

CITY OF EUDORA, KANSAS

Financial Statements

For the Year Ended December 31, 2013

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CITY OF EUDORA, KANSAS
Financial Statements
For the Year Ended December 31, 2013

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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, 2013 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, 2013, 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, 2013, 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

May 27, 2014
Lawrence, KS

CITY OF EUDORA, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2013

Funds	Restated 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	\$ 956,552	\$ -	\$ 2,893,826	\$ 2,695,407	\$ 1,154,971	\$ 43,533	\$ 1,198,504
Special Purpose Funds:							
Special Police and Fire Equipment	111,842	-	15,728	127,570	-	-	-
Special Street Maintenance	65,832	-	172,832	196,365	42,299	655	42,954
Capital Improvement	254,006	-	664,796	613,571	305,231	38,417	343,648
Special Park Fees	47,748	-	16,378	-	64,126	-	64,126
Pond Retention Fees	1,226	-	-	-	1,226	-	1,226
Winchester Road Impact Fees	13,200	-	-	-	13,200	-	13,200
Public Assistance	17	-	483	489	11	-	11
Hamlin Scholarship	1,000	-	900	750	1,150	-	1,150
Kansas Historical Society Grant	[68]	-	68	-	-	-	-
Equipment Reserve	8,723	-	233,744	96,490	145,977	-	145,977
EMS Response Reimbursement	[1,545]	-	15,825	14,280	-	-	-
Energy Management Grant	430	-	-	223	207	-	207
Efficiency Kansas Loan Program	22	-	92	-	114	-	114
Debt Service Fund:							
Bond and Interest	123,265	-	546,699	542,355	127,609	-	127,609
Capital Project Fund:							
Public Safety Building	2,009,168	-	361	2,009,529	-	-	-
Business Funds:							
Water Utility	662,993	-	1,009,754	1,038,631	634,116	9,945	644,061
Sewer Utility	842,329	-	3,266,181	3,158,052	950,458	8,013	958,471
Electric Utility	1,755,884	-	4,631,901	4,355,491	2,032,294	291,281	2,323,575
Refuse Utility	97,837	-	395,455	389,803	103,489	38,004	141,493
Storm Drainage Utility	29,480	-	64,466	60,241	33,705	-	33,705
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 6,979,941</u>	<u>\$ -</u>	<u>\$ 13,929,489</u>	<u>\$ 15,299,247</u>	<u>\$ 5,610,183</u>	<u>\$ 429,848</u>	<u>\$ 6,040,031</u>

Composition of Cash:

Kaw Valley Bank	Demand Account	\$ 4,483,976
	Time Deposit	1,354,726
	Clerk Revolving	1,198
	Municipal Court	<u>24,039</u>
	Total Kaw Valley Bank	<u>5,863,939</u>
Mutual Savings Association	Time Deposit	152,116
	Savings	<u>35,894</u>
	Total Mutual Savings Association	<u>188,010</u>
Douglas County Bank	Time Deposit	<u>25,000</u>
	Total Douglas County Bank	<u>25,000</u>
Total Cash		6,076,949
Less: Agency Funds (Schedule 3)		<u>[36,918]</u>
Total Reporting Entity (Excluding Agency Funds)		<u>\$ 6,040,031</u>

CITY OF EUDORA, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

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 revenues 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

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The following types of funds comprise the financial activities of the City for the year ended December 31, 2013:

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.

Capital Projects Fund – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

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, 2013

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 revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least 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, 2013 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, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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, Kansas Historical Society Grant, Equipment Reserve, EMS Response Reimbursement, Energy Management Grant, Efficiency Kansas Loan Program and Public Safety Building Fund.

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

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, 2013

NOTE 2 - Deposits (Continued)

As of December 31, 2013, 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	\$ 1,531,842	\$ 1,531,842	NA
Total fair value	<u>\$ 1,531,842</u>	<u>\$ 1,531,842</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, 2013.

At December 31, 2013, the City's carrying amount of deposits was \$6,076,949 and the bank balance was \$6,036,188. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$463,009 was covered by federal depository insurance and the balance of \$5,573,179 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. 74-4921 establishes 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 4% 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. The City employer contributions to KPERS for the years ending December 31, 2013, 2012, and 2011 were \$112,008, \$100,842, and \$90,283, respectively. The City's contributions to KP&F for the years ending December 31, 2013, 2012, and 2011 were \$76,879, \$70,005 and \$65,778, respectively.

CITY OF EUDORA, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

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 proprietary activities. These bonds are reported in the proprietary funds if they are expected to be repaid from proprietary fund revenues. 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, 2013
Paid for by taxes:					
General Obligation Bonds, Series 2006-A	1/15/2006	9/1/2020	3.50-4.40%	\$ 465,000	\$ 30,000
General Obligation Improvement Bonds, Series 2012-A	9/1/2012	9/1/2032	2.00-3.00%	2,840,000	2,720,000
General Obligation Refunding Bonds, Series 2013-A	2/14/2013	9/1/2026	2.00-2.125%	3,180,000	3,180,000
Paid for by revenues:					
General Obligation Bonds, Series 2010-A	10/1/2010	9/1/2030	3.25-5.00%	300,000	270,000
General Obligation Refunding Bonds, Series 2011-A	8/1/2011	10/1/2017	1.00-1.75%	810,000	525,000
General Obligation Refunding Bonds, Series 2013-B	6/26/2013	9/1/2028	2.00-3.125%	<u>2,290,000</u>	<u>2,290,000</u>
				<u>\$ 9,885,000</u>	<u>\$ 9,015,000</u>

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

<u>Year Ending December 31,</u>	<u>Governmental Funds</u>	<u>Business Funds</u>
2014	\$ 518,546	\$ 370,339
2015	525,026	370,081
2016	526,926	375,119
2017	468,626	284,606
2018	471,326	215,194
2019 - 2023	2,204,231	1,066,031
2024 - 2028	1,645,609	1,071,106
2029 - 2032	<u>737,350</u>	<u>43,000</u>
Total principal and interest	7,097,640	3,795,476
Less: Interest	<u>[1,167,640]</u>	<u>[710,476]</u>
Total principal	<u>\$ 5,930,000</u>	<u>\$ 3,085,000</u>

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, 2013
Water and Sewer - KDHE loan, 2005	8/2/2005	3/1/2028	2.57%	<u>\$ 2,767,450</u>	<u>\$ 2,414,998</u>

CITY OF EUDORA, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

NOTE 4 - Long-Term Debt (Continued)

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

Year Ending <u>December 31,</u>	
2014	\$ 191,392
2015	201,402
2016	201,402
2017	201,402
2018	201,402
2019 - 2023	1,007,012
2024 - 2028	<u>906,310</u>
Total principal, interest, and service fees	2,910,322
Less: Interest and service fees	<u>[495,324]</u>
Total principal	<u>\$ 2,414,998</u>

Changes in Long-term Debt. During the year ended December 31, 2013, the following changes occurred in long-term liabilities:

	Balance January 1, 2013	Additions	Retirements	Refunding	Balance December 31, 2013	Interest Paid
Paid for by taxes:						
General obligation debt -						
Governmental funds	\$ 6,250,000	\$3,180,000	\$ 345,000	\$3,155,000	\$ 5,930,000	\$234,774
Paid for by revenues:						
General obligation debt -						
Enterprise funds	970,000	2,290,000	175,000	-	3,085,000	20,725
State agency loans	<u>4,901,561</u>	<u>-</u>	<u>239,710</u>	<u>2,246,853</u>	<u>2,414,998</u>	<u>122,849</u>
Totals	<u>\$ 12,121,561</u>	<u>\$ 5,470,000</u>	<u>\$ 759,710</u>	<u>\$ 5,401,853</u>	<u>\$ 11,429,998</u>	<u>\$ 378,348</u>

Defeased debt. On February 4, 2013, the City issued \$3,180,000 of Series 2013-A general obligation refunding bonds with interest ranging from 2.00 to 2.125% to advance refund \$220,000 of Series 2006 General Obligation Bonds with interest rates ranging from 4.00% to 4.40% and to advance refund \$2,935,000 of Series 2006-B General Obligation Bonds with interest rates ranging from 3.55% to 4.25%. The net proceeds were used to establish an escrow account invested in U.S. Government Securities to pay the outstanding principal of the Series 2006 and 2006-B General Obligation Bonds and the interest due on the refunding general obligation bonds. As a result, these portions of the Series 2006 and 2006-B bonds were considered to be defeased and the liability for the defeased bonds has been removed from the City's financial statements. The transaction resulted in an economic gain of \$365,963 and a reduction of \$410,926 in future debt payments.

On June 26, 2013, the City issued \$2,290,000 of Series 2013-B general obligation refunding bonds with interest ranging from 2.00 to 3.125% to current refund all \$2,246,854 of the outstanding Kansas Water Pollution Control Revolving Loan No. 1506-01 with an interest rate of 3.07%. The transaction resulted in an economic loss of \$41,857 and an addition of \$368,973 in future debt payments.

CITY OF EUDORA, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

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, 2013 and 2012 totaled \$104,173 and \$111,162, 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, 2013, the following changes occurred in capital leases:

	Balance January 1, 2013	Additions	Retirements	Balance December 31, 2013	Interest Paid
Capital lease obligations -					
Governmental funds	\$ 7,862	\$ 25,824	\$ 16,976	\$ 16,710	\$ 472
Totals	<u>\$ 7,862</u>	<u>\$ 25,824</u>	<u>\$ 16,976</u>	<u>\$ 16,710</u>	<u>\$ 472</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2013, are as follows:

Year Ending December 31,	Governmental Funds
2014	\$ 9,114
2015	9,114
Less: amount representing interest	<u>[1,518]</u>
Present value of minimum lease payments	<u>\$ 16,710</u>

CITY OF EUDORA, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

NOTE 8 - Interfund Transfers

A reconciliation of all transfers for 2013 follows:

	Transfers <u>In</u>	Transfers <u>Out</u>	<u>Regulatory Authority</u>
General Fund	\$ 518,836	\$ 348,330	KSA 12-825d, 12-1,117 & 118
Special Police and Fire Equipment Fund	-	127,570	Fund Closeout
Special Street Maintenance	-	120,000	KSA 12-1,118
Capital Improvement Fund	604,000	-	KSA 12-825d, 12-1,118
Equipment Reserve Fund	233,550	-	KSA 12-1,117
Bond and Interest Fund	33,000	-	KSA 12-825d
Water Utility Fund	-	132,144	KSA 12-825d, 12-1,117
Sewer Utility Fund	-	70,000	KSA 12-825d, 12-1,117
Electric Utility Fund	-	503,342	KSA 12-825d, 12-1,117
Refuse Utility Fund	-	40,000	KSA 12-825d
Storm Drainage Utility Fund	-	48,000	KSA 12-825d
Total	<u>\$ 1,389,386</u>	<u>\$ 1,389,386</u>	

NOTE 9 - Capital Projects

On September 1, 2012 the City issued \$2,840,000 of Series 2012-A General Obligation Improvement Bonds to provide financing for a new public safety building. The project was completed in 2013.

NOTE 10 - Contingencies - Lawsuits

On September 27, 2007, the Rural Water District No. 4, Douglas County, Kansas filed a lawsuit against the City alleging federal statutory violations stemming from the annexation of properties which the water district claims to have been protected under 7 U.S.C. Sec. 1926(b). In addition to declaratory and injunctive relief, the lawsuit sought damages of \$170,000 plus attorney's fees. The damage portion of the case was tried by a jury in May of 2009 and the jury returned a verdict in favor of Rural Water District No. 4 in the amount of \$23,503. Briefing on plaintiff's attorney fee motion has been submitted to the Court but no ruling has been received. As part of these briefings, the plaintiff claimed attorney fees and litigation expenses in excess of \$700,000 at the time of the filing. The District Court entered an injunctive order on September 2, 2009 and Notice of Appeal was filed on September 30, 2009. The City's appellate brief was filed on February 22, 2010 and oral argument occurred on November 17, 2010. The Tenth Circuit Court of Appeals has reversed and remanded in an opinion dated September 26, 2011. Both parties moved for summary judgment which was denied by the District Court on June 26, 2012. The plaintiff petitioned the Tenth Circuit for permission to take an interlocutory appeal on June 29, 2012. The Tenth Circuit granted interlocutory appeal and oral argument took place on March 6, 2013. On July 1, 2013, the Tenth Circuit handed down its opinion. In the opinion, the Tenth Circuit stated that the District Court had erred in failing to grant Eudora's motion for summary judgment and remanded with instructions to enter judgment for Eudora. Rural Water District No. 4 filed an Application for a Writ of Certiorari seeking relief from the United States Supreme Court. That application was rejected on January 21, 2014, effectively terminating the case with no recovery for Rural Water District No. 4. Final judgment has been entered in favor of Eudora.

As of the audit date, the City was not indebted to its attorneys for legal fees and disbursements for which statements had been rendered.

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CITY OF EUDORA, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2013

NOTE 11 – 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 12 – Restatements

During 2013, the City elected to reverse the effects of 2011 transfers from the Electric Utility and Water Utility Funds to the Bond and Interest Fund and to reclassify 2012 expenditures from the Public Safety Building Fund to the Capital Improvement Fund. These changes in presentation resulted in the following restatements to beginning unencumbered cash.

	Capital Improvement Fund	Bond and Interest Fund	Public Safety Building Fund	Water Utility Fund	Electric Utility Fund
Unencumbered Cash Balance December 31, 2012	\$ 261,526	\$ 188,265	\$ 2,001,648	\$ 645,493	\$ 1,708,384
Adjustment to Reverse 2011 Transfers	-	[65,000]	-	17,500	47,500
Adjustment to Reclassify 2012 Expenditures	[7,520]	-	7,520	-	-
Unencumbered Cash Balance December 31, 2012, Restated	<u>\$ 254,006</u>	<u>\$ 123,265</u>	<u>\$ 2,009,168</u>	<u>\$ 662,993</u>	<u>\$ 1,755,884</u>

SCHEDULE 1

CITY OF EUDORA, KANSAS
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013

<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	\$ 3,598,591	\$ -	\$ 3,598,591	\$ 2,695,407	\$ 903,184
Special Purpose Funds:					
Special Police and Fire Equipment	154,960	-	154,960	127,570	27,390
Special Street Maintenance	226,068	-	226,068	196,365	29,703
Debt Service Fund:					
Bond and Interest	571,603	-	571,603	542,355	29,248
Business Funds:					
Water Utility	1,641,608	-	1,641,608	1,038,631	602,977
Sewer Utility	1,586,460	2,269,080	3,855,540	3,158,052	697,488
Electric Utility	6,358,053	-	6,358,053	4,355,491	2,002,562
Refuse Utility	492,950	-	492,950	389,803	103,147
Storm Drainage Utility	127,316	-	127,316	60,241	67,075

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, 2013

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Taxes	\$ 1,787,699	\$ 1,737,818	\$ 49,881
Franchise tax	132,153	173,800	[41,647]
Licenses	30,740	20,000	10,740
Recreation and aquatic center fees	242,124	227,100	15,024
Fines and fees	104,088	134,439	[30,351]
Interest	10,601	9,600	1,001
Use of property	52,700	15,820	36,880
Charges for services	1,518	2,500	[982]
Transfers in	518,836	522,202	[3,366]
Miscellaneous	13,367	5,000	8,367
	<u>2,893,826</u>	<u>\$ 2,848,279</u>	<u>\$ 45,547</u>
Total Receipts			
Expenditures			
General Government	240,586	\$ 655,119	\$ 414,533
Planning and Zoning	155,752	234,035	78,283
Streets and Cemetery	194,018	486,418	292,400
Fire/EMS Department	229,459	182,308	[47,151]
Parks	35,720	53,462	17,742
Police Department/Municipal Court	1,014,862	1,077,046	62,184
Recreation	476,680	470,243	[6,437]
Transfer Out	348,330	439,960	91,630
	<u>2,695,407</u>	<u>\$ 3,598,591</u>	<u>\$ 903,184</u>
Total Expenditures			
Receipts Over [Under] Expenditures	198,419		
Unencumbered Cash, Beginning	<u>956,552</u>		
Unencumbered Cash, Ending	<u>\$ 1,154,971</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, 2013

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Taxes	\$ 15,728	\$ 42,927	\$ [27,199]
Total Receipts	<u>15,728</u>	<u>\$ 42,927</u>	<u>\$ [27,199]</u>
Expenditures			
Transfers out	<u>127,570</u>	<u>\$ 154,960</u>	<u>\$ 27,390</u>
Total Expenditures	<u>127,570</u>	<u>\$ 154,960</u>	<u>\$ 27,390</u>
Receipts Over [Under] Expenditures	[111,842]		
Unencumbered Cash, Beginning	<u>111,842</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, 2013

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Taxes	\$ 156,224	\$ 159,700	\$ [3,476]
Intergovernmental	<u>16,608</u>	<u>16,730</u>	<u>[122]</u>
Total Receipts	<u>172,832</u>	<u>\$ 176,430</u>	<u>\$ [3,598]</u>
Expenditures			
Personal services	57,376	\$ 54,606	\$ [2,770]
Commodities	18,989	15,000	[3,989]
Capital outlay	-	5,000	5,000
Transfers out	120,000	135,000	15,000
Miscellaneous	<u>-</u>	<u>16,462</u>	<u>16,462</u>
Total Expenditures	<u>196,365</u>	<u>\$ 226,068</u>	<u>\$ 29,703</u>
Receipts Over [Under] Expenditures	[23,533]		
Unencumbered Cash, Beginning	<u>65,832</u>		
Unencumbered Cash, Ending	<u>\$ 42,299</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, 2013

Receipts	
Use of money and property	\$ 2,318
Grant proceeds	57,895
Miscellaneous	583
Transfers in	<u>604,000</u>
 Total Receipts	 <u>664,796</u>
 Expenditures	
Capital outlay	<u>613,571</u>
 Total Expenditures	 <u>613,571</u>
 Receipts Over [Under] Expenditures	 <u>51,225</u>
 Unencumbered Cash, Beginning (as originally stated)	 261,526
 Prior period adjustment	 <u>[7,520]</u>
 Unencumbered Cash, Beginning (restated)	 <u>254,006</u>
 Unencumbered Cash, Ending	 <u>\$ 305,231</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, 2013

Receipts		
Impact fees		\$ 5,793
Taxes		1,602
Donations		<u>8,983</u>
Total Receipts		<u>16,378</u>
Expenditures		
Capital outlay		<u>-</u>
Total Expenditures		<u>-</u>
Receipts Over [Under] Expenditures		16,378
Unencumbered Cash, Beginning		<u>47,748</u>
Unencumbered Cash, Ending		<u><u>\$ 64,126</u></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, 2013

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, 2013

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, 2013

Receipts		
Miscellaneous		<u>\$ 483</u>
Total Receipts		<u>483</u>
Expenditures		
Miscellaneous		<u>489</u>
Total Expenditures		<u>489</u>
Receipts Over [Under] Expenditures		[6]
Unencumbered Cash, Beginning		<u>17</u>
Unencumbered Cash, Ending		<u>\$ 11</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, 2013

Receipts	
Donations	<u>\$ 900</u>
Total Receipts	<u> 900</u>
Expenditures	
Scholarships	<u> 750</u>
Total Expenditures	<u> 750</u>
Receipts Over [Under] Expenditures	150
Unencumbered Cash, Beginning	<u> 1,000</u>
Unencumbered Cash, Ending	<u>\$ 1,150</u>

* This fund is not required to be budgeted.

SCHEDULE 2-10

CITY OF EUDORA, KANSAS
 Kansas Historical Society Grant Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2013

Receipts		
Intergovernmental		<u>\$ 68</u>
Total Receipts		<u>68</u>
Expenditures		
Contractual services		<u>-</u>
Total Expenditures		<u>-</u>
Receipts Over [Under] Expenditures		68
Unencumbered Cash, Beginning		<u>[68]</u>
Unencumbered Cash, Ending		<u>\$ -</u>

* This fund is not required to be budgeted.

CITY OF EUDORA, KANSAS
 Equipment Reserve Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2013

Receipts	
Transfers in	\$ 233,550
Interest	<u>194</u>
Total Receipts	<u>233,744</u>
Expenditures	
Capital outlay	91,540
Miscellaneous	<u>4,950</u>
Total Expenditures	<u>96,490</u>
Receipts Over [Under] Expenditures	137,254
Unencumbered Cash, Beginning	<u>8,723</u>
Unencumbered Cash, Ending	<u>\$ 145,977</u>

* This fund is not required to be budgeted.

SCHEDULE 2-12

CITY OF EUDORA, KANSAS
EMS Response Reimbursement Fund
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2013

Receipts	
Reimbursements	<u>\$ 15,825</u>
Total Receipts	<u>15,825</u>
Expenditures	
Personnel	<u>14,280</u>
Total Expenditures	<u>14,280</u>
Receipts Over [Under] Expenditures	1,545
Unencumbered Cash, Beginning	<u>[1,545]</u>
Unencumbered Cash, Ending	<u>\$ -</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, 2013

Receipts	
Intergovernmental	<u>\$ -</u>
Total Receipts	<u>-</u>
Expenditures	
Personnel	<u>223</u>
Total Expenditures	<u>223</u>
Receipts Over [Under] Expenditures	[223]
Unencumbered Cash, Beginning	<u>430</u>
Unencumbered Cash, Ending	<u>\$ 207</u>

* This fund is not required to be budgeted.

SCHEDULE 2-14

CITY OF EUDORA, KANSAS
Efficiency Kansas Loan Program Fund
Schedule of Receipts and Expenditures - Actual*
Regulatory Basis
For the Year Ended December 31, 2013

Receipts	
Intergovernmental	<u>\$ 92</u>
Total Receipts	<u>92</u>
Expenditures	
Loan payments	<u>-</u>
Total Expenditures	<u>-</u>
Receipts Over [Under] Expenditures	92
Unencumbered Cash, Beginning	<u>22</u>
Unencumbered Cash, Ending	<u>\$ 114</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, 2013

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Taxes	\$ 513,699	\$ 500,591	\$ 13,108
Transfers in	<u>33,000</u>	<u>33,000</u>	<u>-</u>
Total Receipts	<u>546,699</u>	<u>\$ 533,591</u>	<u>\$ 13,108</u>
Expenditures			
Debt service	<u>542,355</u>	<u>\$ 571,603</u>	<u>\$ 29,248</u>
Total Expenditures	<u>542,355</u>	<u>\$ 571,603</u>	<u>\$ 29,248</u>
Receipts Over [Under] Expenditures	<u>4,344</u>		
Unencumbered Cash, Beginning (as originally stated)	188,265		
Prior period adjustment	<u>[65,000]</u>		
Unencumbered Cash, Beginning (restated)	<u>123,265</u>		
Unencumbered Cash, Ending	<u>\$ 127,609</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2-16

CITY OF EUDORA, KANSAS
 Public Safety Building Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Year Ended December 31, 2013

Receipts	
Use of money and property	\$ <u>361</u>
Total Receipts	<u>361</u>
Expenditures	
Personal services	38,287
Capital outlay	<u>1,971,242</u>
Total Expenditures	<u>2,009,529</u>
Receipts Over [Under] Expenditures	<u>[2,009,168]</u>
Unencumbered Cash, Beginning (as originally stated)	2,001,648
Prior period adjustment	<u>7,520</u>
Unencumbered Cash, Beginning (restated)	<u>2,009,168</u>
Unencumbered Cash, Ending	<u>\$ -</u>

* This fund is not required to be budgeted.

CITY OF EUDORA, KANSAS
Water Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2013

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Charges to customers	\$ 998,616	\$ 1,016,700	\$ [18,084]
Licenses and permits	4,175	50	4,125
Impact fees	3,000	-	3,000
Use of money and property	223	183	40
Miscellaneous	<u>3,740</u>	<u>-</u>	<u>3,740</u>
Total Receipts	<u>1,009,754</u>	<u>\$ 1,016,933</u>	<u>\$ [7,179]</u>
Expenditures			
Personnel	389,650	\$ 416,270	\$ 26,620
Contractual services	93,456	119,338	25,882
Commodities	188,127	137,541	[50,586]
Capital outlay	34,672	631,514	596,842
Sales tax	4,857	16,000	11,143
Debt service	195,725	195,725	-
Transfers out	<u>132,144</u>	<u>125,220</u>	<u>[6,924]</u>
Total Expenditures	<u>1,038,631</u>	<u>\$ 1,641,608</u>	<u>\$ 602,977</u>
Receipts Over [Under] Expenditures	<u>[28,877]</u>		
Unencumbered Cash, Beginning (as originally stated)	645,493		
Prior period adjustment	<u>17,500</u>		
Unencumbered Cash, Beginning (restated)	<u>662,993</u>		
Unencumbered Cash, Ending	<u>\$ 634,116</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, 2013

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Charges to customers	\$ 956,295	\$ 984,150	\$ [27,855]
Use of money and property	211	800	[589]
Impact fees	19,675	4,875	14,800
Refunding bond proceeds	<u>2,290,000</u>	<u>-</u>	<u>2,290,000</u>
Total Receipts	<u>3,266,181</u>	<u>\$ 989,825</u>	<u>\$ 2,276,356</u>
Expenditures			
Personnel	283,680	\$ 313,476	\$ 29,796
Contractual services	58,969	68,750	9,781
Commodities	106,216	111,700	5,484
Capital outlay	11,192	475,010	463,818
Debt service	2,609,413	537,524	[2,071,889]
Bond issuance costs	18,582	-	[18,582]
Transfers out	70,000	80,000	10,000
Adjustment for Qualifying Budget Credits			
Loan refunding	<u>-</u>	<u>2,269,080</u>	<u>2,269,080</u>
Total Expenditures	<u>3,158,052</u>	<u>\$ 3,855,540</u>	<u>\$ 697,488</u>
Receipts Over [Under] Expenditures	108,129		
Unencumbered Cash, Beginning	<u>842,329</u>		
Unencumbered Cash, Ending	<u>\$ 950,458</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, 2013

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Charges to customers	\$ 4,623,516	\$ 4,598,462	\$ 25,054
Licenses and permits	4,839	3,750	1,089
Use of money and property	1,854	1,000	854
Miscellaneous	<u>1,692</u>	<u>3,000</u>	<u>[1,308]</u>
Total Receipts	<u>4,631,901</u>	<u>\$ 4,606,212</u>	<u>\$ 25,689</u>
Expenditures			
Personnel	559,139	\$ 634,387	\$ 75,248
Contractual services	3,027,447	3,271,639	244,192
Commodities	157,675	87,620	[70,055]
Capital outlay	969	1,813,176	1,812,207
Sales tax	106,919	104,989	[1,930]
Transfers out	<u>503,342</u>	<u>446,242</u>	<u>[57,100]</u>
Total Expenditures	<u>4,355,491</u>	<u>\$ 6,358,053</u>	<u>\$ 2,002,562</u>
Receipts Over [Under] Expenditures	<u>276,410</u>		
Unencumbered Cash, Beginning (as originally stated)	1,708,384		
Prior period adjustment	<u>47,500</u>		
Unencumbered Cash, Beginning (restated)	<u>1,755,884</u>		
Unencumbered Cash, Ending	<u>\$ 2,032,294</u>		

See independent auditor's report on the financial statements.

SCHEDULE 2-20

CITY OF EUDORA, KANSAS
 Refuse Utility Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2013

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Charges to customers	\$ 395,455	\$ 378,400	\$ 17,055
Total Receipts	<u>395,455</u>	<u>\$ 378,400</u>	<u>\$ 17,055</u>
Expenditures			
Contractual services	349,803	\$ 352,200	\$ 2,397
Commodities	-	100,750	100,750
Transfers out	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total Expenditures	<u>389,803</u>	<u>\$ 492,950</u>	<u>\$ 103,147</u>
Receipts Over [Under] Expenditures	5,652		
Unencumbered Cash, Beginning	<u>97,837</u>		
Unencumbered Cash, Ending	<u>\$ 103,489</u>		

See independent auditor's report on the financial statements.

CITY OF EUDORA, KANSAS
Storm Drainage Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2013

	<u>Actual</u>	<u>Budget</u>	Variance Positive [Negative]
Receipts			
Charges to customers	\$ 64,466	\$ 62,000	\$ 2,466
Total Receipts	<u>64,466</u>	<u>\$ 62,000</u>	<u>\$ 2,466</u>
Expenditures			
Commodities	12,241	\$ -	\$ [12,241]
Capital outlay	-	54,316	54,316
Transfers out	<u>48,000</u>	<u>73,000</u>	<u>25,000</u>
Total Expenditures	<u>60,241</u>	<u>\$ 127,316</u>	<u>\$ 67,075</u>
Receipts Over [Under] Expenditures	4,225		
Unencumbered Cash, Beginning	<u>29,480</u>		
Unencumbered Cash, Ending	<u>\$ 33,705</u>		

See independent auditor's report on the financial statements.

SCHEDULE 3

CITY OF EUDORA, KANSAS
 Summary of Receipts and Disbursements
 Agency Funds
 Regulatory Basis
 For the Year Ended December 31, 2013

<u>FUNDS</u>	Beginning Cash <u>Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	Ending Cash <u>Balance</u>
Payroll clearing	\$ 10,674	\$ 1,007	\$ -	\$ 11,681
Clerk revolving fund	2,843	-	1,645	1,198
Municipal court bonds fund	<u>19,765</u>	<u>10,053</u>	<u>5,779</u>	<u>24,039</u>
Total Agency Funds	<u>\$ 33,282</u>	<u>\$ 11,060</u>	<u>\$ 7,424</u>	<u>\$ 36,918</u>

See independent auditor's report on the financial statements.