

CITY OF RUSSELL, KANSAS

DECEMBER 31, 2014

CITY OF RUSSELL, KANSAS

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INDEPENDENT AUDITORS' REPORT

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Mayor and City Council
City of Russell, Kansas
Russell, Kansas

Report on the Financial Statement

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

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the regulatory basis reporting provisions permitted in the Kansas Municipal Audit and Accounting Guide (KMAAG), 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 preparing the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation 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 that 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 the auditor's judgment, including the assessment of the risks of material misstatement, 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 the accounting policies used and the reasonableness of significant 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 reasonable 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 on the basis of the financial reporting provisions permitted in KMAAG, 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 accordance with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2014, or the respective changes in financial position or where applicable, its changes in cash flows for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to in the first paragraph presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City, as of December 31, 2014, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions permitted in KMAAG described in note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2014 fund summary statement of receipts, expenditures, and unencumbered cash – regulatory basis (basic financial statement) as a whole. The schedule of expenditures – regulatory basis – actual and budget, the individual fund schedules of receipts and expenditures – regulatory basis – actual and budget, and the agency funds schedule of receipts and disbursements – regulatory basis (schedules 1 through 3, as listed in the table of contents) are presented for additional analysis and are not a required part of the 2014 basic financial statement; however, they are required to be presented under the provisions in KMAAG. 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 2014 basic financial statement. The 2014 information has been subjected to the auditing procedures applied in the audit of the 2014 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 2014 basic financial statement or to the 2014 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 2014 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 receipts and expenditures-actual and budget – regulatory basis (schedule 2 as listed in the table of contents), is also presented for comparative analysis, and is not a required part of the 2013 basic financial statement upon which we rendered an unmodified opinion dated June 9, 2014. The 2013 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the Kansas Department of Administration website at the link <http://da.ks.gov/ar/muniserve>. 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.



Certified Public Accountants

Hutchinson, Kansas
June 12, 2015

CITY OF RUSSELL, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2014

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Funds	Unencumbered Cash Balance 01/01/14	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Unencumbered Cash Balance 12/31/14	Add Encumbrances and Accounts Payable	Cash Balance 12/31/14
GENERAL FUND	\$ 1,402,813	\$ 10,852	\$ 2,980,418	\$ 3,026,767	\$ 1,367,316	\$ 122,150	\$ 1,489,466
SPECIAL PURPOSE FUNDS							
Airport	43,912	-	31,576	35,822	39,666	-	39,666
Industrial	93,441	-	76,717	67,179	102,979	1,510	104,489
Special Highway	599,315	-	116,700	-	716,015	-	716,015
Library	9,320	-	149,422	150,931	7,811	-	7,811
Fire Equipment	46,573	-	9,274	48,746	7,101	200	7,301
Recreation	7,051	-	116,547	117,524	6,074	-	6,074
Personnel Benefits	42,178	-	1,958,399	1,602,219	398,358	8,534	406,892
Special Parks and Recreation	72,844	-	13,561	14,679	71,726	-	71,726
Capital Improvements	947,009	63,194	361,665	127,215	1,244,653	52,273	1,296,926
Equipment Reserve	319,544	-	108,892	100,017	328,419	6,819	335,238
Risk Management Reserve	9,095	-	5,085	910	13,270	-	13,270
TOTAL SPECIAL PURPOSE FUNDS	2,190,282	63,194	2,947,838	2,265,242	2,936,072	69,336	3,005,408
BOND AND INTEREST FUND							
Bond and Interest	101,105	-	461,986	481,177	81,914	-	81,914
TRUST FUNDS							
Johnson Trust	629,745	1,150	120,559	7,503	743,951	300	744,251
Deines Center Trust	14,746	-	15	-	14,761	-	14,761
Donation	1,669	-	2,391	2,065	1,995	2,065	4,060
TOTAL TRUST FUNDS	646,160	1,150	122,965	9,568	760,707	2,365	763,072

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

CITY OF RUSSELL, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
 REGULATORY BASIS
 For the Year Ended December 31, 2014

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Funds	Unencumbered Cash Balance 01/01/14	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Unencumbered Cash Balance 12/31/14	Add Encumbrances and Accounts Payable	Cash Balance 12/31/14
CAPITAL PROJECT FUNDS							
Pfeifer Well Expansion	\$ 532,653	\$ -	\$ 1,015,687	\$ 1,171,651	\$ 376,689	\$ 7,161	\$ 383,850
Airport Improvement Project	(30,585)	3,570	28,061	1,046	-	-	-
TOTAL CAPITAL PROJECT FUNDS	502,068	3,570	1,043,748	1,172,697	376,689	7,161	383,850
BUSINESS FUNDS							
Electric	3,043,537	1,147	10,743,677	10,956,338	2,832,023	712,351	3,544,374
Electric Depreciation Reserve	1,936,880	-	252,392	342,765	1,846,507	75,342	1,921,849
Water	1,284,396	-	1,910,557	2,073,434	1,121,519	46,488	1,168,007
Water Depreciation Reserve	174,739	-	1,038,432	753,484	459,687	187,646	647,333
Wastewater	567,484	-	533,167	360,512	740,139	4,437	744,576
Wastewater Replacement	302,626	-	75,217	344,653	33,190	108,725	141,915
Sanitation	181,402	-	444,380	408,951	216,831	21,274	238,105
TOTAL BUSINESS FUNDS	7,491,064	1,147	14,997,822	15,240,137	7,249,896	1,156,263	8,406,159
RELATED MUNICIPAL ENTITIES							
Russell Recreation Commission	66,453	-	240,663	244,136	62,980	1,640	64,620
TOTAL FINANCIAL REPORTING ENTITY (Excluding Agency Funds)							
	<u>\$ 12,399,945</u>	<u>\$ 79,913</u>	<u>\$ 22,795,440</u>	<u>\$ 22,439,724</u>	<u>\$ 12,835,574</u>	<u>\$ 1,358,915</u>	<u>\$ 14,194,489</u>

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

CITY OF RUSSELL, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
 REGULATORY BASIS
 For the Year Ended December 31, 2014

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COMPOSITION OF CASH

Cash on hand	\$ 500
Checking account	1,115,940
KMEA deposit	64,428
Money Market and CD's	6,502,702
Treasury Fund Daily	1,425,062
Kansas Municipal Investment Pool	5,050,143
Total Related Municipal Entities	<u>64,620</u>
 TOTAL CASH	 14,223,395
 AGENCY FUNDS (Schedule 4)	 <u>(28,906)</u>
 TOTAL REPORTING ENTITY	 <u>\$ 14,194,489</u>

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

CITY OF RUSSELL, KANSAS
NOTES TO THE FINANCIAL STATEMENT
December 31, 2014

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The City of Russell, Kansas (the City), a municipality, is the county seat of Russell County, Kansas, and was incorporated in 1871. The City operates under an elected mayor and an elected eight-member Council form of government and provides the following services: public safety and administration of justice, water and electric utility, transportation and environmental services, community development, and recreation activities.

The Recreation Commission, a related municipal entity, is authorized by K.S.A. 12-1922 under an agreement with the City of Russell, Kansas to provide a system of public recreation and playgrounds. The governing body of the Recreation Commission consists of five members appointed by the City. The Recreation Commission receives funding from local and state governmental sources and must comply with the requirements of these funding sources.

The Recreation Commission is a related municipal entity of the City of Russell, Kansas. The Recreation Commission is controlled by or dependent on the City. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board.

The City's regulatory financial statement presents only the City's financial information and the Russell Recreation Commission, a related municipal entity. The statement does not include the City's related municipal entities as follows:

- Russell Library
- Russell Housing Authority

B. Regulatory Basis Fund Types

General Fund

The chief operating fund, is 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 receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specific 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 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. Water Fund, Electric Fund, etc.).

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Trust Fund

Funds 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.).

Agency Fund

Funds used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. Payroll Clearing Fund, county treasurer tax collection accounts, etc.).

C. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

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.

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. 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.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgetary Information (Continued)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the 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, Agency Funds, and the following Special Purpose Funds: Equipment Reserve, Capital Improvements, and Risk Management Reserve Fund, and the following Business Funds: Electric Depreciation Reserve Fund, Water Depreciation Reserve Fund, and Wastewater Replacement 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.

E. 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 accounting.

F. Restricted Assets

Restricted cash balances are reported in various funds that are legally restricted for specific funds for the payment of debt services and fiscal fees on long-term debt, and for expenditures awarded by federal and state grant contracts. Also, cash is restricted in the trust funds of the City for specific purposes.

The City, as part of the Western Area Power Administration (WAPA) contract with KMEA is required by section 6(c) of the Hydro Power Pooling Contract, to have on deposit \$64,428 in the KMEA Hydro Power Project trust account. Any investment income on the deposit will be credited annually to the deposit account.

G. Property Taxes

The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County appraiser annually determines assessed valuation based on real estate transactions recorded by the Register of Deeds and personal property transactions reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with State statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Property taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. The taxes are due one-half on December 20 and one-half the following May 10. Any taxes unpaid at the due dates are considered delinquent.

Collection of current year property tax by the County Treasurer is not completed, apportioned, or distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing State statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance to current operation of the City and therefore are not susceptible to accrual.

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Undistributed taxes from the prior year levy are recognized as income in the current year. It is not practicable to apportion delinquent taxes held by the County Treasurer at the end of the audit period and, further, the amounts thereof are not material to the financial statements taken as a whole.

NOTE 2—STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Compliance with Kansas Statutes

There were no Kansas Statute violations in 2014.

NOTE 3—DEPOSITS AND INVESTMENTS

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

Investment Type	Fair Value	Investment Maturities (in Years)		Rating U.S.
		Less than 1	1-2	
Treasury Fund Daily	\$ 1,425,062	\$ 1,425,062	\$ -	Not rated
Kansas Municipal Investment Pool	5,050,144	5,050,144	-	AAAf/S1
	<u>\$ 6,475,206</u>	<u>\$ 6,475,206</u>	<u>\$ -</u>	

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 Federal Deposit Insurance Corporation (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 (KMIP). The City has an investment policy that would further limit its investment choices which excludes investment in repurchase agreements.

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. The City's investment policy does provide for an investment limitation of 55% per financial institution. The City's policy states that the KMIP is not to be considered as a financial institution. The City's allocation of investments as of December 31, 2014, is as follows:

Investments	Percentage of Investments
Treasury Fund Daily	22
Kansas Municipal Investment Pool	78

NOTE 3—DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of 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 FDIC 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%. In 2014, the City did not enter into any peak depository agreement. All deposits were legally secured at December 31, 2014.

At December 31, 2014, the City's carrying amount of deposits was \$7,618,642 and the bank balance was \$7,699,533. The bank balance was held by two banks which did not result in a concentration of credit risk. Of the bank balance, \$3,583,693 was covered by FDIC and \$4,115,840 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

At December 31, 2014, the Recreation Commission's carrying amount of deposits was \$64,620 and the bank balance was \$66,490. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, all was covered by federal depository insurance.

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.

At December 31, 2014, the City had invested \$1,425,062 in Treasury Fund Daily, through a brokerage account with UMB Financial Services, Inc. This investment is not rated; however, the brokerage account is insured through SIPC, up to \$500,000.

At December 31, 2014, the City had invested \$5,050,144 in the Kansas Municipal Investment Pool (KMIP). KMIP is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligation of, or obligations that are insured as to principal and interest, by the U.S. Government or any agency thereof, with maturities up to four years. No more than 10% of those funds may be invested in mortgage-backed securities. In addition, KMIP may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

NOTE 4—CONTINGENT LIABILITY

On December 10, 2012, the Recreation Commission entered into an agreement to purchase baseball equipment from Jerry Brown for a total price of \$35,000. The agreement is for a five year period beginning December 10, 2012 and ending February 10, 2017. The total future commitments to Jerry Brown as of December 31, 2014, are as follows:

<u>Year</u>	<u>Amount</u>
2015	\$ 6,000
2016	6,000
2017	6,000

NOTE 5—LONG-TERM DEBT

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

Issue	Interest Rates	Dates 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 2003 (Refund and improve)									
	1.25%-4.05%	09/01/03	\$ 1,625,000	03/01/14	\$ 85,000	\$ -	\$ 85,000	\$ -	\$ 1,721
Series 2011	2.00%-3.10%	12/15/11	5,165,000	08/01/27	4,570,000	-	285,000	4,285,000	108,201
Series 2013-1									
(Temporary)	0.90%	11/01/13	1,000,000	11/01/14	1,000,000	-	1,000,000	-	9,000
Series 2014-1									
(Temporary)	0.50%	11/01/14	1,015,000	11/01/15	-	1,015,000	-	1,015,000	-
Revolving Loans									
*KPWS Loan Fund - 2791	2.23%	11/08/12	1,361,588	02/01/34	400,000	731,438	-	1,131,438	8,177
KPWS Loan Fund - 2731	2.42%	01/09/12	350,099	02/01/33	332,183	-	13,799	318,384	7,652
Lease Purchase Agreements									
UMB Financial Services, Inc.									
Sewer Lagoon Mixers	2.60%	11/30/14	259,266	06/01/18	-	259,266	52,785	206,481	2,284
					<u>\$ 6,387,183</u>	<u>\$ 2,005,704</u>	<u>\$ 1,436,584</u>	<u>\$ 6,956,303</u>	<u>\$ 137,035</u>

*See note 12

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

Issue	2015	2016	2017	2018	2019	2020-2024	2025-2029	2030-2034	Total
PRINCIPAL									
General Obligation Bonds									
Series 2011	\$ 290,000	\$ 295,000	\$ 300,000	\$ 305,000	\$ 315,000	\$ 1,670,000	\$ 1,110,000	\$ -	\$ 4,285,000
Series 2014-1									
(Temporary)	1,015,000	-	-	-	-	-	-	-	1,015,000
Revolving Loans									
*KPWS Loan Fund - 2791	54,836	56,065	57,322	58,608	59,922	320,378	357,947	399,922	1,365,000
KPWS Loan Fund - 2731	13,829	14,166	14,511	14,864	15,226	81,875	92,339	71,573	318,383
Lease Purchase Agreements									
UMB Financial Services, Inc.									
Sewer Lagoon Mixers	49,626	50,923	52,277	53,655	-	-	-	-	206,481
TOTAL PRINCIPAL	<u>\$ 1,423,291</u>	<u>\$ 416,154</u>	<u>\$ 424,110</u>	<u>\$ 432,127</u>	<u>\$ 390,148</u>	<u>\$ 2,072,253</u>	<u>\$ 1,560,286</u>	<u>\$ 471,495</u>	<u>\$ 7,189,864</u>

NOTE 5—LONG-TERM DEBT (CONTINUED)

Issue	2015	2016	2017	2018	2019	2020-2024	2025-2029	2030-2034	Total
INTEREST									
General Obligation Bonds									
Series 2011	\$ 102,501	\$ 96,701	\$ 90,801	\$ 84,801	\$ 78,701	\$ 289,904	\$ 67,620	\$ -	\$ 811,029
Series 2014-1 (Temporary)	5,117	-	-	-	-	-	-	-	5,117
Revolving Loans									
*KPWS Loan Fund - 2791	30,135	28,906	27,649	26,363	25,049	104,476	66,907	24,933	334,418
KPWS Loan Fund - 2731	7,622	7,285	6,940	6,587	6,225	25,380	14,916	3,506	78,461
Lease Purchase Agreements									
UMB Financial Services, Inc.									
Sewer Lagoon Mixers	5,443	4,146	2,792	1,414	-	-	-	-	13,795
TOTAL INTEREST	<u>\$ 150,818</u>	<u>\$ 137,038</u>	<u>\$ 128,182</u>	<u>\$ 119,165</u>	<u>\$ 109,975</u>	<u>\$ 419,760</u>	<u>\$ 149,443</u>	<u>\$ 28,439</u>	<u>\$ 1,242,820</u>
TOTAL PRINCIPAL AND INTEREST									
	<u>\$ 1,574,109</u>	<u>\$ 553,192</u>	<u>\$ 552,292</u>	<u>\$ 551,292</u>	<u>\$ 500,123</u>	<u>\$ 2,492,013</u>	<u>\$ 1,709,729</u>	<u>\$ 499,934</u>	<u>\$ 8,432,684</u>

NOTE 6—DEFINED BENEFIT PENSION PLAN

Plan Description

The City 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 establishes and amends benefit provisions. KPERS issues a publicly available financial report (only one is issued) 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 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 7—OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post Employment Benefits

As provided by K.S.A. 12-5040, the City 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 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. There is no cost to the City under this program.

NOTE 7—OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

Compensated Absences and Other Employee Benefits

Prior to January 1, 1988, the City's policy regarding vacation permitted employees to accumulate and carry over to the following year a maximum of 60 working days of vacation.

Effective January 1, 1988, the City froze all vacation carry over up to 60 days and established a new policy. Effective January 1, 2014, employees may carryover 80 hours of vacation on their anniversary each year.

Upon resignation or retirement, employees are entitled to payment of accumulated current vacation leave, plus all frozen vacation leave.

The City's prior policy regarding sick pay allowed employees to accumulate unlimited sick leave days. Effective January 1, 1988, the City froze all accumulated sick leave over 100 days. Any days accumulated up to 100 days were carried over with the City's new policy. Under the post 1988 policy, employees may accumulate up to 960 hours of sick leave, including frozen sick leave.

Retiring employees are compensated at a rate of 75% of current hourly rates for both frozen and post 1988 accruals. Post 1988 sick leave hours are limited to 160 hours and are only paid for amounts in excess of 80 hours. Sick leave is compensated at a rate of 100% of current hourly rate for deceased employees and 25% for terminated employees, using the same calculations described above to calculate eligible hours.

The accumulated vacation, sick leave, and comp time liability at December 31, 2014, is \$98,536, \$63,762, and \$2,141, respectively.

The director of the Recreation Commission has a provision in his contract that states he is to receive 40 hours of vacation and sick leave per year. Any hours remaining at year end are lost. There is no potential liability at December 31, 2014.

NOTE 8—INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Authority	Amount
General Fund	Industrial Development Fund	K.S.A. 12-197	\$ 42,155
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	150,553
General Fund	Equipment Reserve Fund	K.S.A. 12-1,117	108,398
General Fund	Risk Management Reserve Fund	K.S.A. 12-2615	500
Electric Fund	General Fund	K.S.A. 12-825d	450,000
Electric Fund	Personnel Benefits Fund	K.S.A. 12-825d	375,000
Electric Fund	Risk Management Reserve Fund	K.S.A. 12-2615	3,500
Water Fund	Personnel Benefits Fund	K.S.A. 12-825d	250,000
Water Fund	Bond and Interest Fund	K.S.A. 12-825d	438,296
Water Fund	General Fund	K.S.A. 12-825d	115,000
Water Fund	Water Depreciation Reserve Fund	K.S.A. 12-825d	300,000
Water Fund	Risk Management Reserve Fund	K.S.A. 12-2615	1,000
Wastewater Fund	General Fund	K.S.A. 12-825d	45,000
Wastewater Fund	Personnel Benefits Fund	K.S.A. 12-825d	75,000
Wastewater Fund	Wastewater Replacement Fund	K.S.A. 12-2615	75,000
Sanitation Fund	General Fund	K.S.A. 12-825d	35,000
Sanitation Fund	Personnel Benefits Fund	K.S.A. 12-825d	115,000
Electric Fund	Electric Depreciation Reserve Fund	K.S.A. 12-825d	250,000
Airport Fund	Airport Improvement Fund	K.S.A. 12-1,118	3,110

NOTE 9—CLAIMS AND JUDGMENT

The City participates in federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government.

The City is exposed to various risks of loss related to torts; theft of, damage to, and the destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage for 2014 and settled claims from these risks have not exceeded commercial insurance coverage. The City's electrical distribution system is not insured.

NOTE 10—JOINT VENTURE

In June of 1995, the cities of Hays and Russell entered into an agreement to share in the purchase and management of the Circle K Ranch and attendant water rights. The City paid \$619,440, allocated \$159,444 for land, water rights \$323,410, and \$136,586 for buildings, equipment, and improvements. Subsequent to that agreement, the Public Wholesale Water Supply District No. 15 was created with the City providing for a sharing of expenses and income on an 82% to 18% ratio. The Public Wholesale Water Supply District No. 15 was formed for the development of water supply sources and projects related directly thereto.

The City received \$8,998 in May 2014, for their share of the 2013 net income. In 2013, the City received \$22,292 for their share of the 2012 net income.

NOTE 11—INDUSTRIAL REVENUE BONDS

K.S.A. 12-1740 authorizes the City to issue Industrial Revenue Bonds (IRB's) to acquire, remodel, improve, and equip certain facilities for commercial and industrial purposes and to enter into leases and lease-purchase agreements with any firm or corporation for such facilities.

IRB Series 2005 and Refunding Series 2006

In December 2005, the Council approved Ordinance No. 1761 authorizing the City to issue IRB's Series 2005 (Main Street Media, Inc.) in the aggregate principal amount of \$1,370,000. The City accepted ownership of the property and will lease it back to Main Street Media, Inc.

In October 2006, the Council authorized the City to issue a new series of \$1,300,000 in IRB's for Main Street Media, Inc. to refund the original 2005 taxable bonds.

The City, as issuer, has no obligation for the debt beyond the resources received from the third party. The principal balance of the bonds at December 31, 2014, was \$501,853.

IRB Series 2008

In January 2008, the Council approved resolution 01-08, an ordinance (No. 1790) authorizing the City to issue taxable Industrial Revenue Bonds, Series 2008, for Land O'Lakes Purina Feed, L.L.C. project, in a principal amount not to exceed \$20,000,000. The City accepted ownership of the property and leased it back to Land O'Lakes Purina Feed, L.L.C. The City, as issuer, has no obligation for the debt beyond the resources received from the third party. The principal balance of the IRB's at December 31, 2014, was \$4,912,773.

NOTE 12—PROJECTS IN PROCESS

In November 2012, the City was approved for a Kansas Public Water Supply (KPWS) loan for \$400,000 to assist with replacing water meters. On November 1, 2013, an amendment to the KPWS loan was approved changing the amount of the loan to \$1,361,588. The meter costs were \$547,000. The project was completed December 18, 2014 and the total project cost was \$1,221,576.

NOTE 12—PROJECTS IN PROCESS (CONTINUED)

In November 2013, the City authorized the issuance of General Obligation Temporary Notes Series 2013-1 in the amount of \$1,000,000, to add two new wells in the Pfiefer Well Field. In October 2014, the City refinanced the General Obligation Temporary Notes Series 2013-1 and authorized the issuance of General Obligation Renewal Temporary Notes Series 2014-1 in the amount of \$1,015,000. Well #11 was completed in 2014. The completion date of Well #12 is unknown. The cost to date is \$592,927.

NOTE 13—SUBSEQUENT EVENTS

The Council approved the purchase of a 2015 International 4400 Chassis with a dump box and snow plow for \$114,252.

The Council authorized the building of two 28 foot diameter octagon shade structures at the City Pool with a cost of \$59,845.

The Council authorized the replacement of the golf course bathroom for a total cost of \$16,000 with \$10,000 to come from donations and \$6,000 to come from the Capital Improvement Fund.

The Council authorized the Mayor to sign an extension to the agreement with Western Area Power Administration for a 30 year period effective October 2024 through September 2054.

The Council approved an engineering agreement with Lochner for replacement of pavement in the hanger taxi lanes in the amount of \$56,950.

The Council approved a proposal from Clark Well & Equipment, Inc. in the amount of \$24,504 to rehabilitate Well's #5, #6, & #7.

The Council authorized the purchase of an 8" ball valve with an electrical actuator from Engineered Systems, Inc. in the amount of \$19,282.

On May 5, 2015, the Council authorized the purchase of a 2001 American LaFrance 100 foot ladder truck in the amount of \$200,000 for the Fire Department.

On May 19, 2015, the Council approved the purchase of a 2016 Kenworth bucket truck in the amount of \$195,059.

CITY OF RUSSELL, KANSAS

SUMMARY OF EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)
For the Year Ended December 31, 2014

Schedule 1

Funds	Certified Budget	Adjustment for Qualifying Budget Credit	Total Budget for Comparison	Expenditures Chargeable to Current Year Budget	Over (Under) Budget
GENERAL FUND	\$ 3,979,211	\$ -	\$ 3,979,211	\$ 3,026,767	\$ (952,444)
SPECIAL PURPOSE FUNDS					
Airport	59,616	-	59,616	35,822	(23,794)
Industrial	112,825	-	112,825	67,179	(45,646)
Special Highway	380,000	-	380,000	-	(380,000)
Library	150,931	-	150,931	150,931	-
Fire Equipment	258,124	-	258,124	48,746	(209,378)
Recreation	117,524	-	117,524	117,524	-
Personnel Benefits	1,931,728	-	1,931,728	1,602,219	(329,509)
Special Parks and Recreation	45,000	-	45,000	14,679	(30,321)
BOND AND INTEREST FUND					
Bond and Interest	615,390	-	615,390	481,177	(134,213)
BUSINESS FUNDS					
Electric	11,019,500	-	11,019,500	10,956,338	(63,162)
Water	2,257,311	-	2,257,311	2,073,434	(183,877)
Wastewater	406,000	-	406,000	360,512	(45,488)
Sanitation	423,450	-	423,450	408,951	(14,499)
RELATED MUNICIPAL ENTITY					
Russell Recreation Commission	227,500	20,900	248,400	244,136	(4,264)

CITY OF RUSSELL, KANSAS

GENERAL FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-1
 Page 1 of 2

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Taxes				
Ad valorem	\$ 796,515	\$ 704,734	\$ 696,428	\$ 8,306
Delinquent	31,323	23,820	-	23,820
Motor vehicle	156,890	146,563	151,550	(4,987)
County sales	227,572	228,356	230,000	(1,644)
Recreational vehicle	2,313	1,833	2,144	(311)
In Lieu of taxes (IRB)	26,029	23,758	25,000	(1,242)
Local sales	445,245	493,114	450,000	43,114
Total taxes	1,685,887	1,622,178	1,555,122	67,056
Intergovernmental				
Liquor tax	13,061	13,475	15,000	(1,525)
State Highway Connecting Links	35,268	31,186	30,000	1,186
State of Kansas KDOT Grant	43,470	36,015	30,000	6,015
County 911 reimbursement	196,424	206,610	190,000	16,610
Grants	6,548	-	-	-
Total intergovernmental	294,771	287,286	265,000	22,286
Licenses and permits				
Franchise tax	178,960	177,813	150,000	27,813
Licenses	10,653	16,045	11,500	4,545
Permits	7,069	8,603	6,000	2,603
Total licenses and permits	196,682	202,461	167,500	34,961
Fines and forfeitures				
Fines and court fees	47,430	55,590	52,000	3,590
Uses of money and property				
Interest earned	3,351	1,881	2,000	(119)
Royalties	848	705	100	605
Total uses of money and property	4,199	2,586	2,100	486
Miscellaneous revenue				
Weed abatement fees	1,080	6,460	4,000	2,460
General transportation fares	12,513	13,018	12,000	1,018
Golf course fees - membership	73,348	72,846	63,100	9,746
Cemetery receipts	6,912	7,841	7,000	841
Reimbursed expense	2,338	6,742	1,000	5,742
Miscellaneous receipts	24,703	33,144	25,250	7,894
Impound fees	982	965	500	465
Swimming pool	24,706	24,301	30,500	(6,199)
Total miscellaneous revenue	146,582	165,317	143,350	21,967
Operating transfers	603,000	645,000	645,000	-
TOTAL RECEIPTS	2,978,551	2,980,418	\$ 2,830,072	\$ 150,346

CITY OF RUSSELL, KANSAS

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-1
Page 2 of 2

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
EXPENDITURES				
Mayor/Council	\$ 19,270	\$ 17,741	\$ 28,950	\$ (11,209)
City Manager	161,536	153,640	131,800	21,840
City Clerk	235,532	280,584	303,350	(22,766)
Transportation	59,860	62,639	63,200	(561)
Police Department	413,796	438,450	474,650	(36,200)
Public works, inspection	75,200	79,217	83,300	(4,083)
Fire Department	186,180	193,774	204,730	(10,956)
Municipal Court	45,760	38,380	48,100	(9,720)
911 dispatch	332,750	347,623	344,870	2,753
Community development	107,494	120,096	114,881	5,215
Street department	324,408	362,070	380,350	(18,280)
Golf course	169,270	173,507	163,000	10,507
Swimming pool	68,681	66,033	87,750	(21,717)
Park department	273,667	270,504	258,600	11,904
Deines Center	44,243	44,879	43,920	959
Armory	4,843	9,041	8,500	541
Neighborhood Revitalization Rebate	31,840	42,661	22,360	20,301
Miscellaneous	21,654	24,322	1,084,500	(1,060,178)
Operating transfers	373,065	301,606	132,400	169,206
TOTAL EXPENDITURES	<u>2,949,049</u>	<u>3,026,767</u>	<u>\$ 3,979,211</u>	<u>\$ (952,444)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	29,502	(46,349)		
UNENCUMBERED CASH, BEGINNING	1,373,311	1,402,813		
PRIOR YEAR CANCELLED ENCUMBRANCES	-	10,852		
UNENCUMBERED CASH, ENDING	<u>\$ 1,402,813</u>	<u>\$ 1,367,316</u>		

CITY OF RUSSELL, KANSAS

AIRPORT FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-2

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Taxes				
Ad valorem	\$ 24,826	\$ 509	\$ 510	\$ (1)
Delinquent	916	630	-	630
Motor vehicle	4,541	4,467	4,721	(254)
Recreational vehicle	67	56	67	(11)
In lieu of taxes (IRB)	66	-	-	-
Rental	4,584	9,756	11,000	(1,244)
Fuel sales	16,134	15,942	22,000	(6,058)
Interest income	51	52	25	27
Miscellaneous revenue	-	164	-	164
TOTAL RECEIPTS	<u>51,185</u>	<u>31,576</u>	<u>\$ 38,323</u>	<u>\$ (6,747)</u>
EXPENDITURES				
Postage	-	8	\$ -	\$ 8
Telephone	465	475	500	(25)
Natural gas	-	-	5,000	(5,000)
Insurance	4,960	4,657	5,000	(343)
Dues and subscriptions	278	42	500	(458)
Professional services	100	954	16,000	(15,046)
Printing and advertising	-	20	500	(480)
Operating supplies	62	51	1,000	(949)
Repairs and maintenance	1,407	3,447	2,000	1,447
Capital expense	-	1,974	6,000	(4,026)
Fuel for resale	15,135	17,876	20,000	(2,124)
Revitalization District refund	992	416	16	400
Sales tax expense	1,174	1,235	1,500	(265)
Training and travel	-	-	500	(500)
Credit card fees	921	1,472	1,000	472
Office supplies	98	36	100	(64)
Apparatus and tools	-	49	-	49
Operating transfer	-	3,110	-	3,110
TOTAL EXPENDITURES	<u>25,592</u>	<u>35,822</u>	<u>\$ 59,616</u>	<u>\$ (23,794)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	25,593	(4,246)		
UNENCUMBERED CASH, BEGINNING	<u>18,319</u>	<u>43,912</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 43,912</u>	<u>\$ 39,666</u>		

CITY OF RUSSELL, KANSAS

INDUSTRIAL FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-3

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Taxes				
Ad valorem	\$ 25,617	\$ 22,867	\$ 22,593	\$ 274
Delinquent	1,216	645	-	645
Motor vehicle	6,860	5,436	4,874	562
Recreational vehicle	102	65	69	(4)
In lieu of taxes (IRB)	68	-	-	-
Interest income	129	128	-	128
Miscellaneous revenue	5,250	5,421	-	5,421
Operating transfers	36,899	42,155	33,000	9,155
TOTAL RECEIPTS	<u>76,141</u>	<u>76,717</u>	<u>\$ 60,536</u>	<u>\$ 16,181</u>
EXPENDITURES				
Dues, subscriptions, and licenses	715	690	\$ 1,800	\$ (1,110)
Revitalization District refund	1,024	1,439	725	714
Professional services	13,015	1,150	1,000	150
Printing and advertising	-	100	500	(400)
Capital expense - building and improvement	-	-	45,000	(45,000)
Russell Main Street	24,000	24,000	24,000	-
Economic development	25,000	25,000	25,000	-
Miscellaneous	11,473	14,800	14,800	-
TOTAL EXPENDITURES	<u>75,227</u>	<u>67,179</u>	<u>\$ 112,825</u>	<u>\$ (45,646)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	914	9,538		
UNENCUMBERED CASH, BEGINNING	<u>92,527</u>	<u>93,441</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 93,441</u>	<u>\$ 102,979</u>		

CITY OF RUSSELL, KANSAS

SPECIAL HIGHWAY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-4

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Fuel tax	\$ 113,106	\$ 115,909	\$ 117,150	\$ (1,241)
State of Kansas	228,200	-	-	-
Interest income	454	791	300	491
	<u>341,760</u>	<u>116,700</u>	<u>\$ 117,450</u>	<u>\$ (750)</u>
TOTAL RECEIPTS				
EXPENDITURES				
Street materials	-	-	\$ 30,000	\$ (30,000)
Improvement	3,368	-	350,000	(350,000)
	<u>3,368</u>	<u>-</u>	<u>\$ 380,000</u>	<u>\$ (380,000)</u>
TOTAL EXPENDITURES				
RECEIPTS OVER (UNDER) EXPENDITURES	338,392	116,700		
UNENCUMBERED CASH, BEGINNING	<u>260,923</u>	<u>599,315</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 599,315</u>	<u>\$ 716,015</u>		

CITY OF RUSSELL, KANSAS

LIBRARY FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-5

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Taxes				
Ad valorem	\$ 124,255	\$ 123,882	\$ 122,423	\$ 1,459
Delinquent	4,154	3,538	-	3,538
Motor vehicle	20,452	21,729	23,635	(1,906)
Recreational vehicle	301	273	334	(61)
In lieu of taxes (IRB)	331	-	-	-
TOTAL RECEIPTS	149,493	149,422	\$ 146,392	\$ 3,030
EXPENDITURES				
Library appropriation	141,755	143,822	\$ 147,000	\$ (3,178)
Revitalization District refund	4,965	7,109	3,931	3,178
TOTAL EXPENDITURES	146,720	150,931	\$ 150,931	\$ -
RECEIPTS OVER (UNDER) EXPENDITURES	2,773	(1,509)		
UNENCUMBERED CASH, BEGINNING	6,547	9,320		
UNENCUMBERED CASH, ENDING	<u>\$ 9,320</u>	<u>\$ 7,811</u>		

CITY OF RUSSELL, KANSAS

FIRE EQUIPMENT FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-6

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Taxes				
Ad valorem	\$ 24,978	\$ 3,846	\$ 3,860	\$ (14)
Delinquent	923	649	-	649
Motor vehicle	4,561	4,550	4,753	(203)
Recreational vehicle	67	56	67	(11)
In lieu of taxes (IRB)	67	-	-	-
Interest income	315	173	300	(127)
TOTAL RECEIPTS	<u>30,911</u>	<u>9,274</u>	<u>\$ 8,980</u>	<u>\$ 294</u>
EXPENDITURES				
Capital expenses - equipment	203,200	48,185	\$ 258,000	\$ (209,815)
Revitalization District refund	998	561	124	437
TOTAL EXPENDITURES	<u>204,198</u>	<u>48,746</u>	<u>\$ 258,124</u>	<u>\$ (209,378)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(173,287)	(39,472)		
UNENCUMBERED CASH, BEGINNING	<u>219,860</u>	<u>46,573</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 46,573</u>	<u>\$ 7,101</u>		

CITY OF RUSSELL, KANSAS

RECREATION FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-7

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Taxes				
Ad valorem	\$ 100,501	\$ 95,314	\$ 94,193	\$ 1,121
Delinquent	3,659	2,933	-	2,933
Motor vehicle	18,201	18,074	19,120	(1,046)
Recreational vehicle	268	226	270	(44)
In lieu of taxes (IRB)	268	-	250	(250)
TOTAL RECEIPTS	<u>122,897</u>	<u>116,547</u>	<u>\$ 113,833</u>	<u>\$ 2,714</u>
EXPENDITURES				
Recreation appropriation	114,300	111,930	\$ 114,500	\$ (2,570)
Revitalization District refund	4,017	5,594	3,024	2,570
TOTAL EXPENDITURES	<u>118,317</u>	<u>117,524</u>	<u>\$ 117,524</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) EXPENDITURES	4,580	(977)		
UNENCUMBERED CASH, BEGINNING	<u>2,471</u>	<u>7,051</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 7,051</u>	<u>\$ 6,074</u>		

CITY OF RUSSELL, KANSAS

PERSONNEL BENEFITS FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-8

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Taxes				
Ad valorem	\$ 423,337	\$ 832,877	\$ 823,130	\$ 9,747
Delinquent	12,739	13,249	-	13,249
Motor vehicle	60,365	72,128	80,490	(8,362)
Recreational vehicle	890	906	1,138	(232)
In lieu of taxes (IRB)	1,127	-	1,200	(1,200)
Reimbursed expenses	212,257	207,239	215,000	(7,761)
Interest income	341	571	500	71
Miscellaneous revenue	-	16,429	-	16,429
Operating transfers	800,000	815,000	815,000	-
TOTAL RECEIPTS	<u>1,511,056</u>	<u>1,958,399</u>	<u>\$ 1,936,458</u>	<u>\$ 21,941</u>
EXPENDITURES				
Revitalization District refund	16,910	41,104	\$ 26,428	\$ 14,676
Blue Cross/Blue Shield	965,978	942,725	1,272,700	(329,975)
Social Security - Medicare	232,452	235,642	254,400	(18,758)
KPERS	252,099	296,561	278,000	18,561
Workers compensation	172,853	83,842	96,200	(12,358)
Unemployment insurance	18,054	2,203	4,000	(1,797)
Other insurance	142	142	-	142
TOTAL EXPENDITURES	<u>1,658,488</u>	<u>1,602,219</u>	<u>\$ 1,931,728</u>	<u>\$ (329,509)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(147,432)	356,180		
UNENCUMBERED CASH, BEGINNING	<u>189,610</u>	<u>42,178</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 42,178</u>	<u>\$ 398,358</u>		

CITY OF RUSSELL, KANSAS

SPECIAL PARKS AND RECREATION FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-9

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
State distribution	\$ 13,061	\$ 13,475	\$ 12,000	\$ 1,475
Interest income	83	86	60	26
TOTAL RECEIPTS	<u>13,144</u>	<u>13,561</u>	<u>\$ 12,060</u>	<u>\$ 1,501</u>
EXPENDITURES				
Professional services	-	-	\$ 10,000	\$ (10,000)
Commodities	-	-	10,000	(10,000)
Capital outlay	-	14,679	25,000	(10,321)
TOTAL EXPENDITURES	<u>-</u>	<u>14,679</u>	<u>\$ 45,000</u>	<u>\$ (30,321)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	13,144	(1,118)		
UNENCUMBERED CASH, BEGINNING	<u>59,700</u>	<u>72,844</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 72,844</u>	<u>\$ 71,726</u>		

CITY OF RUSSELL, KANSAS

CAPITAL IMPROVEMENTS FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

	Schedule 2-10	
	2014	2013
RECEIPTS		
Interest income	\$ 1,350	\$ 1,681
Reimbursement - State of Kansas	200,000	-
Golf course fees	9,762	9,450
Operating transfers	150,553	182,782
TOTAL RECEIPTS	361,665	193,913
EXPENDITURES		
Professional services	-	12,305
Administration	52,806	31,761
Police Department	1,083	5,296
Street Department	44,350	480,170
Golf Course	7,693	8,722
Park Department	21,283	8,500
TOTAL EXPENDITURES	127,215	546,754
RECEIPTS OVER (UNDER) EXPENDITURES	234,450	(352,841)
UNENCUMBERED CASH, BEGINNING	947,009	1,299,850
PRIOR YEAR CANCELLED ENCUMBRANCES	63,194	-
UNENCUMBERED CASH, ENDING	\$ 1,244,653	\$ 947,009

CITY OF RUSSELL, KANSAS
EQUIPMENT RESERVE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
(ACTUAL)
For the Year Ended December 31, 2014
(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

	Schedule 2-11	
	2014	2013
RECEIPTS		
Interest income	\$ 494	\$ 450
Operating transfers	108,398	152,883
TOTAL RECEIPTS	108,892	153,333
EXPENDITURES		
Police department	68,351	4,769
Golf course	31,666	59,002
Park department	-	19,822
Fire department	-	87,243
911 dispatch	-	4,345
TOTAL EXPENDITURES	100,017	175,181
RECEIPTS OVER (UNDER) EXPENDITURES	8,875	(21,848)
UNENCUMBERED CASH, BEGINNING	319,544	341,392
UNENCUMBERED CASH, ENDING	\$ 328,419	\$ 319,544

CITY OF RUSSELL, KANSAS

RISK MANAGEMENT RESERVE FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

	Schedule 2-12	
	2014	2013
RECEIPTS		
Interest income	\$ 85	\$ -
Operating transfers	5,000	5,000
TOTAL RECEIPTS	5,085	5,000
EXPENDITURES		
Golf course	910	909
RECEIPTS OVER (UNDER) EXPENDITURES	4,175	4,091
UNENCUMBERED CASH, BEGINNING	9,095	5,004
UNENCUMBERED CASH, ENDING	\$ 13,270	\$ 9,095

CITY OF RUSSELL, KANSAS
 BOND AND INTEREST FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-13

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Taxes				
Ad valorem	\$ 56,093	\$ 14,753	\$ 14,562	\$ 191
Delinquent	728	1,056	-	1,056
Motor vehicle	1,777	7,543	10,658	(3,115)
Recreational vehicle	24	96	151	(55)
Interest income	66	242	100	142
Operating transfers	440,653	438,296	438,296	-
TOTAL RECEIPTS	499,341	461,986	\$ 463,767	\$ (1,781)
EXPENDITURES				
Bond principal	365,000	370,000	\$ 370,000	\$ -
Interest coupons	118,901	109,925	109,922	3
Revitalization District refund	2,239	1,252	468	784
Miscellaneous	3	-	-	-
Cash basis reserve	-	-	135,000	(135,000)
TOTAL EXPENDITURES	486,143	481,177	\$ 615,390	\$ (134,213)
RECEIPTS OVER (UNDER) EXPENDITURES	13,198	(19,191)		
UNENCUMBERED CASH, BEGINNING	87,907	101,105		
UNENCUMBERED CASH, ENDING	\$ 101,105	\$ 81,914		

CITY OF RUSSELL, KANSAS

CAPITAL PROJECT FUNDS
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)

For the Year Ended December 31, 2014

	Schedule 2-14	
	Pfeifer Well Expansion	Airport Improvement Project
RECEIPTS		
Grant	\$ -	\$ 24,951
Bond proceeds	1,015,000	-
Interest income	687	-
Operating transfers	-	3,110
TOTAL RECEIPTS	1,015,687	28,061
EXPENDITURES		
Professional services	18,323	-
Bond principal	1,000,000	-
Bond interest	9,001	-
Miscellaneous	-	3
Capital outlay	144,327	1,043
TOTAL EXPENDITURES	1,171,651	1,046
RECEIPTS OVER (UNDER) EXPENDITURES	(155,964)	27,015
UNENCUMBERED CASH, BEGINNING	532,653	(30,585)
PRIOR YEAR CANCELLED ENCUMBRANCES	-	3,570
UNENCUMBERED CASH, ENDING	\$ 376,689	\$ -

CITY OF RUSSELL, KANSAS

JOHNSON TRUST FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)

For the Year Ended December 31, 2014
 (With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

	Schedule 2-15	
	2014	2013
RECEIPTS		
Trust distributions	\$ 119,615	\$ 122,262
Interest income	944	1,042
	120,559	123,304
TOTAL RECEIPTS		
EXPENDITURES		
Professional services	-	10,500
Operating supplies	2,465	1,805
Equipment	-	250,000
Capital outlay	5,038	8,557
	7,503	270,862
TOTAL EXPENDITURES		
RECEIPTS OVER (UNDER) EXPENDITURES	113,056	(147,558)
UNENCUMBERED CASH, BEGINNING	629,745	777,303
PRIOR YEAR CANCELLED ENCUMBRANCES	1,150	-
	743,951	629,745
UNENCUMBERED CASH, ENDING	\$ 743,951	\$ 629,745

CITY OF RUSSELL, KANSAS

DEINES CENTER TRUST FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

	Schedule 2-16	
	2014	2013
RECEIPTS		
Interest income	\$ 15	\$ 17
EXPENDITURES	-	-
RECEIPTS OVER (UNDER) EXPENDITURES	15	17
UNENCUMBERED CASH, BEGINNING	14,746	14,729
UNENCUMBERED CASH, ENDING	\$ 14,761	\$ 14,746

CITY OF RUSSELL, KANSAS

DONATION FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

	Schedule 2-17	
	2014	2013
RECEIPTS		
Other income	\$ 2,391	\$ 500
EXPENDITURES		
Utilities - customers	-	362
Operating Supplies	2,065	-
TOTAL EXPEDITURES	2,065	362
RECEIPTS OVER (UNDER) EXPENDITURES	326	138
UNENCUMBERED CASH, BEGINNING	1,669	1,531
UNENCUMBERED CASH, ENDING	\$ 1,995	\$ 1,669

CITY OF RUSSELL, KANSAS

ELECTRIC FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-18
Page 1 of 3

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Sale of electricity	\$ 6,415,559	\$ 6,662,705	\$ 6,743,000	\$ (80,295)
Energy cost adjustment	3,995,944	4,000,487	4,011,000	(10,513)
Steam sales	69,088	-	30,000	(30,000)
Sales tax	144	-	-	-
Customer deposits	1,327	-	-	-
Late payment penalty	17,113	15,911	15,000	911
Reimbursed expense	-	7,480	-	7,480
Bad debt collections	-	322	-	322
Rent income	5,684	-	5,500	(5,500)
Miscellaneous revenue	32,593	52,188	-	52,188
Interest income	4,977	4,584	5,000	(416)
TOTAL RECEIPTS	<u>10,542,429</u>	<u>10,743,677</u>	<u>\$ 10,809,500</u>	<u>\$ (65,823)</u>
EXPENDITURES				
General and administrative				
Personnel salaries	65,141	66,120	\$ 65,000	\$ 1,120
Accrued leave buy back	140	250	-	250
Telephone	604	865	1,000	(135)
Postage	5,919	6,276	6,500	(224)
Insurance	-	275	500	(225)
Bad debt	9,901	-	1,000	(1,000)
Fuel and oil	-	-	250	(250)
Professional services	16,531	18,013	35,500	(17,487)
Dues and subscriptions	21,721	16,079	16,000	79
Sales tax	36	2,104	8,000	(5,896)
Training and seminars	4,465	5,900	4,500	1,400
Printing and advertising	-	-	1,000	(1,000)
Interest on consumer deposits	60	86	-	86
Operating supplies	149	-	750	(750)
Consumer deposits refunded	-	6,762	500	6,262
Office supplies	123	-	600	(600)
Repairs and maintenance	-	111	250	(139)
Uniforms	-	-	300	(300)
Armory utilities	5,171	4,504	1,500	3,004
Capital expenses	-	-	10,000	(10,000)
Total general and administrative	<u>129,961</u>	<u>127,345</u>	<u>153,150</u>	<u>(25,805)</u>

CITY OF RUSSELL, KANSAS

ELECTRIC FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-18

Page 2 of 3

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
EXPENDITURES (CONTINUED)				
Production				
Personnel salaries	\$ 260,644	\$ 262,996	\$ 277,900	\$ (14,904)
Overtime salaries	8,702	7,991	10,000	(2,009)
Accrued leave buy back	820	1,000	1,000	-
Telephone	3,912	3,986	4,000	(14)
Postage	52	109	500	(391)
Natural gas	5,192	2,613	5,000	(2,387)
Insurance	155,386	161,720	140,000	21,720
Dues and subscription	718	433	1,000	(567)
Training and seminars	383	1,962	4,500	(2,538)
Professional services	12,852	13,558	50,000	(36,442)
Printing and advertising	227	229	500	(271)
Compensating use tax	177	58	350	(292)
Operating supplies	5,056	2,917	10,000	(7,083)
Repairs and maintenance	132,338	96,855	125,000	(28,145)
General fuel and oil	43,654	19,667	65,000	(45,333)
Natural gas	-	163,179	200,000	(36,821)
Turbine maintenance	15,310	7,170	30,000	(22,830)
Transport natural gas - turbines	116,769	115,568	150,000	(34,432)
Purchased power	8,066,398	8,164,986	7,907,400	257,586
Chemicals	6,602	4,245	12,000	(7,755)
Fuel and oil	3,526	3,141	5,000	(1,859)
Apparatus and tools	1,399	2,936	3,000	(64)
Office supplies	1,699	2,257	3,000	(743)
Uniforms	8,422	11,042	10,000	1,042
Transport downtown power plant	16,271	8,763	15,000	(6,237)
Capital expenditures				
Building and improvement	-	37,695	30,000	7,695
Equipment	-	87,156	-	87,156
Total production	8,866,509	9,184,232	9,060,150	124,082
Transportation and distribution				
Personnel salaries	254,605	274,143	315,100	(40,957)
Overtime salaries	4,085	9,406	5,000	4,406
Accrued leave buy back	278	439	500	(61)
Telephone	779	1,078	1,000	78
Natural gas	3,522	3,446	2,000	1,446
Postage	83	12	500	(488)
Insurance	13,091	12,776	11,000	1,776

CITY OF RUSSELL, KANSAS

ELECTRIC FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-18
Page 3 of 3

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
EXPENDITURES (CONTINUED)				
Transportation and distribution (continued)				
Dues and subscriptions	\$ 3,364	\$ 357	\$ 1,500	\$ (1,143)
Training and seminars	3,223	3,603	3,500	103
Professional services	11,541	23,905	40,000	(16,095)
Printing and advertising	399	93	1,000	(907)
Compensating use tax	1,043	58	1,000	(942)
Operating supplies	2,537	4,993	3,000	1,993
Repairs and maintenance	228,835	187,268	75,000	112,268
Chemicals	506	488	600	(112)
Fuel and oil	19,907	21,500	17,500	4,000
Apparatus and tools	9,482	3,964	7,000	(3,036)
Office supplies	90	157	500	(343)
Uniforms	5,925	6,299	5,000	1,299
Capital expenditures				
Equipment	26,057	-	150,000	(150,000)
Building and improvement	-	12,276	12,000	276
Lighting and storm alert	2,653	-	25,000	(25,000)
Distribution system	32,234	-	50,000	(50,000)
Total transportation and distribution	<u>624,239</u>	<u>566,261</u>	<u>727,700</u>	<u>(161,439)</u>
Operating transfers				
Transfer to:				
Personnel Benefits Fund	375,000	375,000	375,000	-
General Fund	415,000	450,000	450,000	-
Risk Management Reserve Fund	3,500	3,500	3,500	-
Electric Depreciation Reserve Fund	250,000	250,000	250,000	-
Total operating transfers	<u>1,043,500</u>	<u>1,078,500</u>	<u>1,078,500</u>	<u>-</u>
TOTAL EXPENDITURES	<u>10,664,209</u>	<u>10,956,338</u>	<u>\$ 11,019,500</u>	<u>\$ (63,162)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	(121,780)	(212,661)		
UNENCUMBERED CASH, BEGINNING	3,165,317	3,043,537		
PRIOR YEAR CANCELLED ENCUMBRANCES	-	1,147		
UNENCUMBERED CASH, ENDING	<u>\$ 3,043,537</u>	<u>\$ 2,832,023</u>		

CITY OF RUSSELL, KANSAS

ELECTRIC DEPRECIATION RESERVE FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

	Schedule 2-19	
	2014	2013
RECEIPTS		
Interest income	\$ 2,392	\$ 3,885
Operating transfers	250,000	250,000
TOTAL RECEIPTS	252,392	253,885
EXPENDITURES		
Capital outlay	342,765	1,570,486
RECEIPTS OVER (UNDER) EXPENDITURES	(90,373)	(1,316,601)
UNENCUMBERED CASH, BEGINNING	1,936,880	3,253,481
UNENCUMBERED CASH, ENDING	\$ 1,846,507	\$ 1,936,880

CITY OF RUSSELL, KANSAS

WATER FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-20

Page 1 of 3

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Consumer sales	\$ 1,699,448	\$ 1,864,550	\$ 1,800,000	\$ 64,550
State water fee	6,184	6,790	8,000	(1,210)
Customer deposits	-	1,999	-	1,999
Late payment penalty	5,823	5,717	5,000	717
Miscellaneous revenue	26,041	14,222	5,000	9,222
Water main tap fees	3,292	3,845	-	3,845
Reimbursed expense	-	3,000	-	3,000
Interest income	1,813	1,436	2,000	(564)
Ranch agreement	22,292	8,998	6,000	2,998
TOTAL RECEIPTS	<u>1,764,893</u>	<u>1,910,557</u>	<u>\$ 1,826,000</u>	<u>\$ 84,557</u>
EXPENDITURES				
General and administrative				
Postage	3,494	3,765	\$ 3,000	\$ 765
Insurance	-	292	-	292
Compensating use tax	137	-	150	(150)
Professional services	10,315	5,089	10,000	(4,911)
Training	2,322	3,257	3,000	257
Printing and advertising	250	949	100	849
Dues and subscriptions	120	1,120	2,000	(880)
Interest on consumer deposits	30	38	-	38
Principal payments	17,915	13,799	95,390	(81,591)
Interest payments	1,143	15,829	34,125	(18,296)
Consumer deposits refunded	994	-	-	-
Office supplies	122	-	400	(400)
Armory utilities	231	220	200	20
Bad debt expense	3,302	-	1,500	(1,500)
Total general and administrative	<u>40,375</u>	<u>44,358</u>	<u>149,865</u>	<u>(105,507)</u>

CITY OF RUSSELL, KANSAS

WATER FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-20

Page 2 of 3

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
EXPENDITURES (CONTINUED)				
Production				
Personnel salaries	\$ 182,121	\$ 196,522	\$ 197,000	\$ (478)
Overtime salaries	11,311	11,016	10,000	1,016
Accrued leave buy back	-	250	-	250
Telephone	1,890	1,804	2,100	(296)
Postage	1,157	1,285	1,000	285
Natural gas	6,754	7,272	10,000	(2,728)
Electric services	33,896	38,639	50,000	(11,361)
Insurance	27,273	30,492	30,000	492
Dues and subscription	590	567	1,500	(933)
Training and seminars	5	3,269	500	2,769
Professional services	20,592	11,645	35,000	(23,355)
Printing and advertising	73	-	500	(500)
State water fees	6,030	6,650	8,000	(1,350)
Operating supplies	1,824	5,601	2,000	3,601
Clean drinking water fee	5,653	6,234	8,000	(1,766)
Repairs and maintenance	60,814	57,195	50,000	7,195
Chemicals	157,209	224,973	260,000	(35,027)
Fuel and oil	5,385	5,881	5,000	881
Apparatus and tools	-	2,150	1,000	1,150
Office supplies	520	263	1,000	(737)
Uniforms	5,192	5,991	5,000	991
Purchased water	-	40,350	-	40,350
Lease and rent	77,204	45,000	89,000	(44,000)
R-9 Ranch expenses	-	-	1,000	(1,000)
Capital outlay	-	-	1,000	(1,000)
Total production	605,493	703,049	768,600	(65,551)

CITY OF RUSSELL, KANSAS

WATER FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-20
Page 3 of 3

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
EXPENDITURES (CONTINUED)				
Transportation and distribution				
Personnel salaries	\$ 145,341	\$ 156,072	\$ 153,225	\$ 2,847
Overtime salaries	10,482	5,435	6,175	(740)
Accrued leave buy back	217	126	-	126
Telephone	765	1,060	900	160
Postage	6	-	500	(500)
Natural gas	2,617	2,344	5,000	(2,656)
Insurance	5,204	5,912	5,000	912
Dues and subscriptions	1,829	473	500	(27)
Training and seminars	-	237	1,000	(763)
Professional services	4,920	824	4,000	(3,176)
Printing and advertising	635	565	500	65
Operating supplies	227	1,275	1,000	275
Repairs and maintenance	31,854	28,157	37,000	(8,843)
Fuel and oil	15,737	13,922	15,000	(1,078)
Apparatus and tools	629	1,238	2,000	(762)
Office supplies	16	90	500	(410)
Uniforms	3,028	4,001	2,250	1,751
Total transportation and distribution	<u>223,507</u>	<u>221,731</u>	<u>234,550</u>	<u>(12,819)</u>
Operating transfers	<u>871,653</u>	<u>1,104,296</u>	<u>1,104,296</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,741,028</u>	<u>2,073,434</u>	<u>\$ 2,257,311</u>	<u>\$ (183,877)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	23,865	(162,877)		
UNENCUMBERED CASH, BEGINNING	<u>1,260,531</u>	<u>1,284,396</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 1,284,396</u>	<u>\$ 1,121,519</u>		

CITY OF RUSSELL, KANSAS

WATER DEPRECIATION RESERVE FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

	Schedule 2-21	
	2014	2013
RECEIPTS		
Proceeds from sale of assets	\$ 9,209	\$ -
Grant revenues	-	388,000
Loan revenues	729,026	748,224
Interest income	197	479
Operating transfers	300,000	75,000
TOTAL RECEIPTS	1,038,432	1,211,703
EXPENDITURES		
Professional services	33,892	39,008
Conservation expenditures	-	1,720
Capital expenditures	719,592	721,872
TOTAL EXPENDITURES	753,484	762,600
RECEIPTS OVER (UNDER) EXPENDITURES	284,948	449,103
UNENCUMBERED CASH, BEGINNING	174,739	(274,364)
UNENCUMBERED CASH, ENDING	\$ 459,687	\$ 174,739

CITY OF RUSSELL, KANSAS

WASTEWATER FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-22

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Sewer use charge	\$ 508,804	\$ 526,541	\$ 550,000	\$ (23,459)
Penalty	1,817	1,783	1,600	183
Interest income	633	857	700	157
Miscellaneous revenue	10,013	2,536	2,508	28
Sewer main tap fees	2,665	1,450	500	950
TOTAL RECEIPTS	523,932	533,167	\$ 555,308	\$ (22,141)
EXPENDITURES				
Personnel salaries	79,301	89,063	\$ 90,750	\$ (1,687)
Overtime salaries	8,080	6,192	5,000	1,192
Accrued leave buy back	105	70	-	70
Telephone	237	252	250	2
Postage	1,276	1,483	2,500	(1,017)
Natural gas	1,530	1,194	1,500	(306)
Insurance	2,616	1,761	2,000	(239)
Bad Debt	1,209	-	1,500	(1,500)
Dues and subscriptions	454	1,245	1,500	(255)
Training and seminars	1,062	1,364	500	864
Professional services	1,176	11,299	9,000	2,299
Printing and advertising	55	132	500	(368)
Operating supplies	750	383	1,000	(617)
Repairs and maintenance	29,387	38,146	30,000	8,146
Chemicals	1,963	1,711	2,000	(289)
Fuel and oil	8,436	8,519	1,000	7,519
Apparatus and tools	1,345	1,220	2,000	(780)
Office supplies	62	257	1,000	(743)
Armory utilities	265	224	-	224
Uniforms	633	997	1,000	(3)
Capital expenditures	-	-	58,000	(58,000)
Operating transfer	163,000	195,000	195,000	-
TOTAL EXPENDITURES	302,942	360,512	\$ 406,000	\$ (45,488)
RECEIPTS OVER (UNDER) EXPENDITURES	220,990	172,655		
UNENCUMBERED CASH, BEGINNING	346,494	567,484		
UNENCUMBERED CASH, ENDING	<u>\$ 567,484</u>	<u>\$ 740,139</u>		

CITY OF RUSSELL, KANSAS

WASTEWATER REPLACEMENT FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

	Schedule 2-23	
	2014	2013
RECEIPTS		
Interest income	\$ 217	\$ 333
Operating transfers	75,000	50,000
TOTAL RECEIPTS	75,217	50,333
EXPENDITURES		
Printing and advertising	-	215
Capital outlay	344,653	24,775
TOTAL EXPENDITURES	344,653	24,990
RECEIPTS OVER (UNDER) EXPENDITURES	(269,436)	25,343
UNENCUMBERED CASH, BEGINNING	302,626	277,283
UNENCUMBERED CASH, ENDING	\$ 33,190	\$ 302,626

CITY OF RUSSELL, KANSAS

SANITATION FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-24

Page 1 of 2

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Consumer sales	\$ 265,438	\$ 268,907	\$ 267,000	\$ 1,907
Consumer sales - landfill	146,544	148,745	147,000	1,745
Sales tax	1,131	903	1,600	(697)
Polykart sales	11,976	11,896	10,000	1,896
Recycling sales	4,384	3,549	6,000	(2,451)
Penalty	1,517	1,514	1,400	114
Interest income	260	269	200	69
Miscellaneous revenue	4,799	8,597	9,000	(403)
TOTAL RECEIPTS	436,049	444,380	\$ 442,200	\$ 2,180
EXPENDITURES				
General and administrative				
Sales tax	1,031	896	\$ 1,600	\$ (704)
Professional services	1,551	1,854	1,200	654
Postage	1,184	1,255	1,500	(245)
Bad debt	847	147	750	(603)
Office supplies	-	-	500	(500)
Repairs and maintenance	48	208	500	(292)
Supplies	-	101	5,000	(4,899)
Armory utilities	83	71	200	(129)
Dues, licenses, fees, and subscriptions	1,120	1,120	500	620
Total general and administrative	5,864	5,652	11,750	(6,098)
Sanitation				
Personnel salaries	119,610	113,368	116,700	(3,332)
Overtime salaries	951	1,351	2,000	(649)
Accrued leave buy back	280	250	-	250
Landfill charges	101,116	101,457	105,000	(3,543)
Postage	-	-	500	(500)
Training and seminars	2,322	2,999	2,000	999

CITY OF RUSSELL, KANSAS

SANITATION FUND
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)

For the Year Ended December 31, 2014

(With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-24

Page 2 of 2

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
EXPENDITURES (CONTINUED)				
Sanitation (continued)				
Insurance	\$ 416	\$ 1,343	\$ 2,000	\$ (657)
Professional services	51	157	1,000	(843)
Printing and advertising	240	22	1,000	(978)
Operating supplies	6,394	6,426	5,000	1,426
Repairs and maintenance	1,981	4,876	4,500	376
Fuel and oil	17,898	18,006	20,000	(1,994)
Uniforms	2,281	2,858	2,000	858
Apparatus and tools	-	186	-	186
Capital expenditures	15,000	-	-	-
Total sanitation	<u>268,540</u>	<u>253,299</u>	<u>261,700</u>	<u>(8,401)</u>
Operating transfers	<u>145,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
TOTAL EXPENDITURES	<u>419,404</u>	<u>408,951</u>	<u>\$ 423,450</u>	<u>\$ (14,499)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	16,645	35,429		
UNENCUMBERED CASH, BEGINNING	<u>164,757</u>	<u>181,402</u>		
UNENCUMBERED CASH, ENDING	<u>\$ 181,402</u>	<u>\$ 216,831</u>		

CITY OF RUSSELL, KANSAS

RUSSELL RECREATION COMMISSION
 SCHEDULE OF RECEIPTS AND EXPENDITURES - REGULATORY BASIS
 (ACTUAL AND BUDGET)
 For the Year Ended December 31, 2014
 (With Comparative Actual Totals For The Prior Year Ended December 31, 2013)

Schedule 2-25

	Prior Year Actual	Current Year		Over (Under) Budget
		Actual	Budget	
RECEIPTS				
Tax Appropriations	\$ 114,300	\$ 111,930	\$ 114,500	\$ (2,570)
Program fees	35,916	35,586	28,000	7,586
Concessions	4,457	4,695	6,000	(1,305)
Gate revenue	3,188	3,080	9,000	(5,920)
Tournament entry fees	2,860	1,891	7,500	(5,609)
Donations	52,910	225	10,000	(9,775)
Memberships	52,079	60,505	25,000	35,505
Rec. building-rentals	-	1,790	2,000	(210)
Grants	-	20,900	-	20,900
Other receipts	83	10	-	10
Interest on investments	103	51	1,200	(1,149)
TOTAL RECEIPTS	265,896	240,663	\$ 203,200	\$ 37,463
EXPENDITURES				
Salaries - director	39,500	41,232	\$ 44,000	\$ (2,768)
Salaries - other	32,996	35,981	24,000	11,981
Salaries - concessions	1,844	1,360	3,000	(1,640)
Salaries - building	7,067	12,630	-	12,630
Program salaries	15,613	18,747	-	18,747
Health insurance	2,399	2,455	1,600	855
KPERS contributions	5,133	6,215	4,800	1,415
Workman's compensation	848	-	530	(530)
Payroll tax	8,138	9,121	7,770	1,351
Unemployment tax	2,570	3,543	1,300	2,243
Accounting and reporting	10,940	6,215	8,000	(1,785)
Automobile expense	4,962	3,437	3,000	437
Awards	554	541	1,500	(959)
Concession products	3,077	3,164	9,500	(6,336)
Concession sales tax	340	354	-	354
Insurance	3,872	5,106	3,200	1,906
Memorial park maintenance	13,168	9,610	17,000	(7,390)
Memorial park improvements	6,309	34	35,000	(34,966)
Membership expenses	718	-	-	-
Capital equipment	15,652	-	15,000	(15,000)
Office expense	25,940	21,301	12,300	9,001
Rec. ctr. building improvements	-	375	-	375
Rec. ctr. equipment	20,992	2,636	-	2,636
Building - supplies	-	6,858	-	6,858
Building - utilities	-	3,754	-	3,754
Building - repairs and maintenance	-	1,277	-	1,277
Program expense	39,093	25,367	26,000	(633)
Tournament expenses	255	300	2,200	(1,900)
Tournament officials	3,586	3,079	7,300	(4,221)
Travel	23	-	500	(500)
Grant salaries	-	1,579	-	1,579
Grant expense	-	17,865	-	17,865
	265,589	244,136	227,500	16,636
Adjustment for qualifying budget credit	-	-	20,900	(20,900)
TOTAL EXPENDITURES	265,589	244,136	\$ 248,400	\$ (4,264)
RECEIPTS OVER (UNDER) EXPENDITURES	307	(3,473)		
UNENCUMBERED CASH, BEGINNING	66,146	66,453		
UNENCUMBERED CASH, ENDING	<u>\$ 66,453</u>	<u>\$ 62,980</u>		

CITY OF RUSSELL, KANSAS

AGENCY FUNDS
SUMMARY OF RECEIPTS AND DISBURSEMENTS - REGULATORY BASIS
For the Year Ended December 31, 2014

Schedule 3

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
DRUG TASK FORCE PROGRAM	\$ 5,206	\$ 4	\$ 1,372	\$ 3,838
MUNICIPAL COURT	7,489	55,156	50,312	12,333
FIRE FIGHTER ACTIVITY	6,951	13,452	10,450	9,953
SINK OR SWIM	2,881	101	200	2,782
TOTAL	<u>\$ 22,527</u>	<u>\$ 68,713</u>	<u>\$ 62,334</u>	<u>\$ 28,906</u>