions on their net asset use.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

FUND FINANCIAL STATEMENTS

Fund financial statements report detailed information about the City. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column.

GOVERNMENTAL FUNDS

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The major governmental funds are:

General Fund - This is the City's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund - This fund accounts for specific program revenue sources and related expenditures, such as the City's Senior Citizen's Center, hotel and sales taxes passed through to other entities, and miscellaneous grant revenues and expenditures.

**CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

There are no non-major governmental funds.

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e. collectible within the current year or within one month of the year-end and available to pay obligations of the current period.) This includes special assessments, interest revenue, and reimbursed revenues.

Property taxes, though measurable, are not available soon enough in the subsequent year to finance current period obligations. Therefore, property tax receivables are recorded and deferred until they become available. In the fund financial statements, property taxes are recorded as revenue in the period levied to the extent they are collected within one month of the year-end.

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal on general long-term debt, which has not matured, is recognized when paid. Allocations of costs, such as depreciation, are not recognized in the governmental funds.

PROPRIETARY FUNDS

All proprietary funds are accounted for using the accrual basis of accounting. These funds account for operations that are primarily financed by user charges. The economic resource focus concerns determining costs as means of maintaining the capital investment and management control. Revenues are recognized when earned and expenses are recognized when incurred. Allocations of costs, such as depreciation, are recorded in the proprietary funds. Proprietary funds have selected to consistently not follow Financial Accounting Standards Board pronouncements issued subsequent to November 30, 1989 as permitted under Governmental Accounting Standards Board Statement No. 20.

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all the City's enterprise funds are charges to customers for sales and services. Capital grant revenues are also reported as operating revenues. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The major proprietary funds are:

Sewer and Electric Fund - To account for the provision of sewer and electric services to the residential and commercial users of the City.

Water Fund - To account for the provision of water treatment and distribution to the residential and commercial users of the City.

Gas Fund - To account for the provision of natural gas distribution to the residential and commercial users of the City.

Solid Waste Fund - To account for trash collection services provided to the residential and commercial users of the City, and the operation of the City landfill.

Utility Support Fund - To account for utility penalties and services charges collected in connection with the other proprietary funds and accounts for all the expenses of the City's warehouse.

The City has no internal service funds.

FIDUCIARY FUNDS

The City has no fiduciary funds.

Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand and demand deposits.

**CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Investments

Governmental Accounting Standard Board Statement No. 31, "Accounting and Financial Reporting for Certain Investments" was implemented during 1997. In accordance with this statement, investments held at December 31, 2001 with original maturities greater than one year are stated at fair value. Fair value is estimated bases on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost.

Receivables

Receivables at September 30, 2010 consist of property taxes, utility accounts (billings for user charged services), accrued interest on investments, and other miscellaneous receivables. The accounts receivable detail consists of the following:

	Governmental Activities	Business-Type Activities
Accounts Receivable - Miscellaneous	\$ 178,689	\$ 20,496
Taxes	70,370	-
Interest Receivable	6,957	236
Utility Receivables	-	844,493
Allowance for Doubtful Accounts	-	(39,574)
	<u>\$ 256,016</u>	<u>\$ 825,651</u>

Inventory of Supplies

Inventories are stated at cost, on the first-in, first-out basis. The costs of inventory items are recorded as expenses in the proprietary fund types when used.

Capital Assets and Depreciation

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

reported as capital assets in the government-wide financial statements. The valuation basis for general capital assets is historical cost, or where historical cost is not available, estimated historical cost based on replacement cost. The minimum capitalization threshold is any individual item with a total cost greater than \$5,000.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

General infrastructure assets include, but are not limited to streets, bridges, and underground pipe (other than related to utilities) and are the largest asset class of the City.

Depreciation of capital assets is computed using the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows:

Buildings and Improvements	20 - 50 years
Infrastructure	5 - 50 years
Equipment	2 - 15 years
Vehicles	5 years

Interest Capitalization

The City does not charge any capitalization of interest during construction.

Equity Classifications

Government-Wide Financial Statements:

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

- b. Restricted net assets - Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets - All other assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Restricted assets in the Governmental Activities are as follows:

Governmental Activities:

Community Projects

Airport Grant	\$ 1,373
Drug Seizure	12,174
Police Education	4,564
Special Revenue Funds	28,327
Total Community Projects	46,438
Debt Service	60,090
Total Restricted Net Assets	\$ <u>106,528</u>

Restricted assets in the Business-Type Activities are as follows:

Business-Type Activities

Debt Service

Sewer & Electric	\$ 96,690
Water Fund	114,213
Total Restricted Net Assets	\$ <u>210,903</u>

Fund Statements:

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Propriety fund equity is classified the same as in the government-wide statements.

**CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Fund balances are reserved for repayment of debt and community projects. The following amounts are reserved:

Fund Balances Reserved

Debt Service	\$ 60,090
Community Projects	32,394
Total Reserved	<u>\$ 92,484</u>

The City made two adjustments to beginning fund balance for the year ending September 30, 2010.

In a prior fiscal year, the City recorded a refund of grant expenditures for capital projects as a reduction to Construction in Progress and the income account was bypassed. This adjustment in the amount of \$40,304 records the prior year income.

In 2008, the City applied for a reimbursement of expenses from FEMA for providing fire fighting assistance to Brownwood. When it became doubtful the funds would be collected, \$10,857 was removed from Accounts Receivable, thereby reducing prior year income.

Beginning Fund Balance	\$ 623,626
Prior Year Income	40,304
Prior Year Income/Receivable	<u>(10,857)</u>
Adjusted Beginning Fund Balance	<u>\$ 653,073</u>

Unpaid Compensated Absences

The City accrues unused portions of vacation pay in the period the fund liability is incurred. Even though the City has appropriated, accumulated, and earmarked expendable available fund resources for these amounts, the portion not normally expected to be liquidated with expendable available financial resources is not reported as a fund liability in accordance with Interpretation No. 6 of the Governmental Accounting Standards Board - *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*.

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 2 - COMPLIANCE AND ACCOUNTABILITY

Budget Requirements, Accounting, and Reporting

The budget requirements for all funds are as follows:

Annual budgets are adopted for all City funds. Under state law, the Mayor submits an annual budget to the Council for consideration and approval no later than September 30. Such budget is based on expected expenditures by program within a fund and estimated resources by source for all funds.

By Charter the Mayor submits budget amendment ordinances to the City Council. These ordinances are updated for any estimate revisions as well as year-end encumbrances and may include any additional information requested by Council. Council may subsequently amend such ordinances.

Amendments to the appropriation ordinance during the fiscal year ending September 30, 2010 were approved by City Council as provided by the Charter.

For day-to-day management control, expenditures may not exceed the budget at the expenditure-type (i.e., personal services, other operations and maintenance, etc.) level of each cost center (activity within a program within a fund.) The Council may transfer unencumbered appropriations within programs within funds.

Appropriation control (City Council appropriated budget) is by program within a fund. The City Council may, by ordinance, transfer amounts among programs within and between funds. Budgetary comparison schedules are presented in the Basic Financial Statements for the General Fund and the Special Revenue Fund. The budgetary basis is the accrual basis of accounting.

Expenditures Exceeding Budget

The Sewer and Electric Fund and the Water Fund had expenditures in excess of the budgeted amounts.

Interfund Transfers

Transfers within the City are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, and maintaining debt service on a routine basis. The following transfers were made for the fiscal year ending September 30, 2010:

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 2 - COMPLIANCE AND ACCOUNTABILITY, continued

	Transfers In	Transfers Out	Net Transfers In/Out
	<u> </u>	<u> </u>	<u> </u>
Governmental Funds:			
General Fund	\$ 3,969,655	\$ -	\$ 3,969,655
Special Revenue	253,241	1,437,066	(1,183,825)
Enterprise Funds:			
Sewer and Electric	-	2,187,134	(2,187,134)
Water	197,838	383,675	(185,837)
Gas	-	436,008	(436,008)
Solid Waste	-	71,000	(71,000)
Utility Support	94,149	-	94,149
	<u>\$ 4,514,883</u>	<u>\$ 4,514,883</u>	<u>\$ -</u>

NOTE 3 - DEPOSITS AND INVESTMENTS

Policies and Practices

The City's Charter specifies that the Finance Officer is responsible for selecting depositories and investing idle funds. The City Council also has the authority to choose the types of deposits and investments made by the City. The Federal Depository Insurance Corporation (FDIC) provides protection of the City's cash and investments as well as qualified pledged or pooled securities by the institutions holding the assets. The various institutions, or their trustees, including Commercial National Bank of Brady and Brady National Bank hold such collateral. The City does not enter into reverse repurchase agreements.

The City pools all individual fund cash balances. Each fund's portion of this pool is displayed on the statement of net assets or balance sheets as cash and cash equivalents.

Deposits

The carrying amount of the City's cash held with financial institutions was \$5,555,011 and the bank balance was \$5,639,230. The bank balance is categorized as follows:

**CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

NOTE 3 - DEPOSITS AND INVESTMENTS, continued

Insured by FDIC or collateralized with securities held by the City or its agent in the City's name.	\$ 572,241
Collateralized with securities held by the pledging financial institution or its agent but not in the City's name	<u>5,066,989</u>
Total Bank Balance	<u>\$ 5,639,230</u>

All deposits were fully secured at the balance sheet date.

Investments

In a prior year, the City invested in some Federal National Mortgage Association Stripped Mortgage Securities. The investment is being currently held by Coastal Securities. The investment is carried on the balance sheet at net book value of zero. The investment was fully amortized as of September 30, 2010.

NOTE 4 - PROPERTY TAXES

Property taxes include amounts levied against all real and tangible personal property located in the City. Real property taxes are levied before the first day of October on the assessed value listed as of the prior January 1. Taxes are due and payable upon receipt of the tax bill and are considered delinquent if not paid by February 1. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Assessed values are established by the McCulloch County Appraisal District.

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 5 - CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended September 30, 2010 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Not being depreciated:				
Land	\$ 728,734	\$ -	\$ -	\$ 728,734
Construction in Progress	1,268,414	202,808	(401,064)	1,070,158
Subtotal	1,997,148	202,808	(401,064)	1,798,892
Other capital assets:				
Buildings/Improvements	5,023,523	232,973	(4,716)	5,251,780
Infrastructure	7,180,557	1,442,200	-	8,622,757
Vehicles	682,912	262,614	-	945,526
Equipment	2,002,901	29,611	(12,439)	2,020,073
Subtotal	14,889,893	1,967,398	(17,155)	16,840,136
Accumulated depreciation:				
Buildings/Improvements	(2,516,944)	(114,889)	4,716	(2,627,117)
Infrastructure	(3,060,485)	(507,344)	-	(3,567,829)
Vehicles	(502,753)	(106,934)	-	(609,687)
Equipment	(1,308,141)	(107,717)	12,439	(1,403,419)
Subtotal	(7,388,323)	(836,884)	17,155	(8,208,052)
Net other capital assets	7,501,570	1,130,514	-	8,632,084
Net capital assets	<u>\$ 9,498,718</u>	<u>\$ 1,333,322</u>	<u>\$ (401,064)</u>	<u>\$ 10,430,976</u>

**CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

NOTE 5 - CAPITAL ASSETS AND DEPRECIATION, continued

Depreciation was charged to the functions as follows:

Governmental activities:

Administration	\$	21,166
Airport		334,132
Public Property Maintenance		31,420
Golf Course		22,827
Fire Department		12,084
Police Department		41,682
Street Department		276,627
Civic Center		4,377
Municipal Court		1,326
Animal Control		1,470
EMS Department		74,930
Lake Department		10,427
G Rollie White		3,628
Finance		280
Senior Citizens		508
Total governmental activities depreciation expense	\$	836,884

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 5 - CAPITAL ASSETS AND DEPRECIATION, continued

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Not being depreciated:				
Land	\$ 84,829	\$ -	\$ -	\$ 84,829
Construction in process	141,195	36,086	(129,116)	48,165
Subtotal	226,024	36,086	(129,116)	132,994
Other capital assets:				
Buildings/Improvements	13,066,634	-	-	13,066,634
Infrastructure	13,406,832	188,261	-	13,595,093
Vehicles	428,816	111,667	(63,262)	477,221
Equipment	1,941,031	409,585	(50,722)	2,299,894
Subtotal	28,843,313	709,513	(113,984)	29,438,842
Accumulated depreciation:				
Buildings/Improvements	(2,798,930)	(279,321)	-	(3,078,251)
Infrastructure	(5,497,762)	(313,292)	-	(5,811,054)
Vehicles	(300,349)	(52,114)	63,262	(289,201)
Equipment	(1,159,886)	(145,287)	50,722	(1,254,451)
Subtotal	(9,756,927)	(790,014)	113,984	(10,432,957)
Net other capital assets	19,086,386	(80,501)	-	19,005,885
Net capital assets	<u>\$ 19,312,410</u>	<u>\$ (44,415)</u>	<u>\$ (129,116)</u>	<u>\$ 19,138,879</u>

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 5 - CAPITAL ASSETS AND DEPRECIATION, continued

Depreciation was charged to the functions as follows:

Business-type activities:		
Electric	\$	154,300
Wastewater		55,164
Water		381,560
Gas		78,686
Solid Waste		99,167
Utility Support		21,137
<hr/>		
Total business-type activities depreciation expense	\$	<u>790,014</u>

NOTE 6 - EMPLOYEE PENSIONS

Plan Description

The City provides pension benefits for all of its full-time employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), an agent multiple-employer public employee retirement system. The plan provisions that have been adopted by the City are within the options available in the governing statutes of TMRS.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information (RSI) for TMRS; the report also provides detailed explanations of the contributions, benefits and actuarial methods and assumptions used by the System. This report may be obtained by writing to TMRS, P. O. Box 149153, Austin, Texas 78714-9153 or by calling 800-924-8677; in addition, the report is available on TMRS' website at www.TMRS.com.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 6 - EMPLOYEE PENSIONS, continued

	Plan Year 2009	Plan Year 2010
Employee deposit rate	5.0%	5.0%
Matching ratio (city to employee)	1.5 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (expressed as age/years of service)	60/5, 0/25	60/5, 0/25
Updates Service Credit	100% Repeating, Transfers	100% Repeating, Transfers
Annuity Increase (to retirees)	70% of CPI Repeating	70% of CPI Repeating

Contributions

Under state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, which is calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the portion of an active member's projected benefit allocated annually; the prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the applicable period for that city. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits, such as Updated Service Credits and Annuity Increases.

The City contributes to the TMRS plan at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect. The annual pension cost is equal to the actual contributions in the amount of \$214,474.

The required contribution rates for fiscal year 2010 were determined as part of the December 31, 2007 and 2008 actuarial valuations. Additional information as of the latest actuarial valuation, December 31, 2009, also follows:

**CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

NOTE 6 - EMPLOYEE PENSIONS, continued

Valuation Date	12/31/07	12/31/08	12/31/09
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Amortization Method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
GASB 25 Equivalent Single Amortization Period	30 Years; Closed Period	29 Years; Closed Period	28 Years; Closed Period
Amortization Period for New Gains/Losses	30 Years	30 Years	30 Years
Asset Valuation Method	Amortized Cost	Amortized Cost	10-year Smoothed Market
Actuarial Assumptions:			
Investment Rate of Return*	7.00%	7.50%	7.50%
Projected Salary Increases*	Varies by Age and Service	Varies by Age and Service	Varies by Age and Service
*Includes Inflation at	3.00%	3.00%	3.00%
Cost-of-Living Adjustments	2.1%	2.1%	2.1%

The funded status as of December 31, 2009, the most recent actuarial valuation date, and the funding progress for the prior two years is as follows:

	(1)	(2)	(3)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Funded Ratio (1)/(2)
12/31/07	\$ 2,225,765	\$ 3,113,251	71.5
12/31/08	2,523,914	3,524,250	71.6
12/31/09	2,568,462	3,989,598	64.4

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 6 - EMPLOYEE PENSIONS, continued

	(4)	(5)	(6)
Actuarial Valuation Date	Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll (4)/(5)
12/31/07	\$ 887,486	\$ 2,482,769	35.7
12/31/08	1,000,336	2,920,722	34.2
12/31/09	1,421,136	2,891,981	49.1

	(7)	(8)
Actuarial Valuation Date	Annual Required Contribution (ARC)	Contributions Made
12/31/07	\$ 138,596	\$ 138,596
12/31/08	138,274	138,274
12/31/09	214,474	214,474

There was no Net Pension Obligation (NPO) at the beginning or end of the year for any of the three years presented, therefore no liability has been recorded.

NOTE 7 - POST EMPLOYMENT BENEFITS

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The city may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

**CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

NOTE 7 - POST EMPLOYMENT BENEFITS, continued

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit," or OPEB.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

The Schedule of Contribution Rates below discloses the contribution rates for the last three years. Actual contribution rates equaled the requirements for each year.

Schedule of Contribution Rates:
(RETIREE-only portion of the rate)

Plan Year	Annual Required Contribution Rate	Actual Contribution Made	Percentage of ARC Contributed
2007	.12%	.12%	100.00%
2008	.11%	.11%	100.00%
2009	.09%	.09%	100.00%

NOTE 8 - OTHER EMPLOYEE BENEFITS

Compensated Absences

Accumulated Unpaid Vacation and Compensatory Time

The City allows employees, after the completion of a six month probation period, to begin accruing vacation leave. Vacation leave may be accrued to a maximum of 15 days, which will be paid to an employee upon resignation, death, or termination. No sick leave will be paid to an employee upon termination of employment. The total obligation for vacation accrual for the City amounted to \$94,558 at September 30, 2010.

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 9 - RISK MANAGEMENT

Liability Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; employees health and life and natural disasters. The City manages these losses through participation in the Texas Municipal League (TML), a public entity risk pool. TML is a multi-employer group that provides for a combination of risk sharing among pool participants and stop-loss coverage. Contributions are set annually by TML. Liability by the City is generally limited to contributed amounts.

Management believes the insurance coverage is sufficient to preclude any significant losses to the City. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.

NOTE 10 - LEASES

The City leases property and equipment. All operating leases, including leases of office equipment and landfill heavy equipment, were determined to be cancelable. Total expenditures for operating leases for the fiscal year ended September 30, 2010 were \$43,821 for governmental activities and \$124,412 for business-type activities.

The assets acquired through capital leases have a capitalized cost of \$3,457,150. Accumulated depreciation at year-end was \$1,039,585. Depreciation expense for assets under capital leases was \$228,297 for the year ended September 30, 2010. Assets acquired through capital leases are discussed in Note 11.

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 11 - LONG-TERM LIABILITIES

Long-term liability activity for the year ended September 30, 2010 includes the following:

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Bonds, notes and capital leases payable:					
Series 2003 Certificates of Obligation	\$ 2,310,550	\$ -	\$ 176,000	\$ 2,134,550	\$ 179,550
Welch State Bank	41,450	-	9,138	32,312	9,505
PNC Equipment Finance	16,844	-	4,423	12,421	4,806
Brady National Bank	218,000	-	36,000	182,000	36,000
PNC Equipment Finance	-	24,311	-	24,311	12,834
View Point Bank	-	32,350	10,198	22,152	9,876
View Point Bank	-	180,565	32,374	148,191	31,450
Total bonds, notes and capital leases payable:	2,586,844	237,226	268,133	2,555,937	284,021
Compensated Absences	61,452	6,354	-	67,806	-
Governmental activities long-term liabilities	<u>\$ 2,648,296</u>	<u>\$ 243,580</u>	<u>\$ 268,133</u>	<u>\$ 2,623,743</u>	<u>\$ 284,021</u>

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 11 - LONG-TERM LIABILITIES, continued

Business-type activities:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Bonds, notes and capital leases payable:					
<u>Sewer and Electric</u>					
Series 2003 Certificates of Obligation	\$ 204,450	\$ -	\$ 99,000	\$ 105,450	\$ 105,450
G E Capital	457,018	-	146,097	310,921	153,175
<u>Water</u>					
Series 2000 Certificates of Obligation	4,620,000	-	210,000	4,410,000	210,000
Series 2004 Certificates of Obligation	635,000	-	75,000	560,000	80,000
G E Capital	290,627	-	98,531	192,096	99,742
John Deere Credit	9,843	-	4,157	5,686	4,502
<u>Gas</u>					
G E Capital	297,961	-	95,131	202,830	103,304
John Deere Credit	53,254	-	11,149	42,105	11,954
<u>Solid Waste</u>					
View Point Bank	-	282,511	41,131	241,380	40,024
Total bonds, notes and capital leases payable	6,568,153	282,511	780,196	6,070,468	808,151
Compensated absences	28,437	-	1,685	26,752	-
Business-type activities long-term liabilities	<u>\$ 6,596,590</u>	<u>\$ 282,511</u>	<u>\$ 781,881</u>	<u>\$ 6,097,220</u>	<u>\$ 808,151</u>

**CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

NOTE 11 - LONG-TERM LIABILITIES, continued

Description of Debt

Combination Tax and Waterworks Surplus Revenue Certificates of Obligation, Series 2000

On May 1, 2000, the City issued the Combination Tax and Waterworks Surplus Revenue Certificates of Obligation, Series 2000. Principal amounts on these certificates are due and payable annually on May 1. The certificates are interest free and will be paid in full on May 1, 2031.

General Obligation Refunding Bonds, Series 2003

On December 15, 2003, the City issued the General Obligation Refunding Bonds, Series 2003 in the amount of \$4,050,000. These bonds refunded the outstanding balances of the City's Tax and Electric Light and Sewer System Revenue Certificates of Obligation, Series 1990 and Combination Tax and Revenue Certificates of Obligation, Series 2002 in order to lower the overall debt service requirements of the city and to pay the costs associated with the issuance of the bonds. Principal amounts on these certificates are due and payable annually beginning September 1, 2004. Interest is due and payable semi-annually beginning March 1, 2004 at rates ranging from 3.0% to 4.5%. These certificates will be paid in full on September 30, 2022. Bond premium and issuance costs are amortized over a period of twenty (20) years.

Combination Tax and Revenue Certificates of Obligation, Series 2004

On December 8, 2004, the City issued the Combination Tax and Revenue Certificates of Obligation, Series 2004 in the amount of \$2,200,000. These bonds were issued to relocate and construct utility transmission lines and related improvements. Principal amounts on these certificates are due and payable annually beginning May 1, 2006. Interest is due and payable semi-annually beginning March 1, 2005 at rates ranging from 2.79% to 5.69%. These certificates will be paid in full on May 1, 2010. Bond issuance costs are amortized over a period of two hundred fifty-seven (257) months.

**CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010**

NOTE 11 - LONG-TERM LIABILITIES, continued

GE Capital - Capital Lease

On July 15, 2002, the City entered a capital lease agreement with All American Investment Group, LLC, assigned to Transamerica Public Finance LLC, which was subsequently assigned to GE Capital. This lease was for the purchase and installation of new water, electric and gas meters in the amount of \$2,970,334. The lease is due and payable in quarterly payments for a term of ten years, including interest at the rate of 4.54%. The capital lease will be fully paid at August 1, 2012.

Brady National Bank Tax Note, Series 2007

On October 15, 2007, the City borrowed \$254,000 from Brady National Bank to fund installation of a sprinkler system on the City's golf course. Principal amounts on this note are due and payable annually beginning November 1, 2008. Interest is due and payable semi-annually beginning May 1, 2008. The interest rate on this note is 5.50% and the note will be paid in full on November 1, 2014.

PNC Equipment Finance Capital Lease

On March 20, 2008, the City entered a capital lease agreement with PNC Equipment Finance. This lease was for the purchase of a new spray rig. The lease is due and payable in 60 monthly payments of \$450.31 beginning May 19, 2008. Payments include interest of 5.76%. The lease will be paid in full on April 19, 2013.

Welch State Bank

On December 22, 2008, the City entered a capital lease agreement with Welch State Bank. This lease was for the purchase of a 2008 Caterpillar 914G Loader. The lease is due and payable in 60 monthly payments of \$884.18 beginning January 22, 2009. Payments include interest of 3.94%. The lease will be paid in full on December 22, 2013.

John Deere Credit

On November 25, 2008, the City entered a capital lease agreement with John Deere Credit. This lease was for the purchase of a Okada 304B Hydraulic Hammer. The lease is due and payable in 36 monthly payments of \$399.51 beginning December 11, 2008. Payments include interest of 8.00%. The lease will be paid in full on December 11, 2011.

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 11 - LONG-TERM LIABILITIES, continued

John Deere Credit

On December 22, 2008, the City entered a capital lease agreement with John Deere Credit. This lease was for the purchase of a John Deere 310J Backhoe. The lease is due and payable in 60 monthly payments of \$1,210.20 beginning January 11, 2009. Payments include interest of 7.00%. The lease will be paid in full on December 11, 2013.

PNC Equipment Finance

On July 21, 2010, the City entered a capital lease agreement with PNC Equipment Finance. This lease was for the purchase of a new greensmower. This lease is due and payable in one payment of \$10,000.00 due October 15, 2010 and 46 monthly payments of \$372.68 beginning November 15, 2010. Payments include interest of 8.86%. This lease will be paid in full on August 15, 2014.

View Point Bank

On September 16, 2009, the City entered a capital lease agreement with View Point Bank. This lease was for the purchase of a new police cruiser. This lease is due and payable in 36 monthly payments of \$972.33 beginning November 1, 2009. Payments include interest of 4.50%. This lease will be paid in full on October 1, 2012.

View Point Bank

On September 16, 2009, the City entered a capital lease agreement with View Point Bank. This lease was for the purchase of a new ambulance. This lease is due and payable in 60 monthly payments of \$3,405.54 beginning November 1, 2009. Payments include interest of 4.893%. This lease will be paid in full on October 1, 2014.

View Point Bank

On September 16, 2009, the City entered a capital lease agreement with View Point Bank. This lease was for the purchase of a new trash truck, dumpsters, trash cans, and accessories. This lease is due and payable in 72 monthly payments of \$4,534.75 beginning November 1, 2009. Payments include interest of 4.815%. This lease will be paid in full on October 1, 2015.

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 11 - LONG-TERM LIABILITIES, continued

Debt Maturity

Debt service requirements at September 30, 2010 were as follows:

Combination Tax and Waterworks Surplus Revenue Certificates of Obligation, Series 2000

<u>Year Ended September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 210,000	\$ -	\$ 210,000
2012	210,000	-	210,000
2013	210,000	-	210,000
2014	210,000	-	210,000
2015	210,000	-	210,000
2016 - 2031	3,360,000	-	3,360,000
	<u>\$ 4,410,000</u>	<u>\$ -</u>	<u>\$ 4,410,000</u>

General Obligation Refunding Bonds, Series 2003

<u>Year Ended September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 285,000	\$ 89,275	\$ 374,275
2012	145,000	80,297	225,297
2013	150,000	75,404	225,404
2014	155,000	69,966	224,966
2015	165,000	64,231	229,231
2016 - 2022	1,340,000	245,101	1,585,101
	<u>\$ 2,240,000</u>	<u>\$ 624,274</u>	<u>\$ 2,864,274</u>

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 11 - LONG-TERM LIABILITIES, continued

Combination Tax and Revenue Certificates of Obligation, Series 2004

<u>Year Ended September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 80,000	\$ 25,876	\$ 105,876
2012	80,000	22,484	102,484
2013	85,000	18,972	103,972
2014	90,000	15,114	105,114
2015	95,000	10,938	105,938
2016 - 2017	130,000	7,884	137,884
	<u>\$ 560,000</u>	<u>\$ 101,268</u>	<u>\$ 661,268</u>

G E Capital - Capital Lease

<u>Year Ended September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 356,221	\$ 27,350	\$ 383,571
2012	349,626	10,034	359,660
	<u>\$ 705,847</u>	<u>\$ 37,384</u>	<u>\$ 743,231</u>

Brady National Bank Tax Note, Series 2007

<u>Year Ended September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 36,000	\$ 9,020	\$ 45,020
2012	36,000	7,040	43,040
2013	36,000	5,060	41,060
2014	37,000	3,053	40,053
2015	37,000	1,017	38,017
	<u>\$ 182,000</u>	<u>\$ 25,190</u>	<u>\$ 207,190</u>

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 11 - LONG-TERM LIABILITIES, continued

PNC Equipment Finance - Capital Lease

Year Ended September 30	Principal	Interest	Total
2011	\$ 4,806	\$ 598	\$ 5,404
2012	5,089	315	5,404
2013	2,526	175	2,701
	<u>\$ 12,421</u>	<u>\$ 1,088</u>	<u>\$ 13,509</u>

Welch State Bank

Year Ended September 30	Principal	Interest	Total
2011	\$ 9,505	\$ 1,105	\$ 10,610
2012	9,887	723	10,610
2013	10,285	325	10,610
2014	2,635	18	2,653
	<u>\$ 32,312</u>	<u>\$ 2,171</u>	<u>\$ 34,483</u>

John Deere Credit

Year Ended September 30	Principal	Interest	Total
2011	\$ 4,502	\$ 292	\$ 4,794
2012	1,184	16	1,200
	<u>\$ 5,686</u>	<u>\$ 308</u>	<u>\$ 5,994</u>

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 11 - LONG-TERM LIABILITIES, continued

John Deere Credit

Year Ended September 30		Principal		Interest		Total
2011	\$	11,954	\$	2,568	\$	14,522
2012		12,818		1,704		14,522
2013		13,744		778		14,522
2014		3,589		43		3,632
	\$	<u>42,105</u>	\$	<u>5,093</u>	\$	<u>47,198</u>

PNC Equipment Finance

Year Ended September 30		Principal		Interest		Total
2011	\$	12,834	\$	1,265	\$	14,099
2012		3,696		776		4,472
2013		3,994		478		4,472
2014		3,787		313		4,100
	\$	<u>24,311</u>	\$	<u>2,832</u>	\$	<u>27,143</u>

View Point Bank

Year Ended September 30		Principal		Interest		Total
2011	\$	9,876	\$	820	\$	10,696
2012		11,308		360		11,668
2013		968		4		972
	\$	<u>22,152</u>	\$	<u>1,184</u>	\$	<u>23,336</u>

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 11 - LONG-TERM LIABILITIES, continued

View Point Bank

Year Ended September 30	Principal	Interest	Total
2011	\$ 31,450	\$ 6,011	\$ 37,461
2012	35,954	4,912	40,866
2013	37,753	3,113	40,866
2014	39,642	1,224	40,866
2015	3,392	15	3,407
	<u>\$ 148,191</u>	<u>\$ 15,275</u>	<u>\$ 163,466</u>

View Point Bank

Year Ended September 30	Principal	Interest	Total
2011	\$ 40,024	\$ 9,858	\$ 49,882
2012	45,721	8,696	54,417
2013	47,972	6,445	54,417
2014	50,334	4,083	54,417
2015	52,812	1,605	54,417
2016	4,517	18	4,535
	<u>\$ 241,380</u>	<u>\$ 30,705</u>	<u>\$ 272,085</u>

NOTE 12 - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require that the City of Brady place final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill use during the year.

CITY OF BRADY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

NOTE 12 - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS, continued

The estimated liability for landfill closure and postclosure care costs was \$155,579 as of September 30, 2010, which is based on 9.76% usage (filled) of the landfill. It is estimated that an additional \$1,416,201 will be recognized as closure and postclosure care expenses between the date of the balance sheet and the date the landfill is expected to be filled to capacity. The estimated total current cost of the landfill closure and postclosure care (\$1,571,780) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were incurred as of September 30, 2010. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The remaining capacity of the facility based on fiscal year 2010 disposal is in excess of 85 years. The current estimated liability of \$155,579 is reported in the Proprietary Fund as a long term liability. The City of Brady is required by state and federal laws and regulations to make annual contributions to finance closure and postclosure care. The City is in compliance with these requirements.

NOTE 13 - FUND DEFICITS

There were no funds with a fund deficit at September 30, 2010.

NOTE 14 - SPECIAL ITEMS

Included in the Proprietary Funds Statement of Revenues, Expenses and Changes in Net Assets is a Special Item. This Special Item is funds received from Johnson Controls, Inc. in the amount of \$250,000. This was a settlement payment in response to a lawsuit filed against JCI by the City for failure to perform under contract terms. The amount paid to the City was an accepted amount determined as revenues lost due primarily to faulty meter installation.

SINGLE AUDIT SECTION

CITY OF BRADY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2010

<u>Federal Grantor/Pass-through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
Federal Programs:			
U.S. Department of Health and Human Services			
Passed through State of Texas Agency			
Concho Valley Council of Governments			
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045		\$ 49,028
Nutrition Services Incentive Program	93.053		<u>21,917</u>
Total U.S. Department of Health and Human Services			<u>70,945</u>
U.S. Department of Housing & Urban Development			
Passed through State of Texas Agency			
Office of Rural Community Affairs	14.228	729069	<u>197,830</u>
Total U.S. Department of Housing & Urban Development			<u>197,830</u>
U.S. Department of the Interior			
Passed through State of Texas Agency			
Texas Parks and Wildlife			
Outdoor Recreation, Acquisition, Development and Planning	15.916	F-217-B	<u>46,324</u>
Total U.S. Department of the Interior			<u>46,324</u>
U.S. Department of Transportation			
Passed through State of Texas Agency			
Texas Department of Transportation - Division of Aviation			
Airport Improvement Project	20.106	0923BRADE	499,321
Airport Improvement Project	20.106	0923BRADY	559,607
Concho Valley Council of Governments			
Formula Grants for Other Than Urbanized Areas	20.509		<u>47,789</u>
Total U.S. Department of Transportation			<u>1,106,717</u>
Total Federal Financial Assistance			<u><u>\$ 1,421,816</u></u>

**CITY OF BRADY
NOTES TO SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS
SEPTEMBER 30, 2010**

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Brady under programs of the federal government for the year ended September 30, 2010. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the City of Brady, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Brady.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such Expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- b. Pass-through entity identification numbers are presented where available.



MICHAEL D. SCHAFFNER AND ASSOCIATES, PC

CERTIFIED PUBLIC ACCOUNTANTS

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OFFICE (325) 597-2424 FAX (325) 597-3444

Michael D. Schaffner, CPA

Jodi L. Crudgington, CPA

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

Honorable Mayor and
Members of the City Council
Brady, Texas

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brady, Texas, as of and for the year ended September 30, 2010, which collectively comprise the City of Brady's basic financial statements and have issued our report thereon dated December 29, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material

weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

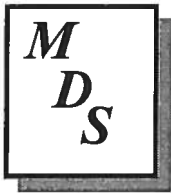
As part of obtaining reasonable assurance about whether the City of Brady's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material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

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

Michael D. Schaffner and Associates

Michael D. Schaffner and Associates, PC

December 29, 2010



MICHAEL D. SCHAFFNER AND ASSOCIATES, PC

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

Honorable Mayor
and Members of the City Council
Brady, Texas

Compliance

We have audited the City of Brady, Texas's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City of Brady, Texas's major federal programs for the year ended September 30, 2010. The City of Brady's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the City of Brady's management. Our responsibility is to express an opinion on the City of Brady's compliance based on our audit.

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

In our opinion, the City of Brady complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2010.

Internal Control over Compliance

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

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

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

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

Michael D. Schaffner and Associates
Michael D. Schaffner and Associates, PC
December 29, 2010

**CITY OF BRADY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
SEPTEMBER 30, 2010**

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of the City of Brady.
2. There were no significant deficiencies in internal control disclosed by the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of The City of Brady were disclosed during the audit.
4. There were no significant deficiencies in internal control over major programs disclosed by the audit of the financial statements.
5. The auditor's report on compliance for the major federal award programs for The City of Brady expressed an unqualified opinion on all major federal programs.
6. There were no audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 reported in this Schedule.
7. The programs tested as major programs included:

Texas Department of Transportation, Division of Aviation - Airport Improvement Projects
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. The City of Brady was not determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None

FINDINGS - MAJOR FEDERAL AWARD PROGRAMS

None

**CITY OF BRADY
SCHEDULE OF PRIOR AUDIT FINDINGS
SEPTEMBER 30, 2010**

DEPARTMENT OF TRANSPORTATION

Finding 2009-1. Airport Improvement Project 0923BRADY CFDA: 20.106

Condition: The City failed to record revenues and expenses attributable to the Airport Improvement Project 0923BRADY totaling \$223,956.

Recommendation: Procedures should be implemented to insure that the City's finance department will receive all grant documentation on a timely basis and record the transactions.

Current Status: This recommendation was adopted and implemented in FYE 09-30-10. No similar findings were noted in the 2010 audit.

CITY OF BRADY
WATER FACILITY IMPROVEMENTS
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2010

Federal Financial Assistance

Federal Grantor: U.S. Department of Housing & Urban Development

Pass Through Grantor: Office of Rural Community Affairs

CFDA Number: 14.228

Project Number: 729069

Contract Period: 09-30-09 to 09-29-11

	FEDERAL/STATE			
	BUDGET	PRIOR YEARS	CURRENT YEAR	TOTAL
Revenues				
Federal/State	\$ 200,000	\$ -	\$ 197,830	\$ 197,830
Match	-	-	-	-
Total Revenues	200,000	-	-	197,830
Expenditures				
Federal/State				
Administration	23,345	-	23,345	23,345
Engineering/				
Architectural	28,758	-	26,588	26,588
Water Facilities	147,897	-	147,897	147,897
Match				
Water and Sewer				
Facilities	-	-	-	-
Total Expenditures	200,000	-	197,830	197,830
Excess Revenue Over				
Expenditures	\$ -	\$ -	\$ -	\$ -

SUPPLEMENTAL SECTION

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
SEWER AND ELECTRIC FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

OPERATING REVENUES

Charges for Services

Electrical Distribution

Residential - Service	\$ 1,758,657
Commercial - Service	1,229,437
Industrial Services	88,361
PCRF - Pass Through Charge	4,226,471
City Departments - Service	151,307
Security Lights	10,238
Sales Concessions	(26,279)
Pole Rental	37,410
Reimbursed Expense	24,755

Total Electrical Distribution	7,500,357
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Wastewater

Residential - Service	504,296
Commercial - Service	150,565
City Departments - Service	2,891
Sales Concessions	(93)
Disposal Fees	9,963
Sewer Tap Fees	500
Reimbursed Expenses	2,123

Total Wastewater	670,245
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Total Operating Revenues	8,170,602
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OPERATING EXPENSES

Electrical Distribution

Regular Pay	246,778
Overtime Pay	38,471
Standby Pay	3,640
Hospital Insurance	27,983
Municipal Retirement	20,244
Workers Compensation Insurance	3,387
Unemployment Insurance	1,000
Payroll Taxes	21,172
Employee Expense	1,819
Employee Training	535
Electric Power Purchased	4,187,078
Supplies	31,026
Transformers	69,670
Meters	14,219

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
SEWER AND ELECTRIC FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

Electrical Distribution - continued	
Repairs - Vehicles	\$ 5,547
Repairs - Heavy Rolling Stock	1,477
Repairs - Small Equipment	2,754
Repairs - General	93,644
Professional Fees	63,714
Agency Fees	23
Property/Liability Insurance	5,261
Rentals/Leases	198
Fuel	14,583
Telephone/Pagers/Alarm System	1,579
Utilities	2,553
Uniforms and Accessories	4,646
Drug Testing	590
Total Electrical Distribution	<u>4,863,591</u>
Power Plant	
Utilities	218
Professional Fees	4,279
Cleanup Cost	1,282
Total Power Plant	<u>5,779</u>
Wastewater	
Regular Pay	87,019
Overtime Pay	14,670
Hospital Insurance	12,940
Municipal Retirement	6,184
Employee Expense	357
Employee Training	10
Workers Compensation Insurance	2,612
Unemployment Insurance	572
Payroll Taxes	7,713
Supplies	3,070
Repairs - Vehicles	2,117
Repairs - Buildings	148
Repairs - Small Equipment	499
Repairs - General	11,440
Organ Dues/Fees	112
Utilities	82,225
Agency Fees	10,453
Property/Liability Insurance	4,639

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
SEWER AND ELECTRIC FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

Wastewater - continued	
Chemicals	\$ 22,811
Fuel	3,357
Telephone/Pagers/Alarm System	1,065
Internet	479
Uniforms and Accessories	618
Laboratory Testing	30,861
Bond Collection Fees	113
Total Wastewater	<u>306,084</u>
Bad Debt Expense	
Electric	55,000
Wastewater	6,000
Total Bad Debt Expense	<u>61,000</u>
Amortization	2,434
Depreciation	
Electric	154,300
Wastewater	55,164
Total Depreciation	<u>209,464</u>
Total Operating Expenses	<u>5,448,352</u>
Operating Income (Loss)	2,722,250
NON-OPERATING REVENUES	
(EXPENSES)	
Interest Income	
Electric	2,632
Wastewater	2,009
Total Interest Income	<u>4,641</u>
Gain on Disposal of Fixed Assets	22,000
Interest Expense	
Electric	(18,839)
Wastewater	(33,735)
Total Interest Expense	<u>(52,574)</u>
Total Non-Operating Revenues	
(Expenses)	<u>(25,933)</u>
Income (Loss) Before Transfers	2,696,317

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
SEWER AND ELECTRIC FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

SPECIAL ITEM

Legal Settlement

\$ 87,500

TRANSFERS OUT

(2,187,134)

Change in Net Assets

596,683

Total Net Assets - Beginning

2,919,461

Total Net Assets - Ending

\$ 3,516,144

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
WATER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

OPERATING REVENUES

Charges for Services		
Residential - Service	\$	1,036,877
Commercial - Service		337,740
Commercial Wholesale - Service		7,138
Bulk Water Sales		8,559
City Departments - Service		129,065
Sales Concessions		(1,857)
Water Tap Fees		1,954
Meter Fees		297
Reimbursed Expenses		37,971
Total Charges for Services		<u>1,557,744</u>
 Total Operating Revenues		 <u>1,557,744</u>

OPERATING EXPENSES

Water	
Regular Pay	115,166
Overtime Pay	13,595
Standby Pay	3,640
Hospital Insurance	21,911
Municipal Retirement	8,871
Workers Compensation Insurance	5,341
Unemployment Insurance	1,015
Payroll Taxes	9,735
Employee Expense	497
Employee Training	1,460
Supplies	7,500
Repairs - Vehicles	1,563
Repairs - Buildings	43
Repairs - Office Equipment	132
Repairs - Heavy Rolling Stock	4,213
Repairs - Small Equipment	1,638
Repairs - General	92,246
Utilities	190,356
Professional Fees	27,664
Agency Fees	1,273
Janitorial/Pest Services	287
Property/Liability Insurance	8,655
Chemicals	50,234
Meters	8,611
Fuel	10,947

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
WATER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

Water - continued		
Uniforms and Accessories	\$	2,245
Rentals/Leases		198
Bond Collection Fees		1,300
Laboratory Testing		23,193
Telephone/Pagers/Alarm System		4,852
Internet Access Fee		961
Computer Software		1,500
Computer Hardware Maintenance		85
Drug Testing		130
Total Water		<u>621,057</u>
Bad Debt Expense		12,000
Amortization		1,401
Depreciation		381,560
Total Operating Expenses		<u>1,016,018</u>
Operating Income (Loss)		541,726
NON-OPERATING REVENUES		
(EXPENSES)		
Interest Income		10,503
Interest Expense		<u>(41,345)</u>
Total Non-Operating Revenues		
(Expenses)		<u>(30,842)</u>
Income (Loss) Before Transfers		510,884
SPECIAL ITEM		
Legal Settlement		87,500
TRANSFERS IN		197,838
TRANSFERS OUT		<u>(383,675)</u>
Change in Net Assets		412,547
Total Net Assets - Beginning		<u>10,651,969</u>
Total Net Assets - Ending	\$	<u><u>11,064,516</u></u>

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
GAS FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2010

OPERATING REVENUES

Charges for Services

Gas Distribution

Residential - Service	\$ 507,267
Commercial - Service	218,138
Industrial - Service	225,669
Fuel Pass-Through Charge	972,757
Annual RR Commission Fee	1,400
City Departments - Service	8,261
Sales Concessions	(6,580)
Sale of Scrap	85
Gas Tap Fees	350
Meter Fees	50
Reimbursed Expenses	2,507

Total Gas Distribution		1,929,904
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Total Operating Revenues		1,929,904
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OPERATING EXPENSES

Gas Distribution

Regular Pay	108,424
Overtime Pay	5,333
Standby Pay	3,600
Hospital Insurance	23,591
Municipal Retirement	7,977
Workers Compensation Insurance	2,047
Unemployment Insurance	946
Payroll Taxes	8,885
Employee Expense	488
Employee Training	2,725
Supplies	9,346
Meters	9,973
Repairs - Vehicles	1,045
Repairs - Heavy Rolling Stock	917
Repairs - Small Equipment	3,967
Repairs - General	22,028
Utilities	2,124
Professional Fees	11,613
Agency Fees	2,800
Property/Liability Insurance	11,236
Janitorial/Pest Services	12
City Attorney	288
Fuel	7,784

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
GAS FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2010

Gas Distribution - continued	
Rentals/Leases	\$ 1,077
Contract Labor	288
Telephone/Pagers/Alarm System	349
Gas Measurement	28
Gas Purchases	863,750
Municipal Gas - Discount Earned	(35,364)
Uniforms and Accessories	3,651
Chemicals	322
Drug Testing	240
Total Gas Distribution	<u>1,081,490</u>
Bad Debt Expense	10,000
Depreciation	78,686
Total Operating Expenses	<u>1,170,176</u>
Operating Income (Loss)	759,728
NON-OPERATING REVENUES	
(EXPENSES)	
Interest Income	1,183
Interest Expense	<u>(14,829)</u>
Total Non-Operating Revenues	
(Expenses)	<u>(13,646)</u>
Income (Loss) Before Transfers	746,082
SPECIAL ITEM	
Legal Settlement	75,000
TRANSFERS OUT	<u>(436,008)</u>
Change in Net Assets	385,074
Total Net Assets - Beginning	<u>1,347,125</u>
Total Net Assets - Ending	<u>\$ 1,732,199</u>

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
SOLID WASTE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

OPERATING REVENUES

Charges for Services

Solid Waste

Residential Service - Manual Pick-Up	\$ 417,511
Commercial Service - Manual Pick-Up	19,020
Commercial Service - Dumpster Pick-Up	250,072
City Departments - Service	19,118
Landfill Disposal Fees	76,834
Cash Over (Short)	399
Recycling Revenue	1,697
Reimbursed Expenses	7,001

Total Solid Waste	791,652
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Total Operating Revenues	791,652
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OPERATING EXPENSES

Solid Waste

Regular Pay	198,745
Overtime Pay	23,927
Hospital Insurance	51,054
Municipal Retirement	16,047
Workers Compensation Insurance	13,400
Unemployment Insurance	1,747
Payroll Taxes	16,228
Employee Expense	828
Employee Training	10
Supplies	7,757
Repairs - Vehicles	861
Repairs - Communication Equipment	760
Repairs - Office Equipment	123
Repairs - Heavy Rolling Stock	44,351
Repairs - Small Equipment	138,388
Repairs - General	1,350
Utilities	3,660
Professional Fees	6,981
Agency Fees	19,242
Property/Liability Insurance	4,116
City Attorney	50
Chemicals	19
Fuel	60,319
Rentals/Leases	111,029

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
SOLID WASTE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

Solid Waste - continued	
Uniforms and Accessories	\$ 3,720
Telephone/Pagers/Alarm System	1,615
Landfill Closure	15,000
Drug Testing	440
Total Solid Waste	<u>741,767</u>
Bad Debt Expense	7,540
Depreciation	99,167
	<u>848,474</u>
Total Operating Expenses	
	<u>848,474</u>
Operating Income (Loss)	(56,822)
NON-OPERATING REVENUES	
(EXPENSES)	
Interest Income	2,173
Gain on Disposal of Fixed Assets	4,200
Interest Expense	<u>(13,795)</u>
Total Non-Operating Revenues	
(Expenses)	<u>(7,422)</u>
Income (Loss) Before Transfers	(64,244)
TRANSFERS OUT	<u>(71,000)</u>
Change in Net Assets	(135,244)
Total Net Assets - Beginning	<u>451,805</u>
Total Net Assets - Ending	<u>\$ 316,561</u>

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
UTILITY SUPPORT FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2010

OPERATING REVENUES

Charges for Services

Utility Support

Service Fees on Utilities \$ 19,714

Penalty on Utilities 127,017

Reimbursed Expenses 1,698

Total Charges for Services 148,429

Miscellaneous

Utility Support

Utility Contracts - Bad Debt Rec 10,403

Cash Over (Short) (159)

Discounts Earned 1,561

Returned Check Fees 870

Credit Card User Fee 2,479

Vending Income 86

Total Miscellaneous 15,240

Total Operating Revenues 163,669

OPERATING EXPENSES

Administration

Utilities 9,922

Professional Fees 432

Janitorial/Pest Services 774

Rentals/Leases 3,285

Supplies - PSB 4,892

Postage 15,911

Telephone/Pagers/Alarm System 2,077

Credit Card Fees 2,496

Inventory Adjustment Expense 35

Total Administration 39,824

Meter Shop

Regular Pay 54,903

Overtime Pay 2,136

Hospital Insurance 12,409

Retirement 3,856

Workers Compensation Insurance 833

Unemployment Insurance 498

Payroll Taxes 4,123

Employee Expense 362

Employee Training 2,725

CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
UTILITY SUPPORT FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2010

Meter Shop - continued	
Supplies	\$ 4,615
Fuel	3,992
Telephone/Pagers/Alarm System	507
Repairs - Vehicles	254
Repairs - Small Equipment	356
Repairs - General	6,204
Uniforms and Accessories	2,127
Drug Testing	365
Total Meter Shop	<u>100,265</u>
Billing-Collection	
Regular Pay	57,492
Overtime Pay	292
Hospital Insurance	18,871
Municipal Retirement	4,237
Workers Compensation Insurance	197
Unemployment Insurance	628
Payroll Taxes	4,376
Employee Expense	258
Supplies	6,069
Repairs - Communication Equipment	141
Repairs - Office Equipment	1,107
Rentals/Leases	7,008
Drug Testing	225
Computer Software Maintenance	22,166
Computer Hardware Maintenance	5,306
Total Billing-Collection	<u>128,373</u>
Bad Debts	5,500
Depreciation	
Warehouse	10,532
Meter	5,986
Billing-Collection	195
Administration	4,424
Total Depreciation	<u>21,137</u>
Total Operating Expenses	<u>295,099</u>
Operating Income (Loss)	(131,430)

**CITY OF BRADY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
UTILITY SUPPORT FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2010**

NON-OPERATING REVENUES	
(EXPENSES)	
Interest Income	\$ <u>14,668</u>
 Total Non-Operating Revenues (Expenses)	 <u>14,668</u>
 Income (Loss) Before Transfers	 (116,762)
TRANSFERS IN	<u>94,149</u>
 Change in Net Assets	 (22,613)
 Total Net Assets - Beginning	 <u>481,716</u>
 Total Net Assets - Ending	 \$ <u><u>459,103</u></u>

CITY OF BRADY
COMBINING STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 1,023,335	\$ -	\$ 1,023,335
Receivables, net			
Accounts	91,646	-	91,646
Taxes (Note 1)	70,370	-	70,370
Interest	6,957	-	6,957
Total Current Assets	<u>1,192,308</u>	<u>-</u>	<u>1,192,308</u>
Noncurrent Assets			
Restricted Assets			
Cash	78,201	25,767	103,968
Receivables, net	-	87,043	87,043
Bond Issuance Premium, net of amortization	19,576	-	19,576
Bond Issuance Costs, net of amortization	41,065	-	41,065
Construction in Progress	1,070,158	-	1,070,158
Land	728,734	-	728,734
Other Capital Assets, net of depreciation	8,626,982	5,102	8,632,084
Total Noncurrent Assets	<u>10,564,716</u>	<u>117,912</u>	<u>10,682,628</u>
TOTAL ASSETS	\$ <u>11,757,024</u>	\$ <u>117,912</u>	\$ <u>11,874,936</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 218,363	\$ 80,416	\$ 298,779
Interest Payable	8,432	-	8,432
Bonds, Notes and Leases Payable	284,021	-	284,021
Total Current Liabilities	<u>510,816</u>	<u>80,416</u>	<u>591,232</u>
Noncurrent Liabilities			
Accrued Compensated Absences	63,739	4,067	67,806
Bonds, Notes, and Leases Payable	2,271,916	-	2,271,916
Total Noncurrent Liabilities	<u>2,335,655</u>	<u>4,067</u>	<u>2,339,722</u>
Total Liabilities	<u>2,846,471</u>	<u>84,483</u>	<u>2,930,954</u>
NET ASSETS			
Invested in Capital Assets, net of related debt	7,869,937	5,102	7,875,039
Restricted for:			
Community Projects	18,111	28,327	46,438
Debt Service	60,090	-	60,090
Unrestricted	<u>962,415</u>	<u>-</u>	<u>962,415</u>
Total Net Assets	\$ <u>8,910,553</u>	\$ <u>33,429</u>	\$ <u>8,943,982</u>

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES			
General Revenues			
Property Taxes - Current	\$ 473,455	\$ -	\$ 473,455
Property Taxes - Delinquent	27,145	-	27,145
Penalties and Interest	23,669	-	23,669
Payment in Lieu of Property Taxes	2,603	-	2,603
Sales Taxes	697,544	170,124	867,668
Franchise Taxes	50,217	-	50,217
Mixed Beverage Tax	1,141	-	1,141
Occupancy Taxes	-	103,685	103,685
Interest Income	35,797	-	35,797
Miscellaneous Revenue	3,450	-	3,450
Charges for Services			
Administration			
Municipal Right of Way Fee	50,898	-	50,898
Rental Income	2,275	-	2,275
Open Records Fees	60	-	60
Licenses and Permits	667	-	667
Reimbursed Expenses	1,542	-	1,542
Vending Income	11	-	11
Total Administration	<u>55,453</u>	<u>-</u>	<u>55,453</u>
Airport			
Rental Income	10,600	-	10,600
Tee Hanger Rent	7,962	-	7,962
Building Rent	30,767	-	30,767
Miscellaneous Sales	7,073	-	7,073
100LL Retail Fuel Sales	85,813	-	85,813
Jet A Retail Fuel Sales	42,291	-	42,291
Military Fuel Sales	214,246	-	214,246
Reimbursed Expenses	3,902	-	3,902
Vending Income	1,332	-	1,332
Total Airport	<u>403,986</u>	<u>-</u>	<u>403,986</u>
Public Property Maintenance			
Rental Income	9,859	-	9,859
Open/Close Graves	21,900	-	21,900
Sale of Cemetery Lots	9,599	-	9,599
Brush Pick-Up	660	-	660
Sale of Scrap	2,029	-	2,029

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	GENERAL	SPECIAL REVENUE	TOTAL GOVERNMENTAL FUNDS
Public Property Maintenance - continued			
Reimbursed Expenses	\$ 1,421	\$ -	\$ 1,421
Bad Debt Recovery	215	-	215
Total Public Property Maintenance	<u>45,683</u>	<u>-</u>	<u>45,683</u>
Golf Course			
Range Ball Rentals	3,764	-	3,764
Cart Shed Rental	19,944	-	19,944
Cart Rentals	15,769	-	15,769
Golf Club Rentals	373	-	373
Daily Green Fees	31,779	-	31,779
Annual Green Fees	36,842	-	36,842
Merchandise Revenue/Taxable	5,868	-	5,868
Merchandise Revenue/Nontaxable	3,174	-	3,174
Cash Over (Short)	(133)	-	(133)
Reimbursed Expenses	2,440	-	2,440
Bad Debt Recovery	37	-	37
Vending Income	7,530	-	7,530
Total Golf Course	<u>127,387</u>	<u>-</u>	<u>127,387</u>
Swimming Pool			
Swimming Pool Fees	14,905	-	14,905
Bad Debt Recovery	200	-	200
Total Swimming Pool	<u>15,105</u>	<u>-</u>	<u>15,105</u>
Fire Department			
Specialized Fire Service Collections	1,550	-	1,550
Reimbursed Expenses	10,343	-	10,343
Total Fire Department	<u>11,893</u>	<u>-</u>	<u>11,893</u>
Police Department			
Accident Reports/Warrant Fees	737	-	737
Drug Seizures	13,180	-	13,180
Reimbursed Expenses	7,447	-	7,447
Total Police Department	<u>21,364</u>	<u>-</u>	<u>21,364</u>
Street Department			
Street Surcharge	36	-	36
Reimbursed Expenses	2,558	-	2,558
Total Street Department	<u>2,594</u>	<u>-</u>	<u>2,594</u>
Civic Center			
Rental Income	10,350	-	10,350
Reimbursed Expenses	22,500	-	22,500
Total Civic Center	<u>32,850</u>	<u>-</u>	<u>32,850</u>

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	GENERAL	SPECIAL REVENUE	TOTAL GOVERNMENTAL FUNDS
Municipal Court			
Fines and Fees	\$ 41,166	\$ -	\$ 41,166
Security Fund	796	-	796
Technology Fund	570	-	570
Reimbursed Expenses	1,685	-	1,685
Total Municipal Court	44,217	-	44,217
Repair Shop			
Reimbursed Expenses	171	-	171
Animal Control			
Dog Pound Fees	670	-	670
Permits/Licenses	225	-	225
Total Animal Control	895	-	895
EMS			
EMS Service Collections	619,879	-	619,879
Ambulance Stand-By	3,875	-	3,875
Reimbursed Expenses	7,710	-	7,710
Bad Debt Recovery	270	-	270
Vending Income	22	-	22
Total EMS	631,756	-	631,756
Lake Department			
Rental Income	4,041	-	4,041
Pavilion Rental	500	-	500
Cabin Rental	2,390	-	2,390
Cabana Rental	11,470	-	11,470
RV Space Rental	14,820	-	14,820
RV - Full Space Rental	16,562	-	16,562
RV/Trailer Rental	4,321	-	4,321
Paddle Boat Rental	289	-	289
Merchandise Revenue/Taxable	7,026	-	7,026
Merchandise Revenue/Nontaxable	12,253	-	12,253
Camping Fees	2,749	-	2,749
Boat Dock Fees	1,333	-	1,333
Boat Launch Fees	880	-	880
Marina/Fishing Fees	4,469	-	4,469
Lease of Lake Lots	4,068	-	4,068
Lake Store Lease	300	-	300
Marina Lease	4,500	-	4,500
Cash Over (Short)	(152)	-	(152)
Tips	50	-	50

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	GENERAL	SPECIAL REVENUE	TOTAL GOVERNMENTAL FUNDS
Lake Department - continued			
Reimbursed Expenses	\$ 1,652	\$ -	\$ 1,652
Vending Income	191	-	191
Total Lake Department	93,712	-	93,712
G.R. White			
Reimbursed Expenses	1,231	-	1,231
Financial Administration			
Reimbursed Expenses	1,811	-	1,811
Buildings/Permits			
Permits/Inspections/Licenses	32,345	-	32,345
Sales Concessions	(11,275)	-	(11,275)
Rezoning Fees	300	-	300
Miscellaneous Revenue	2,698	-	2,698
Reimbursed Expenses	33	-	33
Total Buildings/Permits	24,101	-	24,101
Senior Citizens			
Daily Participants	-	30,594	30,594
Sale of Scrap	-	8	8
Reimbursed Expenses	-	565	565
Total Senior Citizens	-	31,167	31,167
Total Charges for Services	1,514,209	31,167	1,545,376
Grant Revenues			
Operating Grants and Contributions			
Airport			
TXDOT Ramp Program	15,421	-	15,421
Public Property Maintenance			
County Subsidies	3,600	-	3,600
Donations	684	-	684
Walmart Community Grant	1,000	-	1,000
Golf Course			
Donations	8,742	-	8,742
Fire Department			
County Subsidies	80,000	-	80,000
Police Department			
County Subsidies	40,000	-	40,000
Police Education Subsidies	1,183	-	1,183
Donations	1,100	-	1,100

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
EMS			
County Subsidies	\$ 80,000	\$ -	\$ 80,000
Hospital Subsidies	77,112	-	77,112
EMS Grant	-	11,589	11,589
Senior Citizens			
County Subsidies	-	10,477	10,477
CVCOG Section 18 Subsidies	-	47,789	47,789
CVCOG Nutrition Subsidies	-	70,944	70,944
Donations to Van Driver	-	6,345	6,345
Pass-Through Grant	-	10,500	10,500
Total Operating Grants and Contributions	<u>308,842</u>	<u>157,644</u>	<u>466,486</u>
Capital Grants and Contributions			
Community Development			
TPW Grant - Boat Ramp	-	46,324	46,324
Airport Grant - NPE Program	-	499,321	499,321
Airport Grant - Stimulus	-	559,607	559,607
Well #7 TDRA Grant	-	197,829	197,829
Lake Department			
EDC Reimbursements	175,035	-	175,035
Police Department			
COPsync Grant	<u>49,869</u>	<u>-</u>	<u>49,869</u>
Total Capital Grants and Contributions	<u>224,904</u>	<u>1,303,081</u>	<u>1,527,985</u>
Total Operating and Capital Grants and Contributions	<u>533,746</u>	<u>1,460,725</u>	<u>1,994,471</u>
Total Revenues	<u>\$ 3,362,976</u>	<u>\$ 1,765,701</u>	<u>\$ 5,128,677</u>

EXPENDITURES

Administration			
Regular Pay	\$ 198,238	\$ -	\$ 198,238
Overtime Pay	312	-	312
Hospital Insurance	23,418	-	23,418
Municipal Retirement	14,348	-	14,348
Workers Compensation Insurance	719	-	719
Unemployment Insurance	958	-	958
Payroll Taxes	16,967	-	16,967
Organ Dues/Fees	2,947	-	2,947
Utilities	29,307	-	29,307
Professional Fees	872	-	872
Agency Fees	2,110	-	2,110
City Attorney	25,225	-	25,225
Property/Liability Insurance	11,605	-	11,605

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Administration - continued			
Janitorial/Pest Services	\$ 9,229	\$ -	\$ 9,229
Property Tax Collection Fees	15,799	-	15,799
State Tax Collection Fees	17,353	-	17,353
Rentals/Leases	14,301	-	14,301
Internet Access Fee	1,525	-	1,525
Record Retention	4,965	-	4,965
Computer Software Maintenance	350	-	350
Computer Hardware Maintenance	853	-	853
Employee Expense	5,847	-	5,847
Employee Training	1,684	-	1,684
Supplies	13,636	-	13,636
Postage	11,926	-	11,926
Fuel	439	-	439
Repairs - Vehicles	962	-	962
Repairs - Buildings	3,278	-	3,278
Repairs - Office Equipment	400	-	400
Repairs - General	2,611	-	2,611
Telephones/Pagers/Alarm System	14,580	-	14,580
Drug Testing	75	-	75
Donations/Memorials	121	-	121
Uniforms and Accessories	1,165	-	1,165
Car Allowance	4,500	-	4,500
Miscellaneous Expense	386	-	386
Bad Debt Expense	15	-	15
Depreciation	21,166	-	21,166
Total Administration	<u>474,192</u>	<u>-</u>	<u>474,192</u>
Airport			
Regular Pay	108,817	-	108,817
Commission on Fuel Sales	4,782	-	4,782
Overtime Pay	3,221	-	3,221
Hospital Insurance	17,370	-	17,370
Municipal Retirement	5,840	-	5,840
Worker's Compensation Insurance	2,625	-	2,625
Unemployment Insurance	1,155	-	1,155
Payroll Taxes	8,927	-	8,927
Organ Dues/Fees	247	-	247
Utilities	40,688	-	40,688
Professional Fees	305	-	305

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Airport - continued			
Property/Liability Insurance	\$ 5,586	\$ -	\$ 5,586
Janitorial/Pest Services	520	-	520
Rentals/Leases	2,782	-	2,782
Internet Access Fee	227	-	227
Computer Software Maintenance	83	-	83
Computer Hardware Maintenance	2,697	-	2,697
Employee Expense	1,577	-	1,577
Employee Training	5,557	-	5,557
Supplies	11,169	-	11,169
Fuel	1,026	-	1,026
Purchased 100LL Fuel for Resale	96,192	-	96,192
Purchased JetA Fuel for Resale	221,951	-	221,951
Purchase Merchandise for Resale	4,133	-	4,133
IRS Fuel Tax Refund	(21,416)	-	(21,416)
Repairs - Vehicles	4,428	-	4,428
Repairs - Communication Equipment	1,504	-	1,504
Repairs - Buildings	2,503	-	2,503
Repairs - Office Equipment	630	-	630
Repairs - Small Equipment	2,136	-	2,136
Repairs - Other Mobile Equipment	8	-	8
Repairs - Fuel Farm	8,983	-	8,983
Repairs - General	1,912	-	1,912
Telephone/Pagers/Alarm System	2,578	-	2,578
Drug Testing	130	-	130
Chemicals	65	-	65
Uniforms and Accessories	546	-	546
Credit Card Fees	2,096	-	2,096
Car Allowance	2,400	-	2,400
Bad Debt Expense	338	-	338
RAMP Grant Project	16,765	-	16,765
Depreciation	334,132	-	334,132
Total Airport	<u>907,215</u>	<u>-</u>	<u>907,215</u>
Public Property Maintenance			
Regular Pay	128,799	-	128,799
Overtime Pay	7,443	-	7,443
Contract Labor	145	-	145
Hospital Insurance	23,689	-	23,689

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	GENERAL	SPECIAL REVENUE	TOTAL GOVERNMENTAL FUNDS
Public Property Maintenance - continued			
Municipal Retirement	\$ 6,302	\$ -	\$ 6,302
Workers Compensation Insurance	4,255	-	4,255
Unemployment Insurance	1,173	-	1,173
Payroll Taxes	10,396	-	10,396
Organ Dues/Fees	384	-	384
Utilities	23,768	-	23,768
Professional Fees	320	-	320
Property/Liability Insurance	2,572	-	2,572
Janitorial/Pest Services	550	-	550
Rentals/Leases	1,668	-	1,668
Employee Expense	270	-	270
Employee Training	109	-	109
Supplies	12,399	-	12,399
Fuel	9,103	-	9,103
Repairs - Vehicles	2,780	-	2,780
Repairs - Communication Equipment	760	-	760
Repairs - Buildings	14,292	-	14,292
Repairs - Heavy Rolling Stock	6,093	-	6,093
Repairs - Small Equipment	9,167	-	9,167
Repairs - General	18,504	-	18,504
Telephone/Pagers/Alarm System	864	-	864
Drug Testing	225	-	225
Chemicals	2,578	-	2,578
Uniforms and Accessories	2,391	-	2,391
Bad Debt Expense	200	-	200
Depreciation	31,420	-	31,420
Total Public Property Maintenance	<u>322,619</u>	<u>-</u>	<u>322,619</u>
Mayor and Council			
Regular Pay	3,820	-	3,820
Workers Compensation Insurance	11	-	11
Payroll Taxes	292	-	292
City Attorney	3,388	-	3,388
Employee Expense	4,401	-	4,401
Employee Training	887	-	887
Supplies	472	-	472
Election/Agenda Expenses	4,951	-	4,951
Total Mayor and Council	<u>18,222</u>	<u>-</u>	<u>18,222</u>

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Golf Course			
Regular Pay	\$ 136,721	\$ -	\$ 136,721
Overtime Pay	5,207	-	5,207
Hospital Insurance	12,940	-	12,940
Municipal Retirement	5,049	-	5,049
Workers Compensation Insurance	5,000	-	5,000
Unemployment Insurance	1,293	-	1,293
Payroll Taxes	10,756	-	10,756
Organ Dues/Fees	335	-	335
Utilities	57,457	-	57,457
Professional Fees	250	-	250
Property/Liability Insurance	978	-	978
Rentals/Leases	14,761	-	14,761
Contract Labor	1,650	-	1,650
Employee Expense	1,952	-	1,952
Employee Training	847	-	847
Supplies	7,185	-	7,185
Supplies - Tournament	1,206	-	1,206
Supplies - Flowers/Garden	69	-	69
Fuel	7,698	-	7,698
Computer Software Maintenance	60	-	60
Computer Hardware Maintenance	108	-	108
Internet Access Fee	1,030	-	1,030
Repairs - Vehicles	91	-	91
Repairs - Buildings	7,628	-	7,628
Repairs - Office Equipment	441	-	441
Repairs - Small Equipment	8,146	-	8,146
Repairs - Irrigation System	6,596	-	6,596
Repairs - General	31,184	-	31,184
Telephone/Pagers/Alarm System	1,556	-	1,556
Drug Testing	75	-	75
Chemicals	16,447	-	16,447
Fertilization	5,370	-	5,370
Topdress/Aerification	7,022	-	7,022
Uniforms and Accessories	10	-	10
Credit Card Fees	812	-	812
Purchased Merchandise for Resale	13,899	-	13,899
Waste Disposal Fees	505	-	505

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Golf Course - continued			
Bad Debt Expense	\$ 1,012	\$ -	\$ 1,012
Depreciation	22,827	-	22,827
Total Golf Course	<u>396,173</u>	<u>-</u>	<u>396,173</u>
Swimming Pool			
Regular Pay	43,996	-	43,996
Overtime Pay	104	-	104
Workers Compensation Insurance	1,526	-	1,526
Unemployment Insurance	1,040	-	1,040
Payroll Taxes	3,374	-	3,374
Utilities	9,006	-	9,006
Employee Expense	80	-	80
Employee Training	1,585	-	1,585
Supplies	4,067	-	4,067
Repairs - Buildings	51	-	51
Repairs - General	917	-	917
Telephone/Pagers/Alarm System	827	-	827
Drug Testing	975	-	975
Chemicals	1,147	-	1,147
Total Swimming Pool	<u>68,695</u>	<u>-</u>	<u>68,695</u>
Fire Department			
Regular Pay	408,710	-	408,710
Overtime Pay	13,337	-	13,337
Standby Pay	1,150	-	1,150
Hospital Insurance	49,551	-	49,551
Municipal Retirement	22,675	-	22,675
Workers Compensation Insurance	11,996	-	11,996
Unemployment Insurance	3,687	-	3,687
Payroll Taxes	32,520	-	32,520
Organ Dues/Fees	1,393	-	1,393
Utilities	9,073	-	9,073
Property/Liability Insurance	10,405	-	10,405
Commission Billing Service	316	-	316
Janitorial/Pest Services	448	-	448
Rentals/Leases	678	-	678
Volunteer Maintenance Fund	27,400	-	27,400
Volunteer Pension Fund	5,874	-	5,874

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Fire Department - continued			
Computer Software Maintenance	\$ 2,368	\$ -	\$ 2,368
Computer Hardware Maintenance	3,371	-	3,371
Employee Expense	7,906	-	7,906
Employee Training	14,404	-	14,404
Supplies	17,833	-	17,833
Fuel	19,928	-	19,928
Repairs - Vehicles	30,906	-	30,906
Repairs - Communication Equipment	5,012	-	5,012
Repairs - Buildings	4,284	-	4,284
Repairs - Office Equipment	2,539	-	2,539
Repairs - Small Equipment	17,199	-	17,199
Repairs - General	1,544	-	1,544
Telephone/Pagers/Alarm System	4,533	-	4,533
Drug Testing	1,270	-	1,270
Chemicals	525	-	525
Uniforms and Accessories	24,070	-	24,070
Depreciation	12,084	-	12,084
Total Fire Department	<u>768,989</u>	<u>-</u>	<u>768,989</u>
Police Department			
Regular Pay	474,757	-	474,757
Overtime Pay	44,943	-	44,943
Stand-by Pay	7,164	-	7,164
Hospital Insurance	88,681	-	88,681
Municipal Retirement	37,038	-	37,038
Workers Compensation Insurance	14,277	-	14,277
Unemployment Insurance	3,294	-	3,294
Payroll Taxes	39,083	-	39,083
Organ Dues/Fees	250	-	250
Utilities	19,392	-	19,392
Professional Fees	1,014	-	1,014
Property/Liability Insurance	7,418	-	7,418
Janitorial/Pest Services	5,528	-	5,528
City Attorney	1,131	-	1,131
Rentals/Leases	2,777	-	2,777
Internet Access Fee	1,380	-	1,380
Jail Cost	480	-	480
Computer Software Maintenance	2,835	-	2,835

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Police Department - continued			
Computer Hardware Maintenance	\$ 1,301	\$ -	\$ 1,301
Employee Expense	5,973	-	5,973
Employee Training	4,950	-	4,950
Supplies	11,196	-	11,196
Fuel	19,937	-	19,937
Repairs - Vehicles	11,166	-	11,166
Repairs - Communication Equipment	10,153	-	10,153
Repairs - Buildings	2,175	-	2,175
Repairs - Office Equipment	424	-	424
Repairs - Small Equipment	2,226	-	2,226
Repairs - General	474	-	474
Telephone/Pagers/Alarm System	10,505	-	10,505
Drug Testing	1,079	-	1,079
Drug Enforcement Program	321	-	321
Uniforms and Accessories	6,387	-	6,387
K-9 Expense	935	-	935
Police Ed Subsidy	1,765	-	1,765
COPsync Grant	49,869	-	49,869
Depreciation	41,682	-	41,682
Total Police Department	<u>933,960</u>	<u>-</u>	<u>933,960</u>
Street Department			
Regular Pay	109,398	-	109,398
Overtime Pay	1,891	-	1,891
Hospital Insurance	24,960	-	24,960
Municipal Retirement	7,433	-	7,433
Workers Compensation Insurance	8,732	-	8,732
Unemployment Insurance	897	-	897
Payroll Taxes	8,512	-	8,512
Utilities	22,064	-	22,064
Property/Liability Insurance	7,418	-	7,418
Rentals/Leases	155	-	155
Contract Labor	4,735	-	4,735
Bond Collection Fees	210	-	210
Employee Expense	445	-	445
Supplies	6,453	-	6,453
Fuel	21,017	-	21,017
Repairs - Vehicles	1,484	-	1,484

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Street Department - continued			
Repairs - Communication Equipment	\$ 351	\$ -	\$ 351
Repairs - Office Equipment	31	-	31
Repairs - Heavy Rolling Stock	18,037	-	18,037
Repairs - Small Equipment	2,299	-	2,299
Repairs - General	5,462	-	5,462
Telephone/Pager/Alarm System	539	-	539
Drug Testing	95	-	95
Chemicals	3,763	-	3,763
Uniforms and Accessories	1,939	-	1,939
Materials	44,088	-	44,088
Amortization Expense	4,520	-	4,520
Depreciation	276,627	-	276,627
Total Street Department	<u>583,555</u>	<u>-</u>	<u>583,555</u>
Civic Center			
Utilities	7,417	-	7,417
Janitorial/Pest Services	6,455	-	6,455
Supplies	3,146	-	3,146
Repairs - Buildings	69	-	69
Repairs - General	1,230	-	1,230
Bad Debt Expense	400	-	400
Depreciation	4,377	-	4,377
Total Civic Center	<u>23,094</u>	<u>-</u>	<u>23,094</u>
Municipal Court			
Regular Pay	18,563	-	18,563
Hospital Insurance	1,618	-	1,618
Municipal Retirement	887	-	887
Workers Compensation Insurance	28	-	28
Unemployment Insurance	103	-	103
Payroll Taxes	1,439	-	1,439
Comptroller Court Costs/Fees	19,974	-	19,974
Organ Dues/Fees	121	-	121
Agency Fees	252	-	252
City Attorney	3,463	-	3,463
Computer Software Maintenance	2,890	-	2,890
Computer Hardware Maintenance	84	-	84

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Municipal Court - continued			
Employee Training	\$ 215	\$ -	\$ 215
Supplies	535	-	535
Telephone/Pagers/Alarm System	1,270	-	1,270
Car Allowance	300	-	300
Technology Upgrade	55	-	55
Depreciation	1,326	-	1,326
Total Municipal Court	<u>53,123</u>	<u>-</u>	<u>53,123</u>
Community Services			
Library Subsidy	42,000	-	42,000
Boy Scouts Subsidy	1,528	-	1,528
Girl Scouts Subsidy	950	-	950
McCulloch County Conservation	2,500	-	2,500
Total Special Services	<u>46,978</u>	<u>-</u>	<u>46,978</u>
Municipal Repair Shop			
Regular Pay	32,816	-	32,816
Overtime Pay	672	-	672
Hospital Insurance	5,469	-	5,469
Municipal Retirement	2,453	-	2,453
Workers Compensation Insurance	1,325	-	1,325
Unemployment Insurance	189	-	189
Payroll Taxes	2,502	-	2,502
Rentals/Leases	236	-	236
Employee Expense	15	-	15
Supplies	5,718	-	5,718
Fuel	772	-	772
Repairs - Vehicles	416	-	416
Repairs - Small Equipment	306	-	306
Repairs - General	2,388	-	2,388
Telephone/Pagers/Alarm System	93	-	93
Chemicals	92	-	92
Uniforms and Accessories	1,093	-	1,093
Recycling	177	-	177
Total Municipal Repair Shop	<u>56,732</u>	<u>-</u>	<u>56,732</u>

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Animal Control			
Regular Pay	\$ 24,327	\$ -	\$ 24,327
Overtime Pay	277	-	277
Hospital Insurance	6,470	-	6,470
Municipal Retirement	1,783	-	1,783
Workers Compensation Insurance	608	-	608
Unemployment Insurance	70	-	70
Payroll Taxes	1,846	-	1,846
Utilities	1,047	-	1,047
Professional Fees	150	-	150
Employee Expense	43	-	43
Supplies	1,146	-	1,146
Fuel	2,544	-	2,544
Repairs - Vehicles	742	-	742
Uniforms and Accessories	275	-	275
Depreciation	1,470	-	1,470
Total Animal Control	<u>42,798</u>	<u>-</u>	<u>42,798</u>
EMS			
Regular Pay	356,608	-	356,608
Overtime Pay	26,662	-	26,662
Stand-by Pay	8,703	-	8,703
Hospital Insurance	45,923	-	45,923
Municipal Retirement	22,580	-	22,580
Workers Compensation Insurance	13,807	-	13,807
Unemployment Insurance	2,006	-	2,006
Payroll Taxes	29,221	-	29,221
Organ Dues/Fees	134	-	134
Utilities	8,880	-	8,880
Professional Fees	15,000	-	15,000
Agency Fees	150	-	150
Property/Liability Insurance	10,405	-	10,405
Commission - Billing Services	70,296	-	70,296
City Attorney	69	-	69
Rentals/Leases	1,952	-	1,952
Computer Software Maintenance	1,658	-	1,658
Computer Hardware Maintenance	813	-	813
Employee Expense	3,558	-	3,558
Employee Training	12,252	-	12,252

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
EMS - continued			
Supplies	\$ 11,117	\$ -	\$ 11,117
Fuel	15,245	-	15,245
Repairs - Vehicles	12,766	-	12,766
Repairs - Communication Equipment	4,787	-	4,787
Repairs - Buildings	3,645	-	3,645
Repairs - Small Equipment	65	-	65
Repairs - General	65	-	65
Telephone/Pagers/Alarm System	11,264	-	11,264
Drug Testing	430	-	430
Uniforms and Accessories	10,161	-	10,161
Medical Supplies	42,178	-	42,178
Depreciation	74,930	-	74,930
Total EMS	<u>817,330</u>	<u>-</u>	<u>817,330</u>
Lake Department			
Regular Pay	36,143	-	36,143
Overtime Pay	6,527	-	6,527
Hospital Insurance	3,386	-	3,386
Municipal Retirement	2,227	-	2,227
Workers Compensation Insurance	1,368	-	1,368
Unemployment Insurance	431	-	431
Payroll Taxes	3,053	-	3,053
Employee Expense	625	-	625
Organ Dues/Fees	384	-	384
Utilities	16,174	-	16,174
Professional Fees	5,000	-	5,000
Waste Disposal Service	14,894	-	14,894
Janitorial/Pest Services	280	-	280
Rentals/Leases	3,991	-	3,991
Contract Labor	1,717	-	1,717
Internet Access Fee	52	-	52
Flood Plain Management	1,000	-	1,000
Lake Rental Refunds	455	-	455
Supplies	17,617	-	17,617
Fuel	912	-	912
Repairs - Vehicles	872	-	872
Repairs - Buildings	1,860	-	1,860
Repairs - Heavy Rolling Stock	861	-	861

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Lake Department - continued			
Repairs - Small Equipment	\$ 1,446	\$ -	\$ 1,446
Repairs - General	23,492	-	23,492
Telephone/Pagers/Alarm System	858	-	858
Drug Testing	260	-	260
Uniforms and Accessories	358	-	358
Credit Card Fees	432	-	432
Car Allowance	625	-	625
Purchased Merchandise for Resale	22,635	-	22,635
Bad Debt Expense	6,752	-	6,752
Depreciation	10,427	-	10,427
Total Lake Department	<u>187,114</u>	<u>-</u>	<u>187,114</u>
G.R. White Complex			
Utilities	6,872	-	6,872
Property/Liability Insurance	245	-	245
Rentals/Leases	520	-	520
Supplies	7	-	7
Repairs - General	478	-	478
Depreciation	3,628	-	3,628
Total G.R. White Complex	<u>11,750</u>	<u>-</u>	<u>11,750</u>
Financial Administration			
Regular Pay	115,295	-	115,295
Overtime Pay	49	-	49
Hospital Insurance	19,403	-	19,403
Municipal Retirement	8,581	-	8,581
Workers Compensation Insurance	399	-	399
Unemployment Insurance	567	-	567
Payroll Taxes	8,520	-	8,520
Organ Dues/Fees	205	-	205
Repairs - Office Equipment	500	-	500
Professional Fees	138	-	138
Computer Software Maintenance	22	-	22
Computer Hardware Maintenance	1,086	-	1,086
Auditor	27,505	-	27,505
Employee Expense	290	-	290
Employee Training	457	-	457
Supplies	4,918	-	4,918

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
Financial Administration - continued			
Car Allowance	\$ 180	\$ -	\$ 180
Depreciation	280	-	280
Total Financial Administration	<u>188,395</u>	<u>-</u>	<u>188,395</u>
Building and Permitting			
Regular Pay	63,529	-	63,529
Hospital Insurance	6,470	-	6,470
Municipal Retirement	4,604	-	4,604
Workers Compensation Insurance	526	-	526
Unemployment Insurance	189	-	189
Payroll Taxes	4,821	-	4,821
Professional Fees	14,400	-	14,400
City Attorney	50	-	50
Employee Expense	203	-	203
Employee Training	150	-	150
Supplies	702	-	702
Fuel	960	-	960
Repairs - Vehicles	431	-	431
Repairs - General	1,153	-	1,153
Telephone/Pagers/Alarm System	429	-	429
Uniforms and Accessories	123	-	123
Compliance Expense	12,515	-	12,515
Total Building and Permitting	<u>111,255</u>	<u>-</u>	<u>111,255</u>
Pass-Through			
Motel Tax Remittance - Chamber	-	91,243	91,243
Motel Tax Remittance - Museum	-	8,295	8,295
Motel Tax Remittance - Hillbilly Hits	-	4,147	4,147
Sales Tax Remittance - EDC	-	170,124	170,124
Donation Remittance - CVCOG	-	6,345	6,345
Pass-Through Grant	-	10,500	10,500
Total Pass-Through	<u>-</u>	<u>290,654</u>	<u>290,654</u>
Senior Citizens			
Regular Pay	-	129,097	129,097
Hospital Insurance	-	19,537	19,537
Municipal Retirement	-	5,259	5,259
Workers Compensation Insurance	-	3,257	3,257

CITY OF BRADY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN NET ASSETS -
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2010

	GENERAL	SPECIAL REVENUE	TOTAL GOVERNMENTAL FUNDS
Senior Citizens - continued			
Unemployment Insurance	\$ -	\$ 1,508	\$ 1,508
Payroll Taxes	-	9,670	9,670
Organ Dues/Fees	-	50	50
Utilities	-	10,417	10,417
Janitorial/Pest Services	-	622	622
Rentals/Leases	-	1,618	1,618
Waste Disposal Fees	-	500	500
Employee Expense	-	992	992
Employee Training	-	715	715
Supplies	-	9,471	9,471
Fuel	-	16,517	16,517
Repairs - General	-	2,537	2,537
Telephone/Pagers/Alarm System	-	1,174	1,174
Drug Testing	-	430	430
Food Products	-	52,099	52,099
Depreciation	-	508	508
Total Senior Citizens	<u>-</u>	<u>265,978</u>	<u>265,978</u>
Community Development			
EMS Grant	-	30,113	30,113
Total Community Development	<u>-</u>	<u>30,113</u>	<u>30,113</u>
Interest on Long-Term Debt	85,265	-	85,265
Total Expenditures	<u>6,097,454</u>	<u>586,745</u>	<u>6,684,199</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,734,478)	1,178,956	(1,555,522)
OTHER FINANCING SOURCES (USES)			
Donated Assets	30,175	5,300	35,475
Transfers In	3,969,655	253,241	4,222,896
Transfers Out	-	(1,437,066)	(1,437,066)
Total Other Financing Sources (Uses)	<u>3,999,830</u>	<u>(1,178,525)</u>	<u>2,821,305</u>
Change in Net Assets	1,265,352	431	1,265,783
Total Net Assets - Beginning	<u>7,645,201</u>	<u>32,998</u>	<u>7,678,199</u>
Total Net Assets - Ending	<u>\$ 8,910,553</u>	<u>\$ 33,429</u>	<u>\$ 8,943,982</u>

CITY OF BRADY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
SEWER AND ELECTRIC FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
REVENUES				
Electrical Distribution				
Residential - Service	\$ 3,917,818	\$ 1,727,134	\$ 1,758,657	\$ 31,523
Commercial - Service	3,432,004	1,208,407	1,229,437	21,030
Industrial - Services	357,975	88,000	88,361	361
PCRF-Pass Through Charge	-	4,145,580	4,226,471	80,891
City Departments - Service	335,000	149,920	151,307	1,387
Security Lights	10,500	10,500	10,238	(262)
Sales Concessions	-	(25,338)	(26,279)	(941)
Interest Income	1,400	1,400	2,632	1,232
Pole Rental	37,410	37,410	37,410	-
Reimbursed Expenses	-	98,800	24,755	(74,045)
Total Electrical Distribution	<u>8,092,107</u>	<u>7,441,813</u>	<u>7,502,989</u>	<u>61,176</u>
Wastewater				
Residential - Service	495,650	504,000	504,296	296
Commercial - Service	166,415	145,000	150,565	5,565
City Departments - Service	3,200	2,900	2,891	(9)
Sales Concessions	-	-	(93)	(93)
Disposal Fees	9,000	11,000	9,963	(1,037)
Reimbursed Expenses	-	2,123	2,123	-
Sewer Tap Fees	300	500	500	-
Interest Income	1,000	2,000	2,009	9
Total Wastewater	<u>675,565</u>	<u>667,523</u>	<u>672,254</u>	<u>4,731</u>
Total Revenues	<u>8,767,672</u>	<u>8,109,336</u>	<u>8,175,243</u>	<u>65,907</u>
EXPENDITURES				
Electrical Distribution				
Regular Pay	257,653	247,653	246,778	875
Overtime Pay	30,000	38,000	38,471	(471)
Standby Pay	3,640	3,640	3,640	-
Contract Labor	6,000	-	-	-
Hospital Insurance	33,000	27,000	27,983	(983)
Municipal Retirement	19,822	19,822	20,244	(422)
Workers Compensation Insurance	2,338	2,960	3,387	(427)
Unemployment Insurance	540	540	1,000	(460)
Payroll Taxes	22,437	22,437	21,172	1,265
Employee Expense	2,000	1,700	1,819	(119)
Employee Training	8,000	540	535	5
Electric Power Purchased	4,861,938	4,157,365	4,187,078	(29,713)
Supplies	45,000	35,000	31,026	3,974
Chemicals	500	-	-	-
Transformers	75,000	75,000	69,670	5,330
Meters	6,000	10,600	14,219	(3,619)
Repairs - Vehicles	2,000	3,700	5,547	(1,847)
Repairs - Heavy Rolling Stock	30,000	5,000	1,477	3,523
Repairs - Small Equipment	3,000	3,100	2,754	346
Repairs - General	86,000	81,000	93,644	(12,644)

CITY OF BRADY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
SEWER AND ELECTRIC FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Electrical Distribution - continued				
Professional Fees	\$ 90,000	\$ 65,000	\$ 63,714	\$ 1,286
Agency Fees	-	-	23	(23)
City Attorney	1,000	-	-	-
Property/Liability Insurance	5,635	5,635	5,261	374
Rentals/Leases	3,000	200	198	2
Fuel	20,000	14,145	14,583	(438)
Telephone/Pagers/Alarm System	1,400	2,000	1,579	421
Organ Dues/Fees	1,000	-	-	-
Utilities	2,000	2,500	2,553	(53)
Uniforms and Accessories	5,000	5,000	4,646	354
Drug Testing	500	500	590	(90)
Bad Debt Expense	37,000	55,000	55,000	-
Repair and Replacement Fund	50,000	50,000	50,000	-
Meter Replacement Fund	-	87,500	87,500	-
Capital Outlay	204,500	204,900	204,900	-
Debt Service				
Principal Debt Requirements	146,096	146,096	146,096	-
Interest Expense	18,838	18,838	18,839	(1)
Total Electrical Distribution	<u>6,080,837</u>	<u>5,392,371</u>	<u>5,425,926</u>	<u>(33,555)</u>
Power Plant				
Utilities	137	237	218	19
Professional Fees	5,000	5,000	4,279	721
Cleanup Cost	5,000	3,000	1,282	1,718
Total Power Plant	<u>10,137</u>	<u>8,237</u>	<u>5,779</u>	<u>2,458</u>
Wastewater				
Regular Pay	82,641	87,451	87,019	432
Overtime Pay	18,000	15,800	14,670	1,130
Hospital Insurance	13,200	13,200	12,940	260
Municipal Retirement	6,158	6,158	6,184	(26)
Employee Expense	500	400	357	43
Employee Training	1,800	-	10	(10)
Workers Compensation Insurance	2,489	2,489	2,612	(123)
Unemployment Insurance	270	600	572	28
Payroll Taxes	7,850	7,850	7,713	137
Supplies	4,500	3,500	3,070	430
Repairs - Vehicles	2,500	2,500	2,117	383
Repairs - Buildings	900	150	148	2
Repairs - Small Equipment	1,000	1,000	499	501
Repairs - General	7,000	12,000	11,440	560
Organ Dues/Fees	200	112	112	-
Utilities	86,000	86,000	82,225	3,775
Professional Fees	1,500	-	-	-
Agency Fees	10,000	10,000	10,453	(453)
Property/Liability Insurance	4,973	4,973	4,639	334
Chemicals	33,000	28,000	22,811	5,189
Fuel	2,800	3,500	3,357	143

CITY OF BRADY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
SEWER AND ELECTRIC FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Wastewater - continued				
Telephone/Pagers/Alarm System	\$ 1,800	\$ 1,300	\$ 1,065	\$ 235
Internet Access Fee	-	480	479	1
Uniforms and Accessories	700	700	618	82
Laboratory Testing	38,000	34,000	30,861	3,139
Bond Collection Fees	113	113	113	-
Drug Testing	110	110	-	110
Amortization Expense	2,434	2,434	2,434	-
Bad Debt Expense	6,000	6,000	6,000	-
Repair and Replacement Fund	25,000	25,000	25,000	-
Capital Outlay	1,900,000	425	425	-
Debt Service				
Principal Debt Requirements	99,000	130,220	130,200	20
Interest Expense	134,187	35,110	33,735	1,375
Total Wastewater	<u>2,494,625</u>	<u>521,575</u>	<u>503,878</u>	<u>17,697</u>
Total Expenditures	<u>8,585,599</u>	<u>5,922,183</u>	<u>5,935,583</u>	<u>(13,400)</u>
Excess Revenues Over (Under) Expenditures	182,073	2,187,153	2,239,660	52,507
OTHER FINANCING SOURCES (USES)				
Gain on Disposal of Fixed Assets	-	-	22,000	22,000
Legal Settlement	-	-	87,500	87,500
Loan Proceeds	1,900,000	-	-	-
Transfers Out	(2,082,073)	(2,187,153)	(2,187,134)	19
Total Other Financing Sources (Uses)	<u>(182,073)</u>	<u>(2,187,153)</u>	<u>(2,077,634)</u>	<u>109,519</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	162,026	162,026
Fund Balance - Beginning	<u>2,919,461</u>	<u>2,919,461</u>	<u>2,919,461</u>	<u>-</u>
Fund Balance - Ending, Budgetary Basis	<u>\$ 2,919,461</u>	<u>\$ 2,919,461</u>	3,081,487	<u>\$ 162,026</u>
Adjustments to Reconcile the Budgetary Amounts to GAAP:				
Depreciation - The City does not budget for depreciation expense.			(209,464)	
Principal Payments - The City budgets for principal debt payments			276,296	
Repair and Replacement - The City budgets an accrual for repair and replacement reserve.			75,000	
Meter Replacement - The City budgets an accrual for meter replacement.			87,500	
Capital Outlay - The City budgets for capital outlay.			<u>205,325</u>	
Fund Balance - Ending, GAAP Basis			<u>\$ 3,516,144</u>	

CITY OF BRADY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
WATER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Residential - Service	\$ 1,182,000	\$ 1,000,000	\$ 1,036,877	\$ 36,877
Commercial - Service	388,000	328,225	337,740	9,515
Commercial Wholesale - Service	5,000	7,000	7,138	138
Bulk Water Sales	100	8,500	8,559	59
City Departments - Service	154,000	120,000	129,065	9,065
Sales Concessions	(1,500)	(1,856)	(1,857)	(1)
Reimbursed Expenses	-	125,470	37,971	(87,499)
Water Tap Fees	1,000	1,443	1,954	511
Meter Fees	-	296	297	1
Interest Income	10,000	10,000	10,503	503
Total Revenues	1,738,600	1,599,078	1,568,247	(30,831)
<u>EXPENDITURES</u>				
Regular Pay	140,532	116,000	115,166	834
Overtime Pay	12,000	14,000	13,595	405
Standby Pay	3,640	3,640	3,640	-
Hospital Insurance	33,000	22,000	21,911	89
Municipal Retirement	8,840	7,840	8,871	(1,031)
Workers Compensation Insurance	9,301	5,000	5,341	(341)
Unemployment Insurance	990	990	1,015	(25)
Payroll Taxes	11,897	10,897	9,735	1,162
Employee Expense	1,300	900	497	403
Employee Training	2,500	1,500	1,460	40
Organ Dues/Fees	230	230	-	230
Supplies	14,500	3,000	7,500	(4,500)
Repairs - Vehicles	2,000	1,200	1,563	(363)
Repairs - Communication Equipment	500	-	-	-
Repairs - Buildings	500	500	43	457
Repairs - Office Equipment	-	100	132	(32)
Repairs - Heavy Rolling Stock	4,000	5,000	4,213	787
Repairs - Small Equipment	2,500	2,500	1,638	862
Repairs - General	75,000	80,000	92,246	(12,246)
Utilities	162,000	187,000	190,356	(3,356)
Professional Fees	27,000	29,000	27,664	1,336
Agency Fees	3,000	1,500	1,273	227
City Attorney	5,000	-	-	-
Property/Liability Insurance	9,274	9,274	8,655	619
Janitorial/Pest Services	220	220	287	(67)
Chemicals	60,000	50,000	50,234	(234)
Meters	10,000	9,000	8,611	389
Fuel	18,500	11,500	10,947	553
Uniforms and Accessories	1,500	2,100	2,245	(145)
Rentals/Leases	800	800	198	602
Bond Collection Fees	1,300	1,300	1,300	-
Laboratory Testing	40,000	30,000	23,193	6,807
Telephone/Pagers/Alarm System	5,000	5,000	4,852	148
Computer Software	-	1,500	1,500	-
Computer Hardware Maintenance	-	200	85	115
Internet Access Fee	-	1,000	961	39

CITY OF BRADY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
WATER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Expenditures - continued				
Drug Testing	\$ 330	\$ 330	\$ 130	\$ 200
Bad Debt Expense	12,000	12,000	12,000	-
Amortization Expense	1,400	1,400	1,401	(1)
Membrane Replacement Fund	60,000	60,000	60,000	-
Meter Replacement Fund	-	87,500	87,500	-
Capital Outlay	35,000	59,150	59,150	-
Debt Service				
Principal Debt Requirements	337,687	337,687	337,687	-
Interest Expense	42,212	42,212	41,345	867
Total Expenditures	<u>1,155,453</u>	<u>1,214,970</u>	<u>1,220,140</u>	<u>(5,170)</u>
Excess Revenues Over (Under) Expenditures	583,147	384,108	348,107	(36,001)
OTHER FINANCING SOURCES (USES)				
Legal Settlement	-	-	87,500	87,500
Transfers In	-	-	197,838	197,838
Transfers Out	<u>(583,147)</u>	<u>(384,108)</u>	<u>(383,675)</u>	<u>433</u>
Total Other Financing Sources (Uses)	<u>(583,147)</u>	<u>(384,108)</u>	<u>(98,337)</u>	<u>285,771</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	249,770	249,770
Fund Balance - Beginning	<u>10,651,969</u>	<u>10,651,969</u>	<u>10,651,969</u>	<u>-</u>
Fund Balance - Ending, Budgetary Basis	<u>\$ 10,651,969</u>	<u>\$ 10,651,969</u>	10,901,739	<u>\$ 249,770</u>
Adjustments to Reconcile the Budgetary Amounts to GAAP:				
Depreciation - The City does not budget for depreciation expense.			(381,560)	
Principal Payments - The City budgets for principal debt payments.			337,687	
Capital Outlay - The City budgets for capital outlay.			59,150	
Membrane Replacement - The City budgets an accrual for membrane replacement.			60,000	
Meter Replacement - The City budgets an accrual for meter replacement.			87,500	
Fund Balance - Ending, GAAP Basis			<u>\$ 11,064,516</u>	

CITY OF BRADY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
GAS FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Gas Distribution				
Residential - Service	\$ 931,500	\$ 507,000	\$ 507,267	\$ 267
Commercial - Service	448,500	218,792	218,138	(654)
Industrial - Service	52,000	225,000	225,669	669
Fuel Pass-Through Charge	-	950,000	972,757	22,757
Annual RR Commission Fee	-	1,400	1,400	-
City Departments - Service	18,000	8,300	8,261	(39)
Gas Tap Fees	-	500	350	(150)
Meter Fees	-	100	50	(50)
Interest Income	100	1,000	1,183	183
Sales Concessions	-	(6,418)	(6,580)	(162)
Sale of Scrap	-	100	85	(15)
Reimbursed Expenses	-	77,507	2,507	(75,000)
Total Revenues	<u>1,450,100</u>	<u>1,983,281</u>	<u>1,931,087</u>	<u>(52,194)</u>
<u>EXPENDITURES</u>				
Gas Distribution				
Regular Pay	117,024	112,024	108,424	3,600
Overtime Pay	5,000	6,000	5,333	667
Standby Pay	3,650	3,650	3,600	50
Contract Labor	750	900	288	612
Hospital Insurance	23,100	23,100	23,591	(491)
Municipal Retirement	7,727	7,727	7,977	(250)
Workers Compensation Insurance	1,835	1,835	2,047	(212)
Unemployment Insurance	405	405	946	(541)
Payroll Taxes	9,518	9,518	8,885	633
Employee Expense	500	700	488	212
Employee Training	1,500	3,000	2,725	275
Organ Dues/Fees	1,500	-	-	-
Supplies	4,500	6,500	9,346	(2,846)
Meters	6,000	9,500	9,973	(473)
Repairs - Vehicles	1,500	1,500	1,045	455
Repairs - Office Equipment	500	500	-	500
Repairs - Heavy Rolling Stock	5,000	3,000	917	2,083
Repairs - Small Equipment	3,000	3,500	3,967	(467)
Repairs - General	30,000	30,000	22,028	7,972
Utilities	1,700	2,500	2,124	376
Professional Fees	10,000	11,700	11,613	87
City Attorney	200	400	288	112
Agency Fees	3,000	3,000	2,800	200
Property/Liability Insurance	12,042	12,042	11,236	806
Janitorial/Pest Services	-	-	12	(12)
Fuel	12,000	8,000	7,784	216
Rentals/Leases	1,500	1,500	1,077	423
Telephone/Pagers/Alarm System	1,000	1,000	349	651
Gas Measurement	50	50	28	22
Gas Purchases	710,000	930,000	863,750	66,250
Municipal Gas - Discount Earned	(50,000)	(36,000)	(35,364)	(636)
Uniforms and Accessories	2,500	3,500	3,651	(151)

CITY OF BRADY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
GAS FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Gas Distribution - continued				
Chemicals	\$ 1,000	\$ 1,000	\$ 322	\$ 678
Drug Testing	300	300	240	60
Bad Debt Expense	10,000	10,000	10,000	-
Repair and Replacement Fund	25,000	154,000	154,000	-
Meter Replacement Fund	-	75,000	75,000	-
Capital Outlay	364,878	23,210	23,210	-
Debt Service				
Principal Debt Requirements	106,279	106,279	106,279	-
Interest Expense	15,642	15,642	14,829	813
Total Expenditures	<u>1,450,100</u>	<u>1,546,482</u>	<u>1,464,808</u>	<u>81,674</u>
Excess Revenues Over (Under) Expenditures	-	436,799	466,279	29,480
OTHER FINANCING SOURCES (USES)				
Legal Settlement	-	-	75,000	75,000
Transfers Out	-	(436,799)	(436,008)	791
Total Other Financing Sources (Uses)	-	(436,799)	(361,008)	75,791
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	105,271	105,271
Fund Balance - Beginning	<u>1,347,125</u>	<u>1,347,125</u>	<u>1,347,125</u>	-
Fund Balance - Ending, Budgetary Basis	<u>\$ 1,347,125</u>	<u>\$ 1,347,125</u>	1,452,396	<u>\$ 105,271</u>
Adjustments to Reconcile the Budgetary Amounts to GAAP:				
Depreciation - The City does not budget for depreciation expense.			(78,686)	
Principal Payments - The City budgets for principal debt payments.			106,279	
Repair and Replacement - The City budgets an accrual for repair and replacement reserve.			154,000	
Meter Replacement - The City budgets an accrual for meter replacement.			75,000	
Capital Outlay - The City budgets for capital outlay.			23,210	
Fund Balance, Ending, GAAP Basis			<u>\$ 1,732,199</u>	

CITY OF BRADY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
SOLID WASTE FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
<u>REVENUES</u>				
Charges for Services				
Residential Service - Manual Pick-Up	\$ 432,500	\$ 415,000	\$ 417,511	\$ 2,511
Commercial Service - Manual Pick-Up	19,400	19,400	19,020	(380)
Commercial Service - Dumpster Pick-Up	250,000	250,000	250,072	72
City Departments - Service	16,000	19,000	19,118	118
Landfill Disposal Fees	80,000	70,000	76,834	6,834
Cash Long (Short)	-	398	399	1
Interest Income	2,000	2,000	2,173	173
Reimbursed Expenses	-	7,000	7,001	1
Recycling Revenue	1,000	2,800	1,697	(1,103)
Total Charges for Services	800,900	785,598	793,825	8,227
Capital Grants and Contributions				
CVCOG Grant	-	19,460	-	(19,460)
Total Capital Grants and Contributions	-	19,460	-	(19,460)
Total Revenues	800,900	805,058	793,825	(11,233)
<u>EXPENDITURES</u>				
Regular Pay	207,890	207,890	198,745	9,145
Overtime Pay	16,000	24,500	23,927	573
Hospital Insurance	59,400	59,400	51,054	8,346
Municipal Retirement	16,575	16,575	16,047	528
Workers Compensation Insurance	13,833	13,833	13,400	433
Unemployment Insurance	810	810	1,747	(937)
Payroll Taxes	17,463	17,463	16,228	1,235
Employee Expense	2,000	1,540	828	712
Employee Training	2,000	100	10	90
Supplies	5,500	4,600	7,757	(3,157)
Repairs - Vehicles	1,500	1,500	861	639
Repairs - Communication Equipment	-	700	760	(60)
Repairs - Office Equipment	1,000	270	123	147
Repairs - Heavy Rolling Stock	45,000	45,000	44,351	649
Repairs - Small Equipment	1,000	138,600	138,388	212
Repairs - General	5,000	2,200	1,350	850
Utilities	3,680	3,820	3,660	160
Professional Fees	20,000	13,150	6,981	6,169
Agency Fees	12,500	19,250	19,242	8
City Attorney	300	300	50	250
Property/Liability Insurance	4,419	4,419	4,116	303
Chemicals	400	400	19	381
Fuel	78,500	64,575	60,319	4,256
Laboratory Testing	250	250	-	250
Rentals/Leases	102,500	102,500	111,029	(8,529)
Bad Debt Expense	4,500	4,500	7,540	(3,040)
Uniforms and Accessories	3,100	3,320	3,720	(400)
Telephone/Pagers/Alarm System	1,400	1,700	1,615	85
Landfill Closure Reserve Costs	15,000	15,000	15,000	-
Recycling Cost	3,000	500	-	500

CITY OF BRADY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
SOLID WASTE FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget Positive (Negative)</u>
Expenditures - continued				
Drug Testing	\$ 500	\$ 500	\$ 440	\$ 60
Repair and Replacement Fund	25,000	25,000	25,000	-
Capital Outlay	279,714	165,145	165,145	-
Debt Service				
Principal Debt Requirements	55,380	41,131	41,131	-
Interest Expense	-	13,286	13,795	(509)
Total Expenditures	<u>1,005,114</u>	<u>1,013,727</u>	<u>994,378</u>	<u>19,349</u>
Excess Revenues Over (Under) Expenditures	(204,214)	(208,669)	(200,553)	8,116
OTHER FINANCING SOURCES (USES)				
Gain on Sale of Fixed Assets	-	-	4,200	4,200
Loan Proceeds	279,714	279,714	282,511	2,797
Transfers Out	<u>(75,500)</u>	<u>(71,045)</u>	<u>(71,000)</u>	<u>45</u>
Total Other Financing Sources (Uses)	<u>204,214</u>	<u>208,669</u>	<u>215,711</u>	<u>7,042</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	15,158	15,158
Fund Balance - Beginning	\$ 451,805	\$ 451,805	\$ 451,805	\$ -
Fund Balance - Ending, Budgetary Basis	<u>\$ 451,805</u>	<u>\$ 451,805</u>	466,963	<u>15,158</u>

Adjustments to Reconcile the Budgetary Amounts to GAAP:

Depreciation - The City does not budget for depreciation expense.	(99,167)
Principal Payments - The City budgets for principal debt payments.	41,131
Loan Proceeds - The City budgets for the proceeds from debt.	(282,511)
Repair and Replacement - the City budgets an accrual for repair and replacement reserve.	25,000
Capital Outlay - The City budgets for capital outlay.	<u>165,145</u>
Fund Balance - Ending, GAAP Basis	<u>\$ 316,561</u>

CITY OF BRADY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
UTILITY SUPPORT FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2010

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	<u>Variance with</u> <u>Final Budget</u> <u>Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Service Fees on Utilities	\$ 15,000	\$ 19,000	\$ 19,714	\$ 714
Reimbursed Expenses	-	1,698	1,698	-
Penalties on Utilities	110,000	124,000	127,017	3,017
Credit Card User Fee	2,000	2,400	2,479	79
Cash Over (Short)	(500)	(500)	(159)	341
Discounts Earned	1,500	1,500	1,561	61
Returned Check Fees	900	900	870	(30)
Utility Contracts - Bad Debt Rec	-	10,000	10,403	403
Vending Income	300	100	86	(14)
Interest Income	25,000	16,000	14,668	(1,332)
Total Revenues	154,200	175,098	178,337	3,239
<u>EXPENDITURES</u>				
Utility Support				
Utilities	-	10,000	9,922	78
Professional Fees	-	420	432	(12)
Janitorial/Pest Services	1,000	1,000	774	226
Rentals/Leases	4,500	3,600	3,285	315
Supplies - PSB	2,000	3,500	4,892	(1,392)
Postage	18,000	21,000	15,911	5,089
Telephone/Pagers/Alarm System	-	2,100	2,077	23
Credit Card Fees	1,600	2,800	2,496	304
Inventory Adjustment Expense	5,000	5,000	35	4,965
Bad Debt Expense	4,500	5,500	5,500	-
Total Utility Support	36,600	54,920	45,324	9,596
Meter Department				
Regular Pay	40,406	53,000	54,903	(1,903)
Overtime Pay	3,000	3,000	2,136	864
Hospital Insurance	13,200	13,200	12,409	791
Municipal Retirement	3,185	3,385	3,856	(471)
Workers Compensation Insurance	1,001	1,001	833	168
Unemployment Insurance	180	180	498	(318)
Payroll Taxes	3,386	4,000	4,123	(123)
Employee Expense	400	400	362	38
Employee Training	1,500	3,000	2,725	275
Supplies	2,000	1,300	4,615	(3,315)
Fuel	5,000	4,200	3,992	208
Telephone/Pagers/Alarm System	1,000	500	507	(7)
Drug Testing	275	400	365	35
Repairs - Vehicles	2,000	800	254	546
Repairs - Communications Equipment	2,000	-	-	-
Repairs - Small Equipment	1,000	-	356	(356)
Repairs - General	1,500	6,205	6,204	1
Uniforms and Accessories	700	1,775	2,127	(352)
Total Meter Shop	81,733	96,346	100,265	(3,919)
Billing-Collection				
Regular Pay	59,141	59,141	57,492	1,649
Overtime Pay	200	200	292	(92)

CITY OF BRADY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (BUDGETARY BASIS)
UTILITY SUPPORT FUND
FOR THE YEAR ENDING SEPTEMBER 30, 2010

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Billing-Collection - continued				
Hospital Insurance	\$ 19,800	\$ 19,800	\$ 18,871	\$ 929
Municipal Retirement	4,354	4,354	4,237	117
Workers Compensation Insurance	174	174	197	(23)
Unemployment Insurance	270	270	628	(358)
Payroll Taxes	4,629	4,629	4,376	253
Employee Expense	200	200	258	(58)
Employee Training	500	500	-	500
Supplies	6,000	6,500	6,069	431
Repairs - Communication Equipment	-	141	141	-
Repairs - Office Equipment	600	650	1,107	(457)
Repairs - Small Equipment	100	100	-	100
Professional Fees	100	100	-	100
Rentals/Leases	7,010	7,010	7,008	2
Uniforms and Accessories	150	150	-	150
Drug Testing	220	220	225	(5)
Computer Software Maintenance	25,000	23,000	22,166	834
Computer Hardware Maintenance	5,000	5,350	5,306	44
Total Billing-Collection	<u>133,448</u>	<u>132,489</u>	<u>128,373</u>	<u>4,116</u>
Total Expenditures	<u>251,781</u>	<u>283,755</u>	<u>273,962</u>	<u>9,793</u>
Excess of Revenues Over (Under) Expenditures	(97,581)	(108,657)	(95,625)	13,032
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>97,581</u>	<u>108,657</u>	<u>94,149</u>	<u>(14,508)</u>
Total Other Financing Sources (Uses)	<u>97,581</u>	<u>108,657</u>	<u>94,149</u>	<u>(14,508)</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	(1,476)	(1,476)
Fund Balance - Beginning	<u>481,716</u>	<u>481,716</u>	<u>481,716</u>	<u>-</u>
Fund Balance - Ending, Budgetary Basis	\$ <u>481,716</u>	\$ <u>481,716</u>	480,240	\$ <u>(1,476)</u>

Adjustments to Reconcile the Budgetary Amounts to GAAP:

Depreciation - The City does not budget for depreciation expense. (21,137)

Fund Balance - Ending, GAAP Basis \$ 459,103