

CITY OF ST. JOHN, KANSAS

Financial Statement With Independent Auditors' Report

For the Year Ended December 31, 2014

CITY OF ST. JOHN, KANSAS
Financial Statement With Independent Auditors' Report
For the Year Ended December 31, 2014

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Certified
Public
Accountants

INDEPENDENT AUDITORS' REPORT

To the City Council
City of St. John, Kansas
St. John, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of **City of St. John, Kansas**, 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.

Auditors' 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 from 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, the financial statement is prepared by **City of St. John, Kansas** 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 matters 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 **City of St. John, Kansas** 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 **City of St. John, Kansas** 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* as 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, and 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.

The 2013 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2014 basic financial statement upon which we rendered an unmodified opinion dated March 17, 2015. The 2013 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2013 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statement. The 2013 comparative information was subjected to the auditing procedures applied in the audit of the 2013 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 2013 basic

financial statement or to the 2013 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 2013 comparative information is fairly stated in all material respects in relation to the 2013 basic financial statement as a whole, on the basis of accounting described in Note 1.

Adams, Brown, Beran & Ball, Chartered

ADAMS, BROWN, BERAN & BALL, CHTD.
Certified Public Accountants

March 17, 2015

CITY OF ST. JOHN, 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 Encumbrances and Accounts Payable | Ending Cash Balance |
|--|---|---|----------------------------|------------------|--|--|------------------------|
| Governmental Type Funds | | | | | | | |
| General Fund | \$ 275,021 | 15,635 | 789,234 | 738,175 | 341,715 | 71,208 | 412,923 |
| Special Purpose Funds | | | | | | | |
| Library Fund | 694 | - | 25,653 | 25,524 | 823 | - | 823 |
| Special Highway Fund | - | - | 32,704 | 32,704 | - | - | - |
| Special Parks and Recreation Fund | 1,186 | 607 | 3,146 | 300 | 4,639 | 300 | 4,939 |
| Equipment Reserve Fund | 120,502 | - | 48,000 | 25,196 | 143,306 | - | 143,306 |
| Jubilee Fund | 2,711 | - | 6,034 | 5,926 | 2,819 | - | 2,819 |
| Capital Improvement Fund | 5,000 | - | 15,000 | 7,279 | 12,721 | - | 12,721 |
| Bond and Interest Funds | | | | | | | |
| Series 2001 Bond and Interest Fund | 4,163 | - | 6,986 | 6,986 | 4,163 | - | 4,163 |
| Series 2003 Bond and Interest Fund | 455 | - | 13,400 | 12,606 | 1,249 | - | 1,249 |
| Capital Project Fund | | | | | | | |
| Nitrate Removal Plant Loan Fund | - | - | 81,541 | 81,541 | - | - | - |
| Business Funds | | | | | | | |
| Water and Light Fund | 594,274 | 52,250 | 1,673,191 | 1,730,859 | 588,856 | 72,787 | 661,643 |
| Electric and Waterworks Utility Surplus Fund | 303,434 | - | 60,000 | (93) | 363,527 | - | 363,527 |
| Sewer Service Fund | 41,417 | 21,700 | 91,052 | 78,561 | 75,608 | 26,480 | 102,088 |
| Sewer Replacement Fund | 140,046 | - | 21,404 | - | 161,450 | - | 161,450 |
| Solid Waste Fund | 51,845 | - | 133,252 | 131,372 | 53,725 | - | 53,725 |
| Storm Water Utility Fund | 17,103 | - | 17,032 | 15,000 | 19,135 | - | 19,135 |
| Storm Water Utility Replacement Fund | 90,000 | - | 15,000 | - | 105,000 | - | 105,000 |
| Water System Capital Improvement Fund | 207,887 | - | 52,020 | 29,688 | 230,219 | - | 230,219 |
| Trust Funds | | | | | | | |
| Edna Smith Park Memorial Fund | 11,757 | - | 30 | - | 11,787 | - | 11,787 |
| Cornwell Memorial Fund | 213,759 | - | 1,206 | 7,676 | 207,289 | 194 | 207,483 |
| Witt Memorial Fund | 62,403 | - | 324 | - | 62,727 | - | 62,727 |
| Total Reporting Entity (Excluding Agency Funds) | \$ 2,143,657 | 90,192 | 3,086,209 | 2,929,300 | 2,390,758 | 170,969 | 2,561,727 |
| | | | Composition of Cash | | | | |
| | | | | | | | \$ 2,037,591 |
| | | | | | | | 399,202 |
| | | | | | | | 143,493 |
| | | | | | | | 624 |
| | | | | | | | <u>2,580,910</u> |
| | | | | | | | (19,183) |
| | | | | | | | <u>\$ 2,561,727</u> |

The notes to the financial statement are an integral part of this statement.

CITY OF ST. JOHN, KANSAS
Notes to Financial Statement
December 31, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of St. John, Kansas has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas. The accompanying financial statement is presented to conform to the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The following is a summary of such significant policies.

Use of Estimates

The preparation of financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas requires management to make estimates and assumptions that affect the reported amount of unencumbered cash balances and accounts payable during the reporting period. Actual results could differ from these estimates.

Financial Reporting Entity

The City is a municipal corporation governed by an elected mayor and five elected council members. A related municipal entity is an entity established to benefit the City and/or its constituents. The City has no related municipal entities.

Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

Regulatory Basis Fund Types

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

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

Trust Fund – fund used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

CITY OF ST. JOHN, KANSAS
Notes to Financial Statement
December 31, 2014

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

Basis of Accounting

The 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 City 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 City to use the regulatory basis of accounting.

Departure From Accounting Principles Generally Accepted in the United States of America

The basis of accounting described above results in a financial statement presentation which shows cash receipts, expenditures, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expenses, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under accounting principles generally accepted in the United States of America, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. Capital assets that account for the land, buildings, and equipment owned by the City are not presented in the financial statement. Also, long-term debt such as general obligation bonds, revenue bonds, capital leases, and temporary notes are not presented in the financial statement.

Property Tax Calendar

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Major tax distributions are made in the months of December through July. Lien dates for personal property are in March and August and lien dates for real property are in September. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received.

Restricted Assets

Restricted cash balances are reported in various funds that are legally restricted for specified uses such as the payment of debt service and fiscal fees on long-term debt and for expenditures approved in federal and state grant contracts. Also, cash is restricted in the trust and agency funds of the City for special purposes.

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis of accounting.

CITY OF ST. JOHN, KANSAS
Notes to Financial Statement
December 31, 2014

NOTE 2 – 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:

- a. Preparation of the budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
- d. 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 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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 schedules 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 City 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, trust funds, and the following special purpose funds: Equipment Reserve Fund, Jubilee Fund and Capital Improvement 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 3 – DEPOSITS AND INVESTMENTS

City of St. John, Kansas follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund category in the summary statement of receipts, expenditures and unencumbered cash.

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

CITY OF ST. JOHN, KANSAS
Notes to Financial Statement
December 31, 2014

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.

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.

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 K.S.A. 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 does not use "peak periods". All deposits were legally secured at December 31, 2014.

At December 31, 2014, the City's carrying amount of deposits was \$2,580,910 and the bank balance was \$2,651,278. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$533,485 was covered by federal depository insurance, and \$2,117,793 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. The City had no investments at December 31, 2014.

NOTE 4 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions or maintaining debt service on a routine basis as authorized by Kansas statutes. **City of St. John, Kansas'** interfund transfers and regulatory authority for the year ended December 31, 2014 were as follows:

| From | To | Regulatory Authority | Amount |
|--------------------------|--|----------------------|-----------|
| General Fund | Capital Project Improvement Fund | K.S.A. 12-1,118 | \$ 15,000 |
| Water and Light Fund | General Fund | K.S.A. 12-825d | 182,000 |
| Storm Water Utility Fund | Storm Water Utility Replacement Fund | K.S.A. 12-825d | 15,000 |
| Water and Light Fund | Electric and Waterworks Utility Surplus Fund | K.S.A. 12-825d | 60,000 |
| Sewer Service Fund | Sewer Replacement Fund | K.S.A. 12-825d | 21,404 |
| Sewer Service Fund | General Fund | K.S.A. 12-825d | 20,000 |
| Water and Light Fund | Equipment Reserve Fund | K.S.A. 12-1,117 | 48,000 |

CITY OF ST. JOHN, KANSAS
Notes to Financial Statement
December 31, 2014

NOTE 5 – CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

| | | Project Authorization | Expenditures To Date |
|-------------------------|----|--------------------------|-------------------------|
| Nitrate Removal Project | \$ | 2,804,233 | 2,804,233 |

NOTE 6 – LITIGATION

City of St. John, Kansas is a party to various legal proceedings which normally occur in governmental operations. These legal proceedings are not likely to have a material financial impact on the affected funds of the City.

NOTE 7 – RISK MANAGEMENT

City of St. John, Kansas carries commercial insurance for risks of loss, including property, general liability, inland marine, workers' compensation, umbrella, automobile, law enforcement, commercial output, crime and a public official's policy. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 8 – RELATED PARTY TRANSACTIONS

City of St. John, Kansas entered into an arms length transaction with council member Bob Stimatze. The City paid \$9,084 for services provided by Bob's Hauling Service, Inc. during the year ended December 31, 2014. Bob Stimatze is the owner of the business.

NOTE 9 – GRANTS AND SHARED REVENUES

City of St. John, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audit, is not believed to be material.

NOTE 10 – DEFERRED COMPENSATION PLAN

City of St. John, Kansas sponsors a deferred compensation plan under Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. The employee is responsible for the amount of deferred compensation to be contributed. The City is not required to make any contributions.

NOTE 11 – DEFINED BENEFIT PENSION PLAN

Plan Description

City of St. John, Kansas participates in the Kansas Public Employees Retirement System (KPERs), a cost-sharing, multiple-employer defined benefit pension plan as provided by Kansas law. KPERs provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law

CITY OF ST. JOHN, KANSAS
Notes to Financial Statement
December 31, 2014

establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S 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 at 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. 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 is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, **City of St. John, Kansas** allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City 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 City 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.

NOTE 13 – COMPENSATED ABSENCES

Vacation

City of St. John, Kansas' policy regarding vacation for full-time employees is as follows:

| <u>Years Worked</u> | <u>Amount Earned</u> |
|---------------------|----------------------|
| 0-5 | 8 hours/month |
| 6-10 | 10 hours/month |
| 11-15 | 12 hours/month |
| 16-20 | 14 hours/month |
| 21 and over | 16 hours/month |

Part-time employees who work at least 20 hours or more per week shall earn vacation at the rate of 4 hours for each month of employment.

Employees in training during their initial employment shall be credited with vacation for each month of employment but shall not be permitted to use any vacation prior to the completion of their training period. An employee may carry over the total days earned as of December 31 of the current year plus five days unused from the previous year. Upon termination, an employee shall be compensated for all earned but unused vacation at his/her final rate of pay. The potential liability for vacation at December 31, 2014 was \$30,223. This is not reflected in the financial statement.

CITY OF ST. JOHN, KANSAS
Notes to Financial Statement
December 31, 2014

Sick Leave

The City's policy regarding sick leave is that an employee can accumulate sick leave at the rate of 8 hours per month up to a maximum of 120 days, which is cancelled upon the termination of the employee. The potential liability for sick leave at December 31, 2014 was \$146,016. This is not reflected in the financial statement.

Included in the accumulated sick leave balance is an amount for the City's sick leave pool. The purpose of the sick leave pool is to allow staff members to contribute unused sick leave to a pool and allow participating members, who would otherwise have their pay reduced, draw from the pool and avoid having their pay reduced. There is no limit to the amount of sick leave used by each individual except for the amount of sick leave in the pool.

Family and Medical Leave

Upon request any employee will be granted up to 12 weeks of unpaid family and medical leave during any 12 month period. Such leave will be available as the result of the birth, adoption or placement of a child for foster care, to care for a spouse, child or parent with a serious health condition or due to the disabling illness of the employee. Where possible, employees are required to provide at least 30 days notice before beginning to take the leave. An employee may choose, or the employer may require, that any accrued paid vacation, sick or personal leave of the employee be substituted for the 12 weeks of leave provided under this law. To be eligible for family and medical leave, an employee must have worked for the city at least 12 months and for a minimum of 1,250 hours during the previous year.

Injury Leave

Any employee injured on the job shall be eligible to receive injury leave with pay during the seven day waiting period for workers' compensation claims.

Comp Time

Comp time is earned at the rate of 1½ hours per every hour worked over 40 hours during a one week period. Employees have the option of taking time off or receiving payment for the hours earned. Comp time is accrued to a maximum of 40 hours for non-public safety employees. The liability for comp time at December 31, 2014 was \$2,212. This is reflected in the financial statement.

NOTE 14 – DEBT RESTRICTIONS AND COVENANTS

KDHE Revolving Loan

The City entered into a loan agreement with the Kansas Department of Health and Environment to fund the construction of a water nitrate removal plant in the amount of \$2,744,598. The loan agreement requires that the City provide for the repayment of this loan by providing dedicated funds. The City is in compliance with this requirement as of December 31, 2014.

NOTE 15 – LONG-TERM DEBT

City of St. John, Kansas has the following types of long-term debt.

General Obligation Bonds

On September 1, 2001, the City issued \$74,926 in General Obligation Bonds, Series 2001 to provide funds for Centennial Court's streets and guttering.

On January 1, 2003, the City issued \$138,000 in General Obligation Bonds, Series 2003 to provide permanent financing for the acquisition of a fire pumper truck.

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Notes to Financial Statement
December 31, 2014

KDHE Revolving Loan

The City entered into a \$2,744,598 revolving loan agreement on January 30, 2012 with the Kansas Department of Health and Environment acting on behalf of the State of Kansas to finance the construction of a water nitrate removal plant. The City will use proceeds generated by the operation of the facility for loan repayment.

Lease Obligations

The City has entered into lease agreements with an option to purchase at the expiration of the lease terms. The leases contain a fiscal funding clause.

CITY OF ST. JOHN, KANSAS
Notes to Financial Statement
December 31, 2014

Changes in long-term liabilities for the City for the year ended December 31, 2014, were as follows:

| Issue | Interest Rates | Date of Issue | Amount of Issue | Date of Final Maturity | Balance Beginning of Year | Additions | Reductions/ Payments | Balance End of Year | Interest Paid |
|---|----------------|---------------|-----------------|------------------------|---------------------------|----------------|----------------------|---------------------|---------------|
| General Obligation Bonds | | | | | | | | | |
| Series 2001 | 3.75% - 5.25% | 09/01/2001 | \$ 74,926 | 2016 | \$ 19,000 | - | 6,000 | 13,000 | 986 |
| Series 2003 | 3.30% - 4.70% | 01/01/2003 | 138,000 | 2018 | 50,000 | - | 10,000 | 40,000 | 2,320 |
| Total General Obligation Bonds | | | | | 69,000 | - | 16,000 | 53,000 | 3,306 |
| KDHE Loan | | | | | | | | | |
| Nitrate Removal Plant | 2.42% | 01/30/2012 | 2,744,598 | 2033 | 1,171,219 | - | 57,730 | 1,113,489 | 45,672 |
| Capital Leases | | | | | | | | | |
| 2013 Generation Silencer Catalytic Converters | 2.60% | 06/11/2014 | 114,300 | 2019 | - | 114,300 | 20,312 | 93,988 | - |
| 1997 IHC 4900 Dump Truck | 3.20% | 07/22/2011 | 14,000 | 2014 | 4,728 | - | 4,728 | - | 172 |
| Total Contractual Indebtedness | | | | | <u>\$ 1,244,947</u> | <u>114,300</u> | <u>98,770</u> | <u>1,260,477</u> | <u>49,150</u> |

CITY OF ST. JOHN, KANSAS
Notes to Financial Statement
December 31, 2014

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

| | YEAR | | | | | | | | Total |
|---|-------------------|----------------|----------------|----------------|---------------|----------------|----------------|----------------|------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 - 2024 | 2025 - 2029 | 2030 - 2033 | |
| Principal | | | | | | | | | |
| General Obligation Bonds | | | | | | | | | |
| Series 2001 | \$ 6,000 | 7,000 | - | - | - | - | - | - | 13,000 |
| Series 2003 | 10,000 | 10,000 | 10,000 | 10,000 | - | - | - | - | 40,000 |
| KDHE Loan | | | | | | | | | |
| Nitrate Removal Plant | 46,789 | 47,929 | 49,095 | 50,291 | 51,515 | 277,011 | 312,414 | 278,445 | 1,113,489 |
| Capital Lease | | | | | | | | | |
| 2013 Generation Silencer Catalytic Converters | 17,834 | 18,299 | 18,787 | 19,282 | 19,786 | - | - | - | 93,988 |
| Total Principal | 80,623 | 83,228 | 77,882 | 79,573 | 71,301 | 277,011 | 312,414 | 278,445 | 1,260,477 |
| Interest | | | | | | | | | |
| General Obligation Bonds | | | | | | | | | |
| Series 2001 | 680 | 367 | - | - | - | - | - | - | 1,047 |
| Series 2003 | 1,880 | 1,410 | 940 | 470 | - | - | - | - | 4,700 |
| KDHE Loan | | | | | | | | | |
| Nitrate Removal Plant | 22,809 | 21,834 | 20,836 | 19,814 | 18,766 | 77,207 | 46,923 | 13,151 | 241,340 |
| Capital Lease | | | | | | | | | |
| 2013 Generation Silencer Catalytic Converters | 2,478 | 2,013 | 1,525 | 1,030 | 527 | - | - | - | 7,573 |
| Total Interest | 27,847 | 25,624 | 23,301 | 21,314 | 19,293 | 77,207 | 46,923 | 13,151 | 254,660 |
| Total Principal and Interest | \$ 108,470 | 108,852 | 101,183 | 100,887 | 90,594 | 354,218 | 359,337 | 291,596 | 1,515,137 |

CITY OF ST. JOHN, KANSAS

Regulatory-Required Supplementary Information

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

| Funds | Certified Budget | Adjustment for Qualifying Budget Credits | Total Budget for Comparison | Expenditures Chargeable to Current Year | Variance Over (Under) |
|--------------------------------------|---------------------|--|-----------------------------------|---|-----------------------------|
| Governmental Type Funds | | | | | |
| General Fund | \$ 880,136 | - | 880,136 | 738,175 | (141,961) |
| Special Purpose Funds | | | | | |
| Library Fund | 25,524 | - | 25,524 | 25,524 | - |
| Special Highway Fund | 33,210 | - | 33,210 | 32,704 | (506) |
| Special Parks and Recreation Fund | 300 | - | 300 | 300 | - |
| Bond and Interest Funds | | | | | |
| Series 2001 Bond and Interest Fund | 6,986 | - | 6,986 | 6,986 | - |
| Series 2003 Bond and Interest Fund | 12,679 | - | 12,679 | 12,606 | (73) |
| Business Funds | | | | | |
| Water and Light Fund | 1,831,833 | - | 1,831,833 | 1,730,859 | (100,974) |
| Sewer Service Fund | 112,584 | - | 112,584 | 78,561 | (34,023) |
| Sewer Replacement Fund | 161,450 | - | 161,450 | - | (161,450) |
| Solid Waste Fund | 133,726 | - | 133,726 | 131,372 | (2,354) |
| Storm Water Utility Fund | 35,953 | - | 35,953 | 15,000 | (20,953) |
| Storm Water Utility Replacement Fund | 105,000 | - | 105,000 | - | (105,000) |

CITY OF ST. JOHN, KANSAS

General Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year Ended December 31, 2014

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|--|----------------------|----------------|----------------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Taxes and Shared Revenues | | | | |
| Ad Valorem Property | \$ 310,904 | 307,896 | 321,090 | (13,194) |
| Delinquent | 12,277 | 8,674 | 6,000 | 2,674 |
| Motor Vehicle | 63,670 | 67,809 | 47,883 | 19,926 |
| 16/20 Motor Vehicle Tax | 4,076 | 7,847 | 3,823 | 4,024 |
| Recreational Vehicle | 998 | 942 | 973 | (31) |
| Local Alcohol Liquor | 1,717 | 3,146 | 300 | 2,846 |
| County Sales | 89,827 | 94,697 | 88,000 | 6,697 |
| Federal Aid | 13,101 | - | - | - |
| State Aid | 453 | - | - | - |
| Park Concessions | 3,900 | 2,819 | 4,000 | (1,181) |
| Franchise Fees | 30,802 | 38,450 | 27,500 | 10,950 |
| Licenses, Fees and Permits | 2,001 | 1,739 | 2,200 | (461) |
| Miscellaneous Rentals | 1,940 | 1,859 | 1,100 | 759 |
| Municipal Court Fines, Bonds and Diversion | 2,994 | 855 | 2,300 | (1,445) |
| Reimbursed Expenses | 9,456 | 42,378 | 3,500 | 38,878 |
| Interest | 11,972 | 6,378 | 10,000 | (3,622) |
| Transfers In | 202,000 | 202,000 | 202,000 | - |
| Other | 2,861 | 1,745 | 1,500 | 245 |
| Total Receipts | \$ 764,949 | 789,234 | <u>722,169</u> | <u>67,065</u> |

CITY OF ST. JOHN, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014
(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|-----------------------|----------------|-----------------------------|
| | | Actual | Budget | |
| Expenditures | | | | |
| General Administrative | \$ 67,610 | 67,004 | 77,348 | (10,344) |
| Public Safety | | | | |
| Fire Department | 20,967 | 28,877 | 58,400 | (29,523) |
| Police Department | 154,171 | 153,277 | 189,150 | (35,873) |
| Recreation | | | | |
| Park Department | 50,774 | 75,399 | 65,200 | 10,199 |
| Swimming Pool | 28,439 | 31,548 | 45,300 | (13,752) |
| Street Department | 134,709 | 115,475 | 139,700 | (24,225) |
| Transportation for Elderly | 1,160 | 1,234 | 3,950 | (2,716) |
| Beautification, Tree Board, Demolition | 17,201 | 22,208 | 9,000 | 13,208 |
| Municipal Court | 4,244 | 4,017 | 4,750 | (733) |
| City Shop | 7,959 | 5,599 | 8,100 | (2,501) |
| Capital Outlay | 45,000 | 55,000 | 55,000 | - |
| Witt Community Center | 10,938 | 13,376 | 13,300 | 76 |
| Employee Benefits | 141,264 | 141,741 | 188,470 | (46,729) |
| Transfers Out | 10,000 | 15,000 | 15,000 | - |
| Neighborhood Revitalization Rebate | 8,969 | 8,420 | 7,468 | 952 |
| Total Expenditures | <u>703,405</u> | <u>738,175</u> | <u>880,136</u> | <u>(141,961)</u> |
| Receipts Over (Under) Expenditures | 61,544 | 51,059 | | |
| Unencumbered Cash - Beginning | 197,790 | 275,021 | | |
| Prior Year Cancelled Encumbrances | <u>15,687</u> | <u>15,635</u> | | |
| Unencumbered Cash - Ending | \$ <u>275,021</u> | <u>341,715</u> | | |

CITY OF ST. JOHN, KANSAS
Library Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014
(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|--------------------------|---------------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Taxes and Shared Revenues | | | | |
| Ad Valorem Property | \$ 14,550 | 21,617 | 22,541 | (924) |
| Delinquent | 569 | 425 | 200 | 225 |
| Motor Vehicle | 3,099 | 3,196 | 2,241 | 955 |
| Recreational Vehicle | 49 | 44 | 45 | (1) |
| 16/20 Motor Vehicle | 179 | 371 | 179 | 192 |
| Total Receipts | <u>18,446</u> | <u>25,653</u> | <u>25,206</u> | <u>447</u> |
| Expenditures | | | | |
| Appropriations | 17,965 | 24,933 | 25,000 | (67) |
| Neighborhood Revitalization Rebate | 420 | 591 | 524 | 67 |
| Total Expenditures | <u>18,385</u> | <u>25,524</u> | <u>25,524</u> | <u>-</u> |
| Receipts Over (Under) Expenditures | 61 | 129 | | |
| Unencumbered Cash - Beginning | <u>633</u> | <u>694</u> | | |
| Unencumbered Cash - Ending | \$ <u><u>694</u></u> | <u><u>823</u></u> | | |

CITY OF ST. JOHN, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014
(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|----------------------|---------------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Taxes and Shared Revenues | | | | |
| State Gasoline Tax | \$ 31,997 | 32,704 | <u>33,210</u> | <u>(506)</u> |
| Expenditures | | | | |
| Commodities | <u>34,000</u> | <u>32,704</u> | <u>33,210</u> | <u>(506)</u> |
| Receipts Over (Under) Expenditures | (2,003) | - | | |
| Unencumbered Cash - Beginning | <u>2,003</u> | <u>-</u> | | |
| Unencumbered Cash - Ending | \$ <u>-</u> | <u>-</u> | | |

CITY OF ST. JOHN, KANSAS
Special Parks and Recreation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014
(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|---------------------|------------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Taxes and Shared Revenues | | | | |
| Local Alcohol Liquor | \$ 1,717 | 3,146 | <u>300</u> | <u>2,846</u> |
| Expenditures | | | | |
| Contractual Services | <u>607</u> | <u>300</u> | <u>300</u> | <u>-</u> |
| Receipts Over (Under) Expenditures | 1,110 | 2,846 | | |
| Unencumbered Cash - Beginning | 76 | 1,186 | | |
| Prior Year Cancelled Encumbrances | <u>-</u> | <u>607</u> | | |
| Unencumbered Cash - Ending | \$ <u>1,186</u> | <u>4,639</u> | | |

CITY OF ST. JOHN, KANSAS
Equipment Reserve Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year Actual |
|---|----------------------|------------------------|
| Receipts | | |
| Transfers In | \$ 48,000 | 48,000 |
| Expenditures | | |
| Capital Outlay | 4,906 | 25,196 |
| Receipts Over (Under) Expenditures | 43,094 | 22,804 |
| Unencumbered Cash - Beginning | 77,408 | 120,502 |
| Unencumbered Cash - Ending | \$ 120,502 | 143,306 |

CITY OF ST. JOHN, KANSAS
Jubilee Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2014
(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year Actual |
|---|----------------------|------------------------|
| Receipts | | |
| Miscellaneous | \$ 4,013 | 5,534 |
| Interest | 500 | 500 |
| Total Receipts | <u>4,513</u> | <u>6,034</u> |
| Expenditures | | |
| Contractual Service | 54 | 89 |
| Commodities | 4,537 | 5,837 |
| Total Expenditures | <u>4,591</u> | <u>5,926</u> |
| Receipts Over (Under) Expenditures | (78) | 108 |
| Unencumbered Cash - Beginning | <u>2,789</u> | <u>2,711</u> |
| Unencumbered Cash - Ending | <u>\$ 2,711</u> | <u>2,819</u> |

CITY OF ST. JOHN, KANSAS
Capital Improvement Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year Actual |
|---|----------------------|------------------------|
| Receipts | | |
| Transfers In | \$ 10,000 | 15,000 |
| Expenditures | | |
| Capital Outlay | 20,242 | 7,279 |
| Receipts Over (Under) Expenditures | (10,242) | 7,721 |
| Unencumbered Cash - Beginning | 15,242 | 5,000 |
| Unencumbered Cash - Ending | <u>\$ 5,000</u> | <u>12,721</u> |

CITY OF ST. JOHN, KANSAS
Series 2001 Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014
(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|------------------------|--------------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Special Assessments | \$ 7,286 | 6,986 | 6,986 | - |
| Expenditures | | | | |
| Principal Payments | 6,000 | 6,000 | 6,000 | - |
| Interest Payments | 1,286 | 986 | 986 | - |
| Commissions and Fees | 1 | - | - | - |
| Total Expenditures | <u>7,287</u> | <u>6,986</u> | <u>6,986</u> | <u>-</u> |
| Receipts Over (Under) Expenditures | (1) | - | | |
| Unencumbered Cash - Beginning | <u>4,164</u> | <u>4,163</u> | | |
| Unencumbered Cash - Ending | \$ <u>4,163</u> | \$ <u>4,163</u> | | |

CITY OF ST. JOHN, KANSAS
Series 2003 Bond and Interest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014
(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|----------------------|---------------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Taxes and Shared Revenues | | | | |
| Ad Valorem Property | \$ 10,677 | 10,461 | 10,907 | (446) |
| Delinquent | 426 | 298 | 100 | 198 |
| Motor Vehicle | 2,206 | 2,338 | 1,644 | 694 |
| Recreational Vehicle | 35 | 32 | 33 | (1) |
| 16/20 Motor Vehicle | 138 | 271 | 131 | 140 |
| Total Receipts | <u>13,482</u> | <u>13,400</u> | <u>12,815</u> | <u>585</u> |
| Expenditures | | | | |
| Principal Payments | 10,000 | 10,000 | 10,000 | - |
| Interest Payments | 2,718 | 2,320 | 2,320 | - |
| Commissions and Fees | 1 | 1 | 105 | (104) |
| Neighborhood Revitalization Rebate | 308 | 285 | 254 | 31 |
| Total Expenditures | <u>13,027</u> | <u>12,606</u> | <u>12,679</u> | <u>(73)</u> |
| Receipts Over (Under) Expenditures | 455 | 794 | | |
| Unencumbered Cash - Beginning | <u>-</u> | <u>455</u> | | |
| Unencumbered Cash - Ending | \$ <u>455</u> | <u>1,249</u> | | |

CITY OF ST. JOHN, KANSAS
Nitrate Removal Plant Loan Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year Actual |
|---|----------------------|------------------------|
| Receipts | | |
| Federal Loan Proceeds | \$ 2,417,072 | 81,541 |
| Expenditures | | |
| Professional Services | 139,019 | 81,541 |
| Project Construction | 2,278,053 | - |
| Total Expenditures | 2,417,072 | 81,541 |
| Receipts Over (Under) Expenditures | - | - |
| Unencumbered Cash - Beginning | - | - |
| Unencumbered Cash - Ending | \$ - | - |

CITY OF ST. JOHN, KANSAS
Water and Light Fund

Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2014

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|-------------------------|------------------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Sales to Customers | | | | |
| Electricity | \$ 1,337,708 | 1,407,635 | 1,582,400 | (174,765) |
| Water | 243,802 | 239,620 | 262,000 | (22,380) |
| Penalties | 19,030 | 21,511 | 20,000 | 1,511 |
| Reimbursed Expenses | 8,285 | 2,961 | 10,000 | (7,039) |
| Miscellaneous | 501 | 1,464 | 4,492 | (3,028) |
| Total Receipts | <u>1,609,326</u> | <u>1,673,191</u> | <u>1,878,892</u> | <u>(205,701)</u> |
| Expenditures | | | | |
| Production Light | 736,356 | 728,364 | 348,210 | 380,154 |
| Production Water | 113,940 | 163,670 | 348,209 | (184,539) |
| Light Distribution | 142,062 | 208,657 | 348,209 | (139,552) |
| General Administrative | 213,805 | 228,666 | 348,209 | (119,543) |
| Nitrate Removal Project Principal | 750,000 | 57,730 | 92,528 | (34,798) |
| Nitrate Removal Project Interest | - | 45,672 | 48,130 | (2,458) |
| Nitrate Removal Project Fees | - | 7,722 | 8,138 | (416) |
| Main Street Funding | 686 | 378 | 200 | 178 |
| Transfers Out | 290,000 | 290,000 | 290,000 | - |
| Total Expenditures | <u>2,246,849</u> | <u>1,730,859</u> | <u>1,831,833</u> | <u>(100,974)</u> |
| Receipts Over (Under) Expenditures | (637,523) | (57,668) | | |
| Unencumbered Cash - Beginning | 1,098,580 | 594,274 | | |
| Prior Year Cancelled Encumbrances | <u>133,217</u> | <u>52,250</u> | | |
| Unencumbered Cash - Ending | <u>\$ 594,274</u> | <u>588,856</u> | | |

CITY OF ST. JOHN, KANSAS
Electric and Waterworks Utility Surplus Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year Actual |
|---|----------------------|------------------------|
| Receipts | | |
| Transfers In | \$ 60,000 | 60,000 |
| Expenditures | | |
| Contractual Services | 18,047 | (93) |
| Receipts Over (Under) Expenditures | 41,953 | 60,093 |
| Unencumbered Cash - Beginning | 261,481 | 303,434 |
| Unencumbered Cash - Ending | \$ 303,434 | 363,527 |

CITY OF ST. JOHN, KANSAS
Sewer Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014
(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|----------------------|----------------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Sewer Service Charges | \$ 93,742 | 90,307 | 96,000 | (5,693) |
| Miscellaneous Rentals | 588 | 639 | - | 639 |
| Reimbursed Expenses | 886 | 106 | 1,000 | (894) |
| Total Receipts | <u>95,216</u> | <u>91,052</u> | <u>97,000</u> | <u>(5,948)</u> |
| Expenditures | | | | |
| Personal Services | 30,405 | - | 43,280 | (43,280) |
| Contractual Services | 6,965 | 8,193 | 9,800 | (1,607) |
| Commodities | 5,592 | 6,377 | 11,100 | (4,723) |
| Capital Outlay | 21,700 | 22,587 | 7,000 | 15,587 |
| Transfers Out | 41,404 | 41,404 | 41,404 | - |
| Total Expenditures | <u>106,066</u> | <u>78,561</u> | <u>112,584</u> | <u>(34,023)</u> |
| Receipts Over (Under) Expenditures | (10,850) | 12,491 | | |
| Unencumbered Cash - Beginning | 30,567 | 41,417 | | |
| Prior Year Cancelled Encumbrances | <u>21,700</u> | <u>21,700</u> | | |
| Unencumbered Cash - Ending | \$ <u>41,417</u> | <u>75,608</u> | | |

CITY OF ST. JOHN, KANSAS
Sewer Replacement Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|----------------|----------------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Transfers In | \$ 21,404 | 21,404 | <u>21,404</u> | <u>-</u> |
| Expenditures | | | | |
| Capital Outlay | - | - | <u>161,450</u> | <u>(161,450)</u> |
| Receipts Over (Under) Expenditures | 21,404 | 21,404 | | |
| Unencumbered Cash - Beginning | <u>118,642</u> | <u>140,046</u> | | |
| Unencumbered Cash - Ending | \$ <u>140,046</u> | <u>161,450</u> | | |

CITY OF ST. JOHN, KANSAS
Solid Waste Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|----------------|---------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Trash Charges | \$ 131,284 | 133,252 | 130,000 | 3,252 |
| Expenditures | | | | |
| Personal Services | 4,458 | 3,650 | 4,726 | (1,076) |
| Contractual Services | 123,714 | 127,722 | 127,000 | 722 |
| Capital Outlay | - | - | 2,000 | (2,000) |
| Total Expenditures | 128,172 | 131,372 | 133,726 | (2,354) |
| Receipts Over (Under) Expenditures | 3,112 | 1,880 | | |
| Unencumbered Cash - Beginning | 48,733 | 51,845 | | |
| Unencumbered Cash - Ending | \$ 51,845 | 53,725 | | |

CITY OF ST. JOHN, KANSAS
Storm Water Utility Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2014
(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|---------------|--------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Storm Sewer Fee | \$ 17,150 | 17,032 | 18,000 | (968) |
| Expenditures | | | | |
| Contractual Services and Commodities | - | - | 20,953 | (20,953) |
| Transfers Out | 15,000 | 15,000 | 15,000 | - |
| Total Expenditures | 15,000 | 15,000 | 35,953 | (20,953) |
| Receipts Over (Under) Expenditures | 2,150 | 2,032 | | |
| Unencumbered Cash - Beginning | 14,953 | 17,103 | | |
| Unencumbered Cash - Ending | \$ 17,103 | 19,135 | | |

CITY OF ST. JOHN, KANSAS
Storm Water Utility Replacement Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year | | Variance Over (Under) |
|---|----------------------|----------------|----------------|-----------------------------|
| | | Actual | Budget | |
| Receipts | | | | |
| Transfers In | \$ 15,000 | 15,000 | <u>15,000</u> | <u>-</u> |
| Expenditures | | | | |
| Capital Outlay | - | - | <u>105,000</u> | <u>(105,000)</u> |
| Receipts Over (Under) Expenditures | 15,000 | 15,000 | | |
| Unencumbered Cash - Beginning | <u>75,000</u> | <u>90,000</u> | | |
| Unencumbered Cash - Ending | \$ <u>90,000</u> | <u>105,000</u> | | |

CITY OF ST. JOHN, KANSAS
Water System Capital Improvement Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year Actual |
|---|----------------------|------------------------|
| Receipts | | |
| Improvement Fees | \$ 52,375 | 52,020 |
| Expenditures | | |
| Capital Outlay | - | 29,688 |
| Service Fees | 2,205 | - |
| Interest | 13,040 | - |
| Total Expenditures | <u>15,245</u> | <u>29,688</u> |
| Receipts Over (Under) Expenditures | 37,130 | 22,332 |
| Unencumbered Cash - Beginning | <u>170,757</u> | <u>207,887</u> |
| Unencumbered Cash - Ending | <u>\$ 207,887</u> | <u>230,219</u> |

CITY OF ST. JOHN, KANSAS
Edna Smith Park Memorial Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year Actual |
|---|----------------------|------------------------|
| Receipts | | |
| Interest | \$ 42 | 30 |
| Expenditures | - | - |
| Receipts Over (Under) Expenditures | 42 | 30 |
| Unencumbered Cash - Beginning | 11,715 | 11,757 |
| Unencumbered Cash - Ending | \$ 11,757 | 11,787 |

CITY OF ST. JOHN, KANSAS
Cornwell Memorial Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year Actual |
|---|----------------------|------------------------|
| Receipts | | |
| Interest | \$ 1,821 | 1,206 |
| Expenditures | | |
| Miscellaneous | 1,698 | 7,676 |
| Receipts Over (Under) Expenditures | 123 | (6,470) |
| Unencumbered Cash - Beginning | 213,636 | 213,759 |
| Unencumbered Cash - Ending | \$ 213,759 | 207,289 |

CITY OF ST. JOHN, KANSAS
Witt Memorial Fund
 Schedule of Receipts and Expenditures
 Regulatory Basis
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

| | Prior Year Actual | Current Year Actual |
|---|----------------------|------------------------|
| Receipts | | |
| Interest | \$ 400 | 324 |
| Expenditures | | |
| Miscellaneous | 2,258 | - |
| Receipts Over (Under) Expenditures | (1,858) | 324 |
| Unencumbered Cash - Beginning | 64,261 | 62,403 |
| Unencumbered Cash - Ending | \$ 62,403 | 62,727 |

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

| Fund | Beginning Cash Balance | Receipts | Disbursements | Ending Cash Balance |
|----------------------------|------------------------------|---------------|---------------|---------------------------|
| Section 125 Cafeteria Fund | \$ 4,526 | 4,451 | 4,360 | 4,617 |
| Meter Deposit Fund | 16,905 | 7,197 | 9,536 | 14,566 |
| Total Agency Funds | \$ 21,431 | 11,648 | 13,896 | 19,183 |