

**CITY OF EUDORA, KANSAS**

**Financial Statements**

**For the Year Ended December 31, 2014**

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CITY OF EUDORA, KANSAS  
Financial Statements  
For the Year Ended December 31, 2014

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## **INDEPENDENT AUDITOR'S REPORT**

Mayor and City Commission  
City of Eudora, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Eudora, Kansas (the City), as of and for the year ended December 31, 2014 and the related notes to the financial statement.

### *Management's Responsibility for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles*

As described in Note 1 of the financial statement, the financial statement is prepared by the City to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

*Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2014, or changes in financial position and cash flows thereof for the year then ended.

*Opinion on Regulatory Basis of Accounting*

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2014, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

*Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, summary of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, 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 basic financial statement as a whole, on the basis of accounting described in Note 1.

*Mize Houser & Company PA*

Certified Public Accountants

March 19, 2015  
Lawrence, KS

CITY OF EUDORA, KANSAS  
 Summary Statement of Receipts, Expenditures and Unencumbered Cash  
 Regulatory Basis  
 For the Year Ended December 31, 2014

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	\$ 1,154,971	\$ -	\$ 3,121,664	\$ 2,874,785	\$ 1,401,850	\$ 38,438	\$ 1,440,288
Special Purpose Funds:							
Special Police and Fire Equipment	-	-	-	-	-	-	-
Special Street Maintenance	42,299	-	409,828	230,601	221,526	-	221,526
Capital Improvement	305,231	-	238,867	517,091	27,007	16,373	43,380
Special Park Fees	64,126	-	8,182	25,000	47,308	-	47,308
Pond Retention Fees	1,226	-	-	-	1,226	-	1,226
Winchester Road Impact Fees	13,200	-	-	-	13,200	-	13,200
Public Assistance	11	-	563	202	372	-	372
Hamlin Scholarship	1,150	-	-	-	1,150	-	1,150
Equipment Reserve	145,977	-	147,549	237,044	56,482	-	56,482
Energy Management Grant	207	-	-	-	207	-	207
Efficiency Kansas Loan Program	114	-	44	40	118	-	118
Bond and Interest Fund:							
Bond and Interest	127,609	-	527,714	522,846	132,477	-	132,477
Business Funds:							
Water Utility	634,116	-	1,043,973	1,089,803	588,286	17,935	606,221
Sewer Utility	950,458	-	987,688	1,013,232	924,914	9,230	934,144
Electric Utility	2,032,294	-	4,847,078	4,733,259	2,146,113	227,789	2,373,902
Refuse Utility	103,489	-	388,658	382,204	109,943	28,636	138,579
Storm Drainage Utility	33,705	-	64,078	58,269	39,514	-	39,514
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 5,610,183</u>	<u>\$ -</u>	<u>\$ 11,785,886</u>	<u>\$ 11,684,376</u>	<u>\$ 5,711,693</u>	<u>\$ 338,401</u>	<u>\$ 6,050,094</u>

Composition of Cash:

Kaw Valley Bank	Demand Account	\$ 4,445,643
	Time Deposit	1,354,725
	Clerk Revolving	1,198
	Municipal Court	25,524
	Total Kaw Valley Bank	<u>5,827,090</u>
Mutual Savings Association	Time Deposit	152,116
	Savings	35,893
	Total Mutual Savings Association	<u>188,009</u>
Douglas County Bank	Time Deposit	75,000
	Total Douglas County Bank	<u>75,000</u>
Total Cash		6,090,099
Less: Agency Funds (Schedule 3)		<u>[40,005]</u>
Total Reporting Entity (Excluding Agency Funds)		<u>\$ 6,050,094</u>

CITY OF EUDORA, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2014

NOTE 1 - Summary of Significant Accounting Policies

Financial Reporting Entity

The City of Eudora, Kansas (the City) is a municipal corporation governed by a five-member commission.

Basis of Accounting

*Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America.* The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year ended December 31, 2014:

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific regulatory receipts sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Business Fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.)

Agency Fund - funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

CITY OF EUDORA, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2014

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The budget for the year ended December 31, 2014 was not amended.

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

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

A legal operating budget is not required for capital project funds, and the following special purpose funds: Capital Improvement, Special Park Fees, Pond Retention Fees, Winchester Road Impact Fees, Public Assistance, Hamlin Scholarship, Equipment Reserve, Energy Management Grant, Efficiency Kansas Loan Program.

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

NOTE 2 - Deposits

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

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

CITY OF EUDORA, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2014

NOTE 2 - Deposits (Continued)

As of December 31, 2014, the City had the following investments and maturities.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturity</u>	<u>Rating</u>
		<u>Less than 1 year</u>	
Certificates of Deposit	\$ 1,581,841	\$ 1,581,841	NA
Total fair value	<u>\$ 1,581,841</u>	<u>\$ 1,581,841</u>	

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

*Custodial credit risk – deposits.* Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City has no designated "peak periods". All deposits were legally secured at December 31, 2014.

At December 31, 2014, the City's carrying amount of deposits was \$6,090,099 and the bank balance was \$6,107,067. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$513,009 was covered by federal depository insurance and the balance of \$5,594,058 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

NOTE 3 – Defined Benefit Pension Plan

*Plan description* - The City participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are part a cost-sharing, multiple-employer defined benefit pension plan as provided by Kansas law. KPERS and KP&F provide retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS and KP&F issue a publicly available financial report (only one is issued) that includes financial statements and required supplementary information. These reports may be obtained by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

*Funding Policy.* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate of 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. K.S.A. 74-4975 establishes the KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. Kansas law provides that employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates.

CITY OF EUDORA, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2014

**NOTE 4 - Long-Term Debt**

*General Obligation Bonds.* The City issues General Obligation Bonds to provide funds for the acquisition and construction of major capital facilities. General Obligation Bonds have been issued for both general government and business activities. These bonds are reported in the business funds if they are expected to be repaid from business fund receipts. In addition, general obligation bonds have been issued to refund both general obligation and revenue bonds.

General Obligation Bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued with equal amounts of principal maturing each year. General Obligation Bonds currently outstanding are as follows:

Purpose	Issuance Date	Maturity Date	Interest Rate	Original Amount	Balance December 31, 2014
Paid for by taxes:					
General Obligation Improvement Bonds, Series 2012-A	9/1/2012	9/1/2032	2.00-3.00%	\$ 2,840,000	\$ 2,600,000
General Obligation Refunding Bonds, Series 2013-A	2/14/2013	9/1/2026	2.00-2.125%	3,180,000	2,940,000
Paid for by revenues:					
General Obligation Bonds, Series 2010-A	10/1/2010	9/1/2030	3.25-5.00%	300,000	260,000
General Obligation Refunding Bonds, Series 2011-A	8/1/2011	10/1/2017	1.00-1.75%	810,000	375,000
General Obligation Refunding Bonds, Series 2013-B	6/26/2013	9/1/2028	2.00-3.125%	<u>2,290,000</u>	<u>2,170,000</u>
				<u>\$ 9,420,000</u>	<u>\$ 8,345,000</u>

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

Year Ending <u>December 31,</u>	Governmental <u>Funds</u>	Business <u>Funds</u>
2015	\$ 525,026	\$ 370,081
2016	526,926	375,119
2017	468,626	284,606
2018	471,326	215,194
2019	473,826	211,906
2020 - 2024	2,152,531	1,067,031
2025 - 2029	1,404,033	880,200
2030 - 2032	<u>556,800</u>	<u>21,000</u>
Total principal and interest	6,579,094	3,425,137
Less: Interest	<u>[1,039,094]</u>	<u>[620,137]</u>
Total principal	<u>\$ 5,540,000</u>	<u>\$ 2,805,000</u>

CITY OF EUDORA, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2014

NOTE 4 - Long-Term Debt (Continued)

*State Agency Loans.* The City has also obtained a loan from the State of Kansas (KDHE) to finance costs of water and sewer improvements. The loan agreement provides for a maximum principal of \$2,767,450 which includes \$2,098 of capitalized interest and loan service fees. The loan carries a gross interest rate of 2.57% and is payable in semi-annual installments beginning September 1, 2008 and ending March 1, 2028. Beginning September 1, 2014, the semi-annual installments are \$100,701 through March 1, 2028. Prior to September 1, 2014, the semi-annual installments vary between \$32,691 and \$91,455. The note outstanding at year end is as follows:

Purpose	Issuance Date	Maturity Date	Interest Rate	Original Amount	Balance December 31, 2014
Water and Sewer - KDHE loan, 2005	8/2/2005	3/1/2028	2.57%	\$ 2,767,450	\$ 2,284,915

Annual debt service requirements to maturity on the KDHE loan is as follows:

Year Ending December 31,	
2015	\$ 201,402
2016	201,402
2017	201,402
2018	201,402
2019	201,402
2020 - 2024	1,007,012
2025 - 2028	<u>704,908</u>
Total principal, interest, and service fees	2,718,930
Less: Interest and service fees	<u>[434,015]</u>
Total principal	<u>\$ 2,284,915</u>

*Changes in Long-term Debt.* During the year ended December 31, 2014, the following changes occurred in long-term liabilities:

	Balance January 1, 2014	Additions	Retirements	Refunding	Balance December 31, 2014	Interest Paid
Paid for by taxes:						
General obligation debt -						
Governmental funds	\$ 5,930,000	\$ -	\$ 390,000	\$ -	\$ 5,540,000	\$128,546
Paid for by revenues:						
General obligation debt -						
Enterprise funds	3,085,000	-	280,000	-	2,805,000	90,339
State agency loans	<u>2,414,998</u>	<u>-</u>	<u>130,083</u>	<u>-</u>	<u>2,284,915</u>	<u>61,299</u>
Totals	<u>\$ 11,429,998</u>	<u>\$ -</u>	<u>\$ 800,083</u>	<u>\$ -</u>	<u>\$ 10,629,915</u>	<u>\$ 280,184</u>

CITY OF EUDORA, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2014

NOTE 5 - Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation pay benefits. Accumulated vacation carries over to the following year and will be paid upon termination or retirement. This liability for the years ending December 31, 2014 and 2013 totaled \$115,438 and \$104,173, respectively.

NOTE 6 - Risk Management

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; and natural disasters. The City carries commercial insurance for risks of loss with the exception of certain losses from damage to or destruction of the electrical distribution system, including related lost income. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 7 - Capital Leases of Equipment

The City has entered into lease agreements as lessee for financing the acquisition of equipment.

During the year ended December 31, 2014, the following changes occurred in capital leases:

	Balance January 1, 2014	Additions	Retirements	Balance December 31, 2014	Interest Paid
Capital lease obligations -					
Governmental funds	\$ 16,710	\$ -	\$ 8,112	\$ 8,598	\$ 1,002
Business funds	-	117,223	-	117,223	-
Totals	<u>\$ 16,710</u>	<u>\$ 117,223</u>	<u>\$ 8,112</u>	<u>\$ 125,821</u>	<u>\$ 1,002</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2014, are as follows:

Year Ending December 31,	Governmental Funds	Business Funds
2015	\$ 9,114	\$ 31,530
2016	-	31,531
2017	-	31,530
2018	-	31,531
Less: amount representing interest	<u>[516]</u>	<u>[8,899]</u>
Present value of minimum lease payments	<u>\$ 8,598</u>	<u>\$ 117,223</u>

CITY OF EUDORA, KANSAS  
Notes to the Financial Statements  
For the Year Ended December 31, 2014

NOTE 8 - Interfund Transfers

A reconciliation of all transfers for 2014 follows:

	Transfers <u>In</u>	Transfers <u>Out</u>	<u>Regulatory Authority</u>
General Fund	\$ 525,473	\$ 140,000	KSA 12-825d, 12-1,117, 118 & 119
Special Street Maintenance Fund	60,000	-	KSA 12-1,119
Capital Improvement Fund	95,000	-	KSA 12-825d, 12-1,118
Special Park Fees Fund	-	25,000	KSA 12-1,118
Equipment Reserve Fund	30,000	-	KSA 12-1,117
Bond and Interest Fund	10,000	-	KSA 12-825d
Water Utility Fund	-	100,000	KSA 12-825d
Sewer Utility Fund	-	75,000	KSA 12-825d
Electric Utility Fund	-	330,473	KSA 12-825d
Refuse Utility Fund	-	40,000	KSA 12-825d
Storm Drainage Utility Fund	-	10,000	KSA 12-825d
Total	<u>\$ 720,473</u>	<u>\$ 720,473</u>	

NOTE 9 - Other Post Employment Benefits

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

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

NOTE 10 - Statutory Violations

Actual exceeded budgeted expenditures in the Special Street Maintenance Fund, which is a violation of K.S.A. 79-2935.

SCHEDULE 1

CITY OF EUDORA, KANSAS  
 Summary of Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2014

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Positive [Negative]</u>
General Fund	\$ 3,695,204	\$ -	\$ 3,695,204	\$ 2,874,785	\$ 820,419
Special Purpose Funds:					
Special Police and Fire Equipment	7,500	-	7,500	-	7,500
Special Street Maintenance	207,836	-	207,836	230,601	[22,765]
Bond and Interest Fund:					
Bond and Interest	527,346	-	527,346	522,846	4,500
Business Funds:					
Water Utility	1,671,783	-	1,671,783	1,089,803	581,980
Sewer Utility	1,613,869	-	1,613,869	1,013,232	600,637
Electric Utility	6,128,891	-	6,128,891	4,733,259	1,395,632
Refuse Utility	490,316	-	490,316	382,204	108,112
Storm Drainage Utility	80,480	-	80,480	58,269	22,211

See independent auditor's report on the financial statements.

CITY OF EUDORA, KANSAS  
 General Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Taxes	\$ 1,843,879	\$ 1,744,812	\$ 99,067
Franchise tax	149,794	128,724	21,070
Licenses	44,625	20,200	24,425
Recreation and aquatic center fees	244,279	264,006	[19,727]
Fines and fees	178,324	154,884	23,440
Interest	10,450	9,225	1,225
Use of property	40,822	13,307	27,515
Charges for services	1,120	2,288	[1,168]
Transfers in	525,473	447,973	77,500
Grant proceeds	28,525	-	28,525
Miscellaneous	<u>54,373</u>	<u>5,000</u>	<u>49,373</u>
Total Receipts	<u>3,121,664</u>	<u>\$ 2,790,419</u>	<u>\$ 331,245</u>
Expenditures			
General Government	304,601	\$ 285,523	\$ [19,078]
Planning and Zoning	222,800	269,188	46,388
Streets and Cemetery	238,124	427,907	189,783
Fire/EMS Department	287,027	298,209	11,182
Parks	37,482	534,274	496,792
Police Department/Municipal Court	1,137,051	1,158,940	21,889
Recreation	507,700	501,163	[6,537]
Transfer Out	<u>140,000</u>	<u>220,000</u>	<u>80,000</u>
Total Expenditures	<u>2,874,785</u>	<u>\$ 3,695,204</u>	<u>\$ 820,419</u>
Receipts Over [Under] Expenditures	246,879		
Unencumbered Cash, Beginning	<u>1,154,971</u>		
Unencumbered Cash, Ending	<u>\$ 1,401,850</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2-2

CITY OF EUDORA, KANSAS  
 Special Police and Fire Equipment Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Donations	\$ -	\$ 7,500	[7,500]
Total Receipts	<u>-</u>	<u>\$ 7,500</u>	<u>\$ [7,500]</u>
Expenditures			
Transfers out	-	\$ 7,500	\$ 7,500
Total Expenditures	<u>-</u>	<u>\$ 7,500</u>	<u>\$ 7,500</u>
Receipts Over [Under] Expenditures	-		
Unencumbered Cash, Beginning	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

See independent auditor's report on the financial statements.

CITY OF EUDORA, KANSAS  
 Special Street Maintenance Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Taxes	\$ 160,427	\$ 161,960	\$ [1,533]
Intergovernmental	16,465	16,870	[405]
Federal aid	170,436	-	170,436
Transfers in	60,000	-	60,000
Miscellaneous	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Total Receipts	<u>409,828</u>	<u>\$ 178,830</u>	<u>\$ 230,998</u>
Expenditures			
Commodities	230,601	\$ 15,000	\$ [215,601]
Capital outlay	-	42,836	42,836
Transfers out	<u>-</u>	<u>150,000</u>	<u>150,000</u>
Total Expenditures	<u>230,601</u>	<u>\$ 207,836</u>	<u>\$ [22,765]</u>
Receipts Over [Under] Expenditures	179,227		
Unencumbered Cash, Beginning	<u>42,299</u>		
Unencumbered Cash, Ending	<u>\$ 221,526</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2-4

CITY OF EUDORA, KANSAS  
 Capital Improvement Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2014

Receipts		
Use of money and property		\$ 2,412
Grant proceeds		41,455
Reimbursements		100,000
Transfers in		<u>95,000</u>
 Total Receipts		 <u>238,867</u>
 Expenditures		
Capital outlay		<u>517,091</u>
 Total Expenditures		 <u>517,091</u>
 Receipts Over [Under] Expenditures		 [278,224]
 Unencumbered Cash, Beginning		 <u>305,231</u>
 Unencumbered Cash, Ending		 <u>\$ 27,007</u>

\* This fund is not required to be budgeted.

CITY OF EUDORA, KANSAS  
Special Park Fees Fund  
Schedule of Receipts and Expenditures - Actual\*  
Regulatory Basis  
For the Year Ended December 31, 2014

Receipts	
Impact fees	\$ 4,840
Taxes	1,725
Use of money and property	183
Donations	<u>1,434</u>
Total Receipts	<u>8,182</u>
Expenditures	
Transfers out	<u>25,000</u>
Total Expenditures	<u>25,000</u>
Receipts Over [Under] Expenditures	[16,818]
Unencumbered Cash, Beginning	<u>64,126</u>
Unencumbered Cash, Ending	<u>\$ 47,308</u>

\* This fund is not required to be budgeted.

SCHEDULE 2-6

CITY OF EUDORA, KANSAS  
 Pond Retention Fees Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2014

Receipts		
Taxes		\$ <u>          -</u>
Total Receipts		<u>          -</u>
Expenditures		
Capital outlay		<u>          -</u>
Total Expenditures		<u>          -</u>
Receipts Over [Under] Expenditures		-
Unencumbered Cash, Beginning		<u>          1,226</u>
Unencumbered Cash, Ending		<u>\$          1,226</u>

\* This fund is not required to be budgeted.

CITY OF EUDORA, KANSAS  
 Winchester Road Impact Fees Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2014

Receipts		
Miscellaneous		\$ <u>          -</u>
Total Receipts		<u>          -</u>
Expenditures		
Commodities		<u>          -</u>
Total Expenditures		<u>          -</u>
Receipts Over [Under] Expenditures		-
Unencumbered Cash, Beginning		<u>          13,200</u>
Unencumbered Cash, Ending		<u>          \$ 13,200</u>

\* This fund is not required to be budgeted.

SCHEDULE 2-8

CITY OF EUDORA, KANSAS  
Public Assistance Fund  
Schedule of Receipts and Expenditures - Actual\*  
Regulatory Basis  
For the Year Ended December 31, 2014

Receipts	
Miscellaneous	<u>\$ 563</u>
Total Receipts	<u>563</u>
Expenditures	
Miscellaneous	<u>202</u>
Total Expenditures	<u>202</u>
Receipts Over [Under] Expenditures	361
Unencumbered Cash, Beginning	<u>11</u>
Unencumbered Cash, Ending	<u>\$ 372</u>

\* This fund is not required to be budgeted.

CITY OF EUDORA, KANSAS  
 Hamlin Scholarship Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2014

Receipts		
Donations		\$ <u>          -</u>
Total Receipts		<u>          -</u>
Expenditures		
Scholarships		<u>          -</u>
Total Expenditures		<u>          -</u>
Receipts Over [Under] Expenditures		-
Unencumbered Cash, Beginning		<u>          1,150</u>
Unencumbered Cash, Ending		<u>\$          1,150</u>

\* This fund is not required to be budgeted.

SCHEDULE 2-10

CITY OF EUDORA, KANSAS  
 Equipment Reserve Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2014

Receipts	
Transfers in	\$ 30,000
Lease proceeds	117,223
Use of money and property	<u>326</u>
 Total Receipts	 <u>147,549</u>
 Expenditures	
Capital outlay	<u>237,044</u>
 Total Expenditures	 <u>237,044</u>
 Receipts Over [Under] Expenditures	 [89,495]
 Unencumbered Cash, Beginning	 <u>145,977</u>
 Unencumbered Cash, Ending	 <u>\$ 56,482</u>

\* This fund is not required to be budgeted.

CITY OF EUDORA, KANSAS  
 Energy Management Grant Fund  
 Schedule of Receipts and Expenditures - Actual\*  
 Regulatory Basis  
 For the Year Ended December 31, 2014

Receipts		
Intergovernmental		\$ <u>          -</u>
Total Receipts		<u>          -</u>
Expenditures		
Personnel		<u>          -</u>
Total Expenditures		<u>          -</u>
Receipts Over [Under] Expenditures		-
Unencumbered Cash, Beginning		<u>          207</u>
Unencumbered Cash, Ending		<u>\$       207</u>

\* This fund is not required to be budgeted.

SCHEDULE 2-12

CITY OF EUDORA, KANSAS  
Efficiency Kansas Loan Program Fund  
Schedule of Receipts and Expenditures - Actual\*  
Regulatory Basis  
For the Year Ended December 31, 2014

Receipts	
Intergovernmental	<u>\$ 44</u>
Total Receipts	<u>44</u>
Expenditures	
Loan payments	<u>40</u>
Total Expenditures	<u>40</u>
Receipts Over [Under] Expenditures	4
Unencumbered Cash, Beginning	<u>114</u>
Unencumbered Cash, Ending	<u>\$ 118</u>

\* This fund is not required to be budgeted.

CITY OF EUDORA, KANSAS  
 Bond and Interest Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Taxes	\$ 517,714	\$ 428,450	\$ 89,264
Transfers in	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Total Receipts	<u>527,714</u>	<u>\$ 438,450</u>	<u>\$ 89,264</u>
Expenditures			
Debt service	<u>522,846</u>	<u>\$ 527,346</u>	<u>\$ 4,500</u>
Total Expenditures	<u>522,846</u>	<u>\$ 527,346</u>	<u>\$ 4,500</u>
Receipts Over [Under] Expenditures	4,868		
Unencumbered Cash, Beginning	<u>127,609</u>		
Unencumbered Cash, Ending	<u>\$ 132,477</u>		

See independent auditor's report on the financial statements.

CITY OF EUDORA, KANSAS  
 Water Utility Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Charges to customers	\$ 1,002,991	\$ 1,043,925	\$ [40,934]
Licenses and permits	6,120	6,741	[621]
Impact fees	3,875	-	3,875
Use of money and property	223	149	74
Miscellaneous	<u>30,764</u>	<u>-</u>	<u>30,764</u>
Total Receipts	<u>1,043,973</u>	<u>\$ 1,050,815</u>	<u>\$ [6,842]</u>
Expenditures			
Personnel	454,131	\$ 440,422	\$ [13,709]
Contractual services	141,405	98,953	[42,452]
Commodities	210,680	228,539	17,859
Capital outlay	39	566,880	566,841
Sales tax	5,348	14,569	9,221
Debt service	178,200	178,200	-
Transfers out	<u>100,000</u>	<u>144,220</u>	<u>44,220</u>
Total Expenditures	<u>1,089,803</u>	<u>\$ 1,671,783</u>	<u>\$ 581,980</u>
Receipts Over [Under] Expenditures	[45,830]		
Unencumbered Cash, Beginning	<u>634,116</u>		
Unencumbered Cash, Ending	<u>\$ 588,286</u>		

See independent auditor's report on the financial statements.

CITY OF EUDORA, KANSAS  
 Sewer Utility Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Charges to customers	\$ 962,212	\$ 960,717	\$ 1,495
Use of money and property	171	482	[311]
Impact fees	25,000	10,500	14,500
Miscellaneous	<u>305</u>	<u>-</u>	<u>305</u>
Total Receipts	<u>987,688</u>	<u>\$ 971,699</u>	<u>\$ 15,989</u>
Expenditures			
Personnel	338,400	\$ 328,652	\$ [9,748]
Contractual services	69,027	67,786	[1,241]
Commodities	109,419	105,404	[4,015]
Capital outlay	37,865	623,507	585,642
Debt service	383,521	383,520	[1]
Transfers out	<u>75,000</u>	<u>105,000</u>	<u>30,000</u>
Total Expenditures	<u>1,013,232</u>	<u>\$ 1,613,869</u>	<u>\$ 600,637</u>
Receipts Over [Under] Expenditures	[25,544]		
Unencumbered Cash, Beginning	<u>950,458</u>		
Unencumbered Cash, Ending	<u>\$ 924,914</u>		

See independent auditor's report on the financial statements.

CITY OF EUDORA, KANSAS  
 Electric Utility Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Charges to customers	\$ 4,693,655	\$ 4,528,126	\$ 165,529
Licenses and permits	6,695	3,750	2,945
Use of money and property	1,809	1,000	809
Miscellaneous	<u>144,919</u>	<u>3,000</u>	<u>141,919</u>
 Total Receipts	 <u>4,847,078</u>	 <u>\$ 4,535,876</u>	 <u>\$ 311,202</u>
Expenditures			
Personnel	663,861	\$ 634,691	\$ [29,170]
Contractual services	3,337,737	3,308,604	[29,133]
Commodities	167,281	94,750	[72,531]
Capital outlay	126,205	1,511,673	1,385,468
Sales tax	107,702	103,700	[4,002]
Transfers out	<u>330,473</u>	<u>475,473</u>	<u>145,000</u>
 Total Expenditures	 <u>4,733,259</u>	 <u>\$ 6,128,891</u>	 <u>\$ 1,395,632</u>
 Receipts Over [Under] Expenditures	 113,819		
 Unencumbered Cash, Beginning	 <u>2,032,294</u>		
 Unencumbered Cash, Ending	 <u>\$ 2,146,113</u>		

See independent auditor's report on the financial statements.

CITY OF EUDORA, KANSAS  
 Refuse Utility Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Charges to customers	\$ 388,658	\$ 378,400	\$ 10,258
Total Receipts	<u>388,658</u>	<u>\$ 378,400</u>	<u>\$ 10,258</u>
Expenditures			
Contractual services	342,204	\$ 352,200	\$ 9,996
Commodities	-	98,116	98,116
Transfers out	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total Expenditures	<u>382,204</u>	<u>\$ 490,316</u>	<u>\$ 108,112</u>
Receipts Over [Under] Expenditures	6,454		
Unencumbered Cash, Beginning	<u>103,489</u>		
Unencumbered Cash, Ending	<u>\$ 109,943</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2-18

CITY OF EUDORA, KANSAS  
 Storm Drainage Utility Fund  
 Schedule of Receipts and Expenditures - Actual and Budget  
 Regulatory Basis  
 For the Year Ended December 31, 2014

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Charges to customers	\$ 64,078	\$ 62,000	\$ 2,078
Total Receipts	<u>64,078</u>	<u>\$ 62,000</u>	<u>\$ 2,078</u>
Expenditures			
Commodities	48,269	\$ -	\$ [48,269]
Capital outlay	-	20,480	20,480
Transfers out	<u>10,000</u>	<u>60,000</u>	<u>50,000</u>
Total Expenditures	<u>58,269</u>	<u>\$ 80,480</u>	<u>\$ 22,211</u>
Receipts Over [Under] Expenditures	5,809		
Unencumbered Cash, Beginning	<u>33,705</u>		
Unencumbered Cash, Ending	<u>\$ 39,514</u>		

See independent auditor's report on the financial statements.

CITY OF EUDORA, KANSAS  
 Summary of Receipts and Disbursements  
 Agency Funds  
 Regulatory Basis  
 For the Year Ended December 31, 2014

<u>FUNDS</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
Payroll clearing	\$ 11,681	\$ 1,601	\$ -	\$ 13,282
Clerk revolving fund	1,198	-	-	1,198
Municipal court bonds fund	<u>24,039</u>	<u>9,105</u>	<u>7,619</u>	<u>25,525</u>
Total Agency Funds	<u>\$ 36,918</u>	<u>\$ 10,706</u>	<u>\$ 7,619</u>	<u>\$ 40,005</u>

See independent auditor's report on the financial statements.