

CITY OF EMPORIA, KANSAS

104 E. 5th Avenue
Emporia, Kansas 66801

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2014

**Prepared by the Finance Department
Of the City of Emporia, Kansas**

CITY OF EMPORIA, KANSAS
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June 16, 2015

Honorable Mayor and City Commissioners
City of Emporia

Honorable Mayor and City Commissioners:

The Comprehensive Annual Financial Report of the City of Emporia, Kansas (the City) for the year ended December 31, 2014 is submitted herewith.

This report was prepared by the City's Finance Department. The report is published to provide to the Commission, to representatives of financial institutions, and to our citizens and other interested persons, detailed information concerning the financial condition of the city government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operation of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

GENERAL INFORMATION

The City lies 110 miles southwest of Kansas City and 85 miles northeast of Wichita on the eastern edge of the Flint Hills area of Kansas. Emporia has a population of 24,799 based on the 2010 census. There are 11.82 square miles of land in the City's corporate boundary, while the "planning and protected" area covers approximately 63 square miles.

The City was incorporated in 1857. The City has a Commission-City Manager form of government. The Commission is comprised of five members elected at large for terms of two and four years, with three Commissioners being elected each odd-numbered year. The Mayor is elected by the Commission.

The City Manager is appointed by the Governing Body and acts as its primary agent in accordance with state statute. Other City officers and employees are appointed by the City Manager. The Governing Body is responsible for policy determination and the City Manager is responsible for the administration of the municipal government.

This report includes all of the funds of the City. The City is financially accountable for the Emporia Public Library, and the Library is included in the City's financial statements. The City Commission appoints all members of the seven-member Library Board. Because the Library is not a separate taxing entity by applicable state statutes, the City levies taxes for the Library's operations, which represent approximately 91 percent of the Library's total revenues. The operations of the Emporia Public Library are reported as a discretely presented component unit in the City's financial statements.

The City provides a full range of municipal services. The Public Safety program includes police and fire protection; an aquatic center, golf course, tennis courts, neighborhood parks and a community center provide a well-rounded, active recreation program; the Engineering Department provides essential street and highway construction and maintenance, surveying services and other technical assistance to the City; the Public Utilities provide water, sewer and refuse collection services. Additional services provided include building inspection, planning and zoning, as well as general administrative services.

June 16, 2015
Honorable Mayor and City Commissioners
City of Emporia

GENERAL INFORMATION (CONTINUED)

In developing and altering the City's accounting system, consideration is given to the adequacy of the internal controls. The internal controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

State law requires an annual audit of the books of accounts, financial records and transactions of all administrative departments of the City by independent Certified Public Accountants or Licensed Municipal Public Accountants selected by the City Commission. This requirement has been complied with and the auditor's opinion has been included in this report.

LOCAL ECONOMY

Emporia is very fortunate to have a diversified economy. This diversity provides a cushion when particular market areas suffer from an economic downturn. Our major source of employment is in the field of food processing. This is an important link to our state's agricultural base, yet it is somewhat insulated from the periodic downturns. Strong employment in this sector is being maintained at Tyson's Fresh Meats which has approximately 1,000 employees. Simmons Pet Food and Hill's Pet Food companies continue to be strong in their employment. Simmons recently added a fourth production line and 75 new employees. Camoplast Rockland Ltd, a manufacturer of rubber belts for farm machinery, snowmobiles and similar equipment also continue to be very strong in employment numbers. Hostess Brands, LLC opened in June 2013 and is the largest baking facility in the company's system and has created approximately 525 jobs. Birch Communications has also added approximately 125 new positions in Emporia. We are optimistic that the economy will continue to be positive in Emporia in future years.

Emporia State University is dependent on State funding and the poor fiscal condition of the State is affecting its operations yet enrollment has continued to grow at a steady rate and the 5 year goal is to add another 400 students to the on campus enrollment. Attracting new students will be competitive but the momentum has been established as evidenced by the significant increases in student enrollment for the past 3 semesters. Flint Hills Technical College has had record enrollment for the past 8 semesters. Transportation, particularly trucking, continues to be an important part of our economy. Our access to highway systems and our central geographical

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

Unrestricted fund balance in the general fund was 28.75 percent of total general fund budgeted expenditures, less transfers and capital outlay. This amount was above the 15 percent policy guidelines set by the Commission for budgetary and planning purposes. The policy for the utility funds is 20 percent. The water fund unrestricted fund balance was 51.48 percent, the sewer fund unrestricted fund balance was 94.26 percent and the solid waste fund unrestricted fund balance was 87.19 percent. These amounts are above the 20 percent reserve policy set by the City Commission.

The City of Emporia collects approximately 2.2 million dollars a year from a 1 cent county wide sales tax. The City Commission has stated these dollars are to be spent on city infrastructure. During 2014 \$38,000 was spent on storm water repairs, \$1.28 million on street maintenance, and \$464,000 on building repairs. This sales tax was set to expire in 2014 and the citizens of Lyon County voted on the 2013 ballot to extend until 2024.

A 5-year capital improvement plan is maintained which serves as its planning document to ensure that facilities, equipment and infrastructure are well maintained and operating in good condition. Property owners can participate in the Neighborhood Revitalization Program for property in the center part of Emporia. The downtown district received Historical district certification in 2013 to provide additional grant opportunities to maintain the buildings.

June 16, 2015
Honorable Mayor and City Commissioners
City of Emporia

RELEVANT FINANCIAL POLICIES

The adopted budgets are an integral part of the accounting system providing management control over expenditures in the general fund, special revenue funds, debt service fund and enterprise funds. Kansas statutes require that cash be on hand before expenditure can be authorized, that all expenditures be budgeted, and that the budget not exceed anticipated revenues including carry-forward balances. The adopted budget for any fund may be amended, using the same procedures as for adoption, if the increased expenditures are financed with non-tax revenues. Formal budgetary integration is not used for the capital projects funds because budgetary control is achieved through the resolution of authorization and funding. Encumbrance accounting is used for outstanding purchase orders, contracts and other commitments. Encumbrances outstanding at year end are reported as assigned fund balance since they are not expenditures or liabilities.

Cash temporarily idle during the year was invested in time deposits in banks ranging from 30 to 150 days in maturity and in U.S. government obligations with variable maturities and in the Kansas Municipal Investment Pool. At December 31, 2014, the City's cash resources were divided between demand deposits and investments as follows: in demand deposits and cash on hand: 26 percent; and in interest bearing investments: 74%. The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized.

The City performs limited risk management operations intended to maintain coverage at appropriate levels; manage claims; and monitor carrier performance. The City was self-insured for its workers' compensation insurance for the year ended December 31, 2014.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the year ended December 31, 2013. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last twenty-nine consecutive years (fiscal years 1985-2013). We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA.

ACKNOWLEDGEMENTS

The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Finance Department. I should like to express my appreciation to all members of the department who assisted and contributed to its preparation. I should also like to thank the Mayor and City Commissioners for their interest and support in planning and conducting the financial operations of the City in a reasonable and progressive manner.

Respectfully submitted,



Janet Harrouff
City Treasurer
June 16, 2015



Mark McAnarney
City Manager
June 16, 2015

INTRODUCTORY SECTION



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

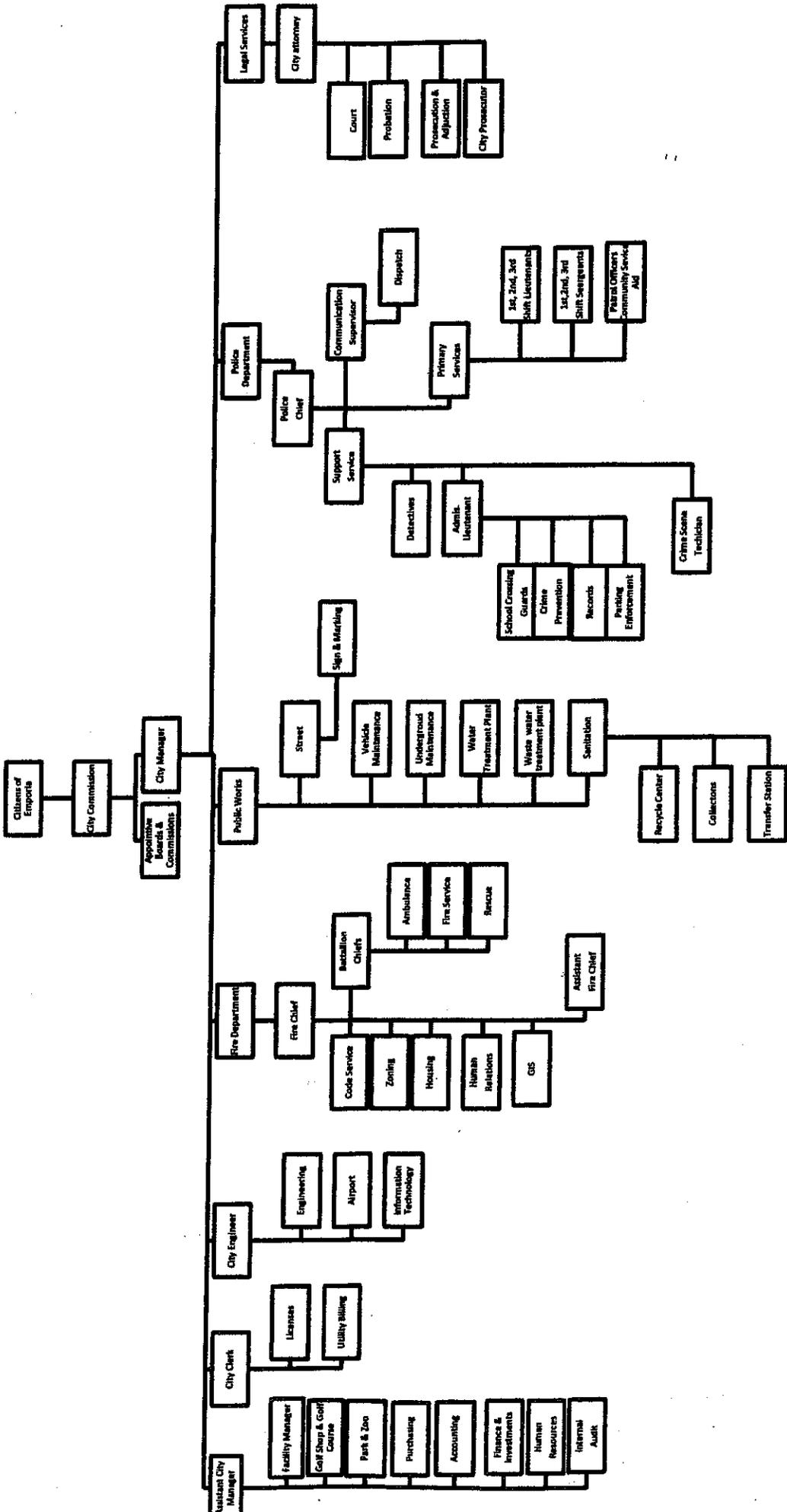
Presented to

**City of Emporia
Kansas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO



**CITY OF EMPORIA, KANSAS
PRINCIPAL OFFICIALS**

December 31, 2014

GOVERNING BODY

Mayor
Vice-Mayor
Commissioner
Commissioner
Commissioner

Jon Geitz
Danny Giefer
Bobbi Mlynar
Rob Gilligan
Steve Harmon

ADMINISTRATIVE OFFICIALS

City Manager
Assistant City Manager
City Clerk
City Treasurer
City Attorney

Mark McAnarney
Jim Witt
Kerry Sull
Janet Harrouff
Blaise Plummer

DEPARTMENT HEADS

Public Works Director
City Engineer
Fire Chief
Police Chief

Ron Childers
Gerald Menefee
Jack Taylor
Scott Cronk

INDEPENDENT AUDITOR'S REPORT

June 16, 2015

Mayor and City Commissioners
City of Emporia, Kansas



INDEPENDENT AUDITOR'S REPORT

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Emporia, Kansas (the City), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The City's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Emporia Public Library, which represent .79% of the assets and 5.08% of the revenues of the City. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Emporia Public Library, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the applicable provisions of 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budget comparisons for the General Fund and Multi-Year Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

June 16, 2015
Mayor and City Commissioners
City of Emporia, Kansas
(Continued)

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual non-major fund financial statements and budgetary comparison schedules for the debt service fund and budgeted non-major governmental funds, and the other information, such as introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and budget comparison schedules for the debt service fund and budgeted nonmajor funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information in the combining and individual non-major fund statements and budget comparison schedules for the debt service fund and budgeted nonmajor funds is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Vannoy & Associates CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF EMPORIA, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2014

Unaudited

Our discussion and analysis of the City of Emporia, Kansas financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2014. The Emporia Public Library issues a complete financial statement that includes a discussion and analysis. The address for retrieval of this report is in Note 1. This narrative should be read in conjunction with the City's letter of transmittal, which begins on page i.

Financial Highlights

- The Government-wide net assets totaled \$76,790,668 at the end of the current fiscal year, a decrease of \$3,961,597 from the prior year.
- The Government-wide unrestricted current assets exceed the current liabilities by \$14,921,376, representing the City's ability to meet its current obligations when due.
- Total capital assets, net of accumulated depreciation at December 31, 2014, totaled \$82,794,365.
- During the year ended December 31, 2014, the City's total expenses exceeded total revenues (which include charges for services, local taxes and state and federal aid) by \$3,961,597.
- The City's total indebtedness showed a net decrease of \$5,005,000, the amount of debt payments for the year. There was no new debt issued in 2014.
- The City's net capital assets decreased \$7,549,061 in the current fiscal year.

Using this Financial Report

This annual report consists of two distinct series of financial statements: government-wide and fund financial statements. In addition, the annual report includes budgetary-basis financial statement comparisons, in accordance with the State of Kansas cash basis and budget laws.

The government-wide statements are designed to provide information about the City's activities as a whole and provide a longer-term view of the City's finances. The fund financial statements tell how the City's services for both governmental and business-type activities were financed in the short term as well as what remains for future spending. Fund financial statements report the City's operations in greater detail than the government-wide statements by providing information about the City's most significant funds. In addition, combining statements included in the supplemental information show detail of all other governmental funds. The City also holds fiduciary funds on behalf of various parties. These funds are reported in a separate statement.

Reporting on the City as a Whole (Government Wide)

Statement of Net Position and the Statement of Activities

The view of the City as a whole looks at all financial transactions and asks the question, "Are we in a better financial position as a result of the current year's financial activities?" The Statement of Net Position and the Statement of Activities provide the basis for answering this question. The statements include all assets and all liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses, regardless of when cash is received or paid.

These two statements report the City's net position and current year change in the net position. The change in net position is important because it tells the reader whether the City, as a whole, has improved or diminished its financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Causes of these changes may be the result of many factors, some financial, some not. Non-financial factors include the City's property tax base, state mandates, and the financial condition of the State

CITY OF EMPORIA, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

For the Year Ended December 31, 2014

Unaudited

Reporting on the City as a whole (Government Wide) (Continued)

In the Statement of Net Position and the Statement of Activities, the City is divided into two distinct kinds of activities:

Governmental Activities — Most of the City's programs and services are reported here, including general government, public safety, highways and streets, culture and recreation, health and environment, building and maintenance, planning and development and airport operation.

Business-Type Activities — These services are provided on a charge for goods and services basis to recover all of the expenses of the goods or services provided. The city's solid waste disposal, sewer utility, and water utility are reported as business-type activities. In addition, the City's workers' compensation fund and the insurance fund are treated as internal service funds.

Reporting the City's Most Significant Funds (Fund Financial Statements)

Fund financial statements provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. The major fund financial statements focus on the City's most significant funds. Combining fund balance sheets and statements of revenues, expenditures and changes in fund balances provide detailed information about all of the City's non-major governmental funds.

Governmental Funds — Most of the City's activities are reported in the governmental funds, which focus on how money flows into and out of the funds and balances left over at fiscal year end available to be spent in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general operations and the basic services it provides. Governmental fund information helps the reader to decide where there are more or fewer financial resources that can be spent in the near term to finance the City's programs. Major differences between the City's governmental activities as reported in the Statement of Net Position and the Statement of Activities and its governmental funds are reconciled in the Governmental Funds financial statements.

Proprietary Funds — Proprietary funds (Solid Waste Disposal, Sewer Utility and Water Utility) are enterprise funds that use the same basis of accounting as business-type activities; therefore, these statements replicate the information provided in the government-wide financial statements.

The City as a Whole

Government-Wide Net Position

Net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Emporia, Kansas, assets exceeded liabilities by \$76,790,668 at the end of the current fiscal year.

By far the largest portion of the City of Emporia's net position (75.27 percent) reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding. The City of Emporia uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Emporia's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF EMPORIA, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2014
Unaudited

The City as a Whole (Continued)

The Statement of Net Assets provides the financial position of the City as a whole. The following is a summary of the City's Statement of Net Assets as of December 31, 2014 and 2013:

CITY OF EMPORIA, KANSAS
CONDENSED STATEMENT OF NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
ASSETS						
Current	\$ 17,344,241	\$ 17,954,485	\$ 10,096,161	\$ 8,433,265	\$ 27,440,402	\$ 26,387,750
Net Capital Assets	53,277,667	66,199,682	29,516,698	32,015,094	82,794,365	98,214,776
TOTAL ASSETS	\$ 70,621,908	\$ 84,154,167	\$ 39,612,859	\$ 40,448,359	\$ 110,234,767	\$ 124,602,526
LIABILITIES AND NET POSITION						
Liabilities						
Current	\$ 10,516,560	\$ 10,381,419	\$ 2,002,467	\$ 2,468,667	\$ 12,519,027	\$ 12,850,086
Non-Current	10,057,447	16,802,933	10,867,626	11,561,997	20,925,073	28,364,930
Total Liabilities	\$ 20,574,007	\$ 27,184,352	\$ 12,870,093	\$ 14,030,664	\$ 33,444,100	\$ 41,215,016
Net Position						
Net investment in capital assets	\$ 40,402,667	\$ 46,489,682	\$ 17,398,655	\$ 18,844,645	\$ 57,801,322	\$ 65,334,327
Restricted	4,133,802	8,649,753	-	-	4,133,802	8,649,753
Unrestricted	5,511,434	1,830,380	9,344,111	7,573,049	14,855,545	9,403,429
Total Net Position	\$ 50,047,903	\$ 56,969,815	\$ 26,742,766	\$ 26,417,694	\$ 76,790,669	\$ 83,387,509
TOTAL LIABILITIES AND NET POSITION	\$ 70,621,910	\$ 84,154,167	\$ 39,612,859	\$ 40,448,358	\$ 110,234,769	\$ 124,602,525

An additional portion of the City of Emporia's net position (5.39 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (19.34 percent) may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Emporia is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

The City's net position was decreased by \$3,961,596 during the current fiscal year. Governmental activities decreased \$4,576,021, while business-type activities net position increased \$614,425. The current year governmental activities decrease was primarily due to depreciation of capital assets of \$7,426,966.

Governmental Activities

The following is a condensed statement of the City's change in net position for the year ended December 31, 2014 and 2013:

CITY OF EMPORIA, KANSAS
CONDENSED STATEMENT OF ACTIVITIES

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenue						
Functions/Program:						
Charges for services	\$ 3,875,853	\$ 3,408,590	\$ 12,279,495	\$ 12,959,639	\$ 16,155,348	\$ 16,368,229
Operating grants	1,049,663	476,479	-	-	1,049,663	476,479
Capital grants	-	-	-	-	-	-
General revenues	-	-	-	-	-	-
Property tax	7,080,462	7,030,952	-	-	7,080,462	7,030,952
Other	10,109,382	10,665,435	220,360	254,396	10,329,742	10,919,831
Total Revenues	\$ 22,115,360	\$ 21,581,456	\$ 12,499,855	\$ 13,214,035	\$ 34,615,215	\$ 34,795,491

(Continued)

CITY OF EMPORIA, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
For the Year Ended December 31, 2014
Unaudited

Governmental Activities (Continued)

CITY OF EMPORIA, KANSAS
CONDENSED STATEMENT OF ACTIVITIES (CONTINUED)

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Expenditures						
General government	\$ 5,168,925	\$ 4,387,457	\$ -	\$ -	\$ 5,168,925	\$ 4,387,457
Public safety	8,959,986	9,208,224	-	-	8,959,986	9,208,224
Highway and streets	7,322,185	7,443,498	-	-	7,322,185	7,443,498
Culture and recreation	3,396,134	2,909,189	-	-	3,396,134	2,909,189
Health and environment	62,627	197,099	-	-	62,627	197,099
Building maintenance	1,438,188	1,320,425	-	-	1,438,188	1,320,425
Planning and development	549,491	608,747	-	-	549,491	608,747
Airport operations	1,082,280	617,829	-	-	1,082,280	617,829
Appropriation	161,691	81,010	-	-	161,691	81,010
Capital outlay	-	17,853	-	-	-	17,853
Bond issuance costs	561,943	830,402	-	-	561,943	830,402
Solid waste disposal	-	-	3,233,494	3,020,758	3,233,494	3,020,758
Sewer utility	-	-	2,455,448	3,511,678	2,455,448	3,511,678
Water utility	-	-	4,184,420	4,495,878	4,184,420	4,495,878
Interest on debt	-	-	-	-	-	-
Total Expenses	\$ 28,703,450	\$ 27,621,733	\$ 9,873,362	\$ 11,028,314	\$ 38,576,812	\$ 38,650,047
INCREASE (DECREASE) IN NET POSITION						
BEFORE TRANSFERS	\$ (6,588,090)	\$ (5,506,373)	\$ 2,626,493	\$ 2,185,721	\$ (3,961,597)	\$ (3,854,556)
Transfers	2,012,068	2,220,400	(2,012,068)	(2,220,400)	-	-
INCREASE (DECREASE) IN NET POSITION	\$ (4,576,022)	\$ (3,285,973)	\$ 614,425	\$ (34,679)	\$ (3,961,597)	\$ (3,854,556)

CITY OF EMPORIA, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

For the Year Ended December 31, 2014

Unaudited

Business-Type Activities

Business-type activities increased the City of Emporia's net position by \$614,425 in 2014, compared to a decrease of \$289,353 in 2013. This change from 2013 to 2014 is attributed to fewer improvements in the enterprise funds.

Financial Analysis of the City's Funds

The City uses fund accounting to ensure and demonstrate compliance with state and federal finance related legal requirements. These funds are accounted for on the modified accrual basis of accounting.

The governmental funds of the City provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. Unreserved fund balances, in particular, measure the City's net resources available for spending at the end of the City's fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of 8,932,493, a decrease of \$1,337,640 in comparison with the prior year. A large portion of this total fund balance amount (\$251,262) constitutes capital project fund balances, which are available for spending on large capital projects. The remainders of fund balance amounts were as follows: \$3,882,539 restricted for various city functions and services; \$3,363,829 assigned for purchases on order and subsequent year's budget appropriations; and \$1,434,863 General Fund available for spending at the City's discretion.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$1,434,863. The fund balance of the City's general fund was increased by \$327,679 during the current fiscal year, mainly due to strict limits on expenditures.

The Multi-Year Improvement Fund was established to receive funding for the purpose of making improvements to the City over an extended period of time. The fund balance increased \$496,270 due to completed projects.

The Debt Service Fund has a total fund balance of \$448,296, all of which is reserved for the payment of debt service. The net decrease in fund balance during the current year in the fund was \$152,380. The decrease is due to payment of debt related to taxes levied for future debt payments.

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds is as follows: Water Fund net position decreased \$338,458, ending at \$2,443,016; Sewer Fund net position decreased \$65,944, ending at \$3,810,357; and the Solid Waste Fund net position increased \$332,584, ending at \$3,090,738. The factors concerning the finances of these funds have already been addressed in the discussion of the City's business type activities.

CITY OF EMPORIA, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

For the Year Ended December 31, 2014

Unaudited

General Fund Budgeting Highlights

The City's budgets are prepared in accordance with Kansas law and are based primarily on the basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

The City's final General Fund budget was \$20,565,943. The revenues were lower than budgetary estimates by \$622,929 and the expenditures were less than budgetary estimates by \$3,191,531.

The actual expenditures (before transfers) for the General Fund as of December 31, 2014 were \$14,002,536 compared to the final budget of \$17,035,001. The variance of actual expenditures to budget was \$3,032,465 under budget for the year ended December 31, 2014. This was due in part to management restriction of expenditures of department heads because of the current economic conditions.

Capital Assets and Debt Administration

The City's investment in capital assets for its governmental and business-type activities totaled \$82,794,365 (net of accumulated depreciation) as of December 31, 2014. This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, roads, highways and bridges. The decrease in the City's investment in capital assets for the current fiscal year for governmental activities was 10.74% and a 3.70% decrease for business-type activities.

Major capital asset events during the current fiscal year included the following:

Repaired various streets, curbs, gutters, driveways, and sidewalks throughout Emporia at a cost of \$614,091.

Resurfaced US 50 from Constitution Street to Commercial Street at a cost of \$160,279.

Started construction of a new street Warren Way at a cost of \$21,305.

Taxiway Rehabilitation at Municipal Airport at a cost of \$325,124

Replaced water main and paving on Coronado Avenue at a cost of \$267,448.

Various water main replacements at a cost of \$110,430

Various storm water projects at a cost of \$31,200.

Replaced water main on Coronado Ave at a cost of \$247,995.

Construction of new water and sewer mains to Industrial Park IV at a cost of \$1,614,824.

Continued the hazardous sidewalk replacement program, replacing 11,857 linear ft of 4" sidewalk and 452 linear ft. of 6" sidewalk for a cost of \$75,637.

CITY OF EMPORIA, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

For the Year Ended December 31, 2014

Unaudited

Capital Assets and Debt Administration (Continued)

Additional information on the City's capital assets can be found in Note 3 of the financial statements.

Long-term Debt Activity

At December 31, 2014, the City had total general obligation bond debt outstanding of \$24,750,000, backed by the full faith and credit of the City. Total general obligation long-term debt decreased for payments in the amount of \$5,005,000 for the fiscal year ended December 31, 2014. The City is rated by one of the three rating agencies (Standards & Poor's) and has a rating of A+. The ratio of bonded debt to assessed valuation for the City is 31.82%.

Additional information on the City's general long term debt can be found in Note 3 to the financial statements.

Economic Factors and Next Year's Budgets and Rates

The unemployment rate for the City of Emporia/Lyon County in December of 2014 was 4.2%, according to the Kansas Department of Labor. The unemployment rate is expected to stay in the same general area in the next 12 months, based on current economic conditions for local businesses and industries. The general revenue trends of the City of Emporia are expected to stay approximately the same or show a slight increase in assessed valuation and sales tax revenue. The City will continue to experience a slight decrease in revenue from the Multi-Year Sales Tax Fund, that is derived from a county-side sales tax based on the distribution formula used by the State of Kansas. The revenue and expenses are reviewed weekly by city management and monthly by the Mayor and Commission. The City's management also reviews the status of unencumbered cash report on a weekly basis.

The local economic outlook for major employers has been positive and is expected to continue so into 2015. Several local manufacturers/employers have added employees and expanded their Emporia facilities. Birch Communications has added more than 100 employees to their Emporia facility and Hostess now employs approximately 450 employees as of the end of 2014. Simmons Pet Food began an addition to their facility and expects to add up to 75 additional employees upon the completion of the project. Other employers such as Thermal Ceramics, Tysons Foods and Detroit Diesel either started or completed plant improvements or added employees in 2014. Additionally, Fanestil Meats began the construction of a new warehouse facility in west Emporia. Emporia State University continues to increase student population (both in total numbers and Emporia numbers) and is actively recruiting additional students. The Flint Hills Technical College continues to see strong enrollment and serves as an excellent resource to the local employers for their employee needs. The City of Emporia and the Regional Development Association of East-Central Kansas will continue to aggressively promote economic development in order to fill vacant storefronts, industrial parks, improve the quality of life and to further diversify the Emporia economy.

The occupancy rate in the downtown area continues to hold at approximately 90% and is expected to continue in the range in 2015. In March of 2014, the Community Initiated Development Plan (CID) for the area was approved by the Emporia City Commission, and the city expects to see continued positive events happening in downtown Emporia, Kansas. The first two phases of CID led to the creation of distinct districts within the downtown, including the Black and Gold District (focus is university uses); Arts District (arts and entertainment); Retail (retail); and Office (office uses surrounding the Lyon County Courthouse). Phase Three will identify specific types of uses and retailers, as well as the level of infrastructure that will be necessary to support these uses. There are also several projects in the downtown area that will have a positive impact on the downtown area. Private developers are working on a downtown Convention Center/Hotel that will help Emporia attract events and a mixed-use development is planned for the north end of Commercial Street, just south of Emporia State University. The development will feature ground floor commercial space and approximately 49 apartment units. This mixture will encourage people to live downtown and increase the population base for retailers.

CITY OF EMPORIA, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

For the Year Ended December 31, 2014

Unaudited

Economic Factors and Next Year's Budgets and Rates (Continued)

The City of Emporia continued to make improvements to city-owned infrastructure and facilities in 2014. The City of Emporia extended water and sewer lines to Industrial Park #4 and will actively market the park in the future. In addition, the City of Emporia approved the installation of air conditioning in W.L. White Auditorium, continued to make significant improvements to the road network, water distribution system, storm water drainage, airport and park system. The City of Emporia will continue to use the Multi-Year Fund to improve city infrastructure in 2015 and beyond.

Each of the City's operating funds maintained unencumbered cash reserves at or above the reserve level set forth by City policy. The City Commission and management will continue to monitor revenues and expenses, as well as unencumbered cash reserves, to ensure the reserves do not fall below the target level. City management will take aggressive action, if necessary, to maintain the reserve levels. Some of these steps may include not filling vacant positions, eliminating capital purchases and monitoring projects to ensure they come in under budget. In 2014, City Commission is implementing a five-year budget to better anticipate and manage long-term finances of the City.

The General Fund had a increase in unencumbered cash in the amount of \$388,471 for the 2014 fiscal year. The General Fund ended the 2014 fiscal year with reserves over 20%, with the target goal being 15%.

The Multi-Year Improvement Fund had an increase in unencumbered cash of \$128,858 for the 2014 fiscal year. The increase was due to several projects being completed and funded. The City has no reserve target for this fund.

The Debt Service Fund had a decrease in unencumbered cash of \$152,380 for the 2014 fiscal year. The decrease was due to debt service payments.

The Water Fund had a increase in unencumbered cash in the amount of \$233,066 for the 2014 fiscal year. The Water Fund ended the 2014 fiscal year with reserves above the 20% target reserve level.

The Sewer Fund had a decrease in unencumbered cash in the amount of \$25,439 for the 2014 fiscal year. The Sewer Fund ended the 2014 fiscal year with reserves above the 20% target reserve

The Solid Waste Fund had a decrease in unencumbered cash in the amount of 437,313 for the 2014 fiscal year. The Solid Waste Fund ended the 2014 fiscal year with reserves well above the 20% target level.

Total unencumbered cash reserves in all funds decreased \$2,019,303. This includes operational and restricted funds.

Contacting the City

This financial report is designed to provide a general overview of the City's finances. If you have questions about this report or need additional financial information, contact the City's Finance Department at 104 E 5th Avenue, Emporia, Kansas 66801.

BASIC FINANCIAL STATEMENTS

CITY OF EMPORIA, KANSAS
STATEMENT OF NET POSITION

December 31, 2014

	Primary Government			Component Unit
	Governmental	Business-Type	Total	Emporia Public Library
	Activities	Activities		
ASSETS				
Cash and investments	\$ 10,148,871	\$ 8,633,232	\$ 18,782,103	\$ 494,145
Accounts receivable - net of allowance	7,166,005	1,009,649	8,175,654	-
Inventory	29,365	389,412	418,777	-
Deferred charges	-	63,868	63,868	-
Total current assets	<u>\$ 17,344,241</u>	<u>\$ 10,096,161</u>	<u>\$ 27,440,402</u>	<u>\$ 494,145</u>
Capital assets not being depreciated:				
Land	\$ 1,683,849	\$ 210,525	\$ 1,894,374	\$ -
Capital assets, being depreciated:				
Capital assets	230,257,543	72,874,090	303,131,633	899,154
Accumulated depreciation	(178,663,725)	(43,567,917)	(222,231,642)	(514,808)
Total capital assets	<u>\$ 53,277,667</u>	<u>\$ 29,516,698</u>	<u>\$ 82,794,365</u>	<u>\$ 384,346</u>
Total Assets	<u>\$ 70,621,908</u>	<u>\$ 39,612,859</u>	<u>\$ 110,234,767</u>	<u>\$ 878,491</u>
LIABILITIES				
Accounts payable	\$ 383,499	\$ 315,818	\$ 699,317	\$ 61,325
Accrued liabilities	691,018	239,116	930,134	20,472
Interest payable	152,612	122,742	275,354	-
Unearned revenue	5,882,870	-	5,882,870	-
Unpaid claims	118,962	-	118,962	-
Current portion of				
Compensation absences payable	142,599	24,791	167,390	-
Notes payable	-	-	-	-
General obligation bonds	3,145,000	1,300,000	4,445,000	-
Total current liabilities	<u>\$ 10,516,560</u>	<u>\$ 2,002,467</u>	<u>\$ 12,519,027</u>	<u>\$ 81,797</u>
Noncurrent liabilities:				
Compensated absences payable	\$ 285,199	\$ 49,583	\$ 334,782	\$ -
General obligation bonds and premium	9,730,000	10,818,043	20,548,043	-
Net OPEB obligation	42,248	-	42,248	-
Total noncurrent liabilities	<u>\$ 10,057,447</u>	<u>\$ 10,867,626</u>	<u>\$ 20,925,073</u>	<u>\$ -</u>
Total Liabilities	<u>\$ 20,574,007</u>	<u>\$ 12,870,093</u>	<u>\$ 33,444,100</u>	<u>\$ 81,797</u>
NET POSITION				
Net investment in capital assets	\$ 40,402,667	\$ 17,398,655	\$ 57,801,322	\$ 384,346
Restricted for				
Urban development	2,267,611	-	2,267,611	-
Public safety	472,113	-	472,113	-
Culture and recreation				
Expendable	392,200	-	392,200	-
Nonexpendable	-	-	-	82,589
Public works	301,199	-	301,199	214,062
Debt service	449,416	-	449,416	-
Capital projects	251,262	-	251,262	-
Unrestricted	5,511,434	9,344,111	14,855,545	115,697
Total Net Position	<u>\$ 50,047,902</u>	<u>\$ 26,742,766</u>	<u>\$ 76,790,668</u>	<u>\$ 796,694</u>

CITY OF EMPORIA, KANSAS
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities:				
General government	\$ 5,168,925	\$ 1,299,336	\$ 66,414	\$ -
Public safety	8,959,986	1,584,552	114,169	-
Highway and streets	7,322,185	13,792	61,974	-
Culture and recreation	3,396,134	644,794	516,528	-
Health and environment	62,627	-	100,784	-
Building maintenance	1,438,188	-	-	-
Planning and development	549,491	-	-	-
Airport operations	1,082,280	333,379	189,794	-
Appropriations	161,691	-	-	-
Bond issuance costs	-	-	-	-
Interest on long-term debt	561,943	-	-	-
Total Governmental Activities	\$ 28,703,450	\$ 3,875,853	\$ 1,049,663	\$ -
Business-type activities:				
Solid waste disposal	\$ 3,233,494	\$ 3,961,186	\$ -	\$ -
Sewer utility	2,455,448	3,453,685	-	-
Water utility	4,184,420	4,864,624	-	-
Total Business-type Activities	\$ 9,873,362	\$ 12,279,495	\$ -	\$ -
Total Primary Government	\$ 38,576,812	\$ 16,155,348	\$ 1,049,663	\$ -
Component Unit:				
Emporia Public Library				
Culture and recreation	\$ 874,335	\$ 23,546	\$ 884,966	\$ -
Capital outlay	22,665	-	-	-
Total Component Unit	\$ 897,000	\$ 23,546	\$ 884,966	\$ -

General Revenues

Property taxes levied for
 General purpose
 Debt service
 Franchise taxes
 Sales taxes
 Gasoline taxes
 Investment earnings
 Miscellaneous
 Transfers - net

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning

Net Position - Ending

(continued)

Net (Expenses) Revenue and Changes in Net Position Primary Government			Component Unit
Governmental Activities	Business- Type Activities	Total	Emporia Public Library
\$ (3,803,175)	\$ -	\$ (3,803,175)	\$ -
(7,261,265)	-	(7,261,265)	-
(7,246,419)	-	(7,246,419)	-
(2,234,812)	-	(2,234,812)	-
38,157	-	38,157	-
(1,438,188)	-	(1,438,188)	-
(549,491)	-	(549,491)	-
(559,107)	-	(559,107)	-
(161,691)	-	(161,691)	-
-	-	-	-
(561,943)	-	(561,943)	-
<u>\$ (23,777,934)</u>	<u>\$ -</u>	<u>\$ (23,777,934)</u>	<u>\$ -</u>
\$ -	\$ 727,692	\$ 727,692	\$ -
-	998,237	998,237	-
-	680,204	680,204	-
<u>\$ -</u>	<u>\$ 2,406,133</u>	<u>\$ 2,406,133</u>	<u>\$ -</u>
<u>\$ (23,777,934)</u>	<u>\$ 2,406,133</u>	<u>\$ (21,371,801)</u>	<u>\$ -</u>
			\$ 34,177
			(22,665)
			<u>\$ 11,512</u>
\$ 4,382,587	\$ -	\$ 4,382,587	\$ -
2,697,875	-	2,697,875	-
2,567,742	-	2,567,742	-
6,656,976	-	6,656,976	-
717,930	-	717,930	-
158,849	5,196	164,045	1,181
7,885	215,164	223,049	603
2,012,068	(2,012,068)	-	-
<u>\$ 19,201,912</u>	<u>\$ (1,791,708)</u>	<u>\$ 17,410,204</u>	<u>\$ 1,784</u>
(4,576,022)	614,425	(3,961,597)	13,296
<u>\$ 54,623,924</u>	<u>\$ 26,128,341</u>	<u>\$ 80,752,265</u>	<u>\$ 783,398</u>
<u>\$ 50,047,902</u>	<u>\$ 26,742,766</u>	<u>\$ 76,790,668</u>	<u>\$ 796,694</u>

CITY OF EMPORIA, KANSAS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2014

	<u>General Fund</u>	<u>Multi-Year Improvement</u>	<u>Debt Service</u>
ASSETS			
Cash and investments	\$ 4,287,101	\$ 1,400,226	\$ 448,296
Receivables			
Accounts	1,267,910	2,127	-
Taxes	2,744,873	-	2,492,081
Due from other funds	8,718	-	-
Inventory	29,365	-	-
Total Assets	<u>\$ 8,337,967</u>	<u>\$ 1,402,353</u>	<u>\$ 2,940,377</u>
LIABILITIES			
Accounts payable	\$ 113,595	\$ 22,151	\$ -
Accrued liabilities	680,807	-	-
Due to other funds	-	-	-
Deferred revenue	2,744,873	-	2,492,081
Total Liabilities	<u>\$ 3,539,275</u>	<u>\$ 22,151</u>	<u>\$ 2,492,081</u>
FUND BALANCE			
Restricted			
Urban development	\$ -	\$ 1,380,202	\$ -
Public safety	-	-	-
Culture and recreation	-	-	-
Public works	-	-	-
Debt service	-	-	448,296
Committed			
Capital projects	-	-	-
Assigned			
Purchases on order	28,554	-	-
Subsequent year's budget: appropriation of fund balances	3,335,275	-	-
Unassigned	1,434,863	-	-
Total Fund Balance	<u>\$ 4,798,692</u>	<u>\$ 1,380,202</u>	<u>\$ 448,296</u>
Total Liabilities and Fund Balance	<u>\$ 8,337,967</u>	<u>\$ 1,402,353</u>	<u>\$ 2,940,377</u>

(continued)

Other Nonmajor Funds	Total Governmental Funds
\$ 2,558,567	\$ 8,694,190
13,098	1,283,135
645,916	5,882,870
-	8,718
-	29,365
<u>\$ 3,217,581</u>	<u>\$ 15,898,278</u>
\$ 247,753	\$ 383,499
9,891	690,698
8,718	8,718
645,916	5,882,870
<u>\$ 912,278</u>	<u>\$ 6,965,785</u>
\$ 887,409	\$ 2,267,611
472,113	472,113
392,200	392,200
301,199	301,199
1,120	449,416
251,262	251,262
-	28,554
-	3,335,275
-	1,434,863
<u>\$ 2,305,303</u>	<u>\$ 8,932,493</u>
<u>\$ 3,217,581</u>	<u>\$ 15,898,278</u>

CITY OF EMPORIA, KANSAS
RECONCILIATION OF THE BALANCE SHEET TO THE
STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2014

Total Governmental Fund Balances \$ 8,932,493

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

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net position.

1,335,400

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

The cost of capital assets is	\$ 231,941,392	
Accumulated depreciation is	<u>(178,663,725)</u>	53,277,667

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

General obligation	\$ 12,875,000	
Interest payable	152,612	
Net OPEB obligation payable	42,248	
Compensated absences payable	<u>427,798</u>	<u>(13,497,658)</u>

Net Position of Governmental Activities \$ 50,047,902

CITY OF EMPORIA, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2014

	<u>General Fund</u>	<u>Multi-Year Improvement</u>	<u>Debt Service</u>
REVENUES			
Taxes	12,822,136	\$ -	\$ 2,697,875
Charges for services	1,023,912	-	-
Special assessments	-	-	79,275
Intergovernmental	692,561	-	-
Licenses and permits	158,506	-	-
Fines and fees	779,135	-	-
Use of money & property	151,772	883	837
Contributions	-	-	-
Miscellaneous	55,053	-	5,047
Total Revenues	<u>\$ 15,683,075</u>	<u>\$ 883</u>	<u>\$ 2,783,034</u>
EXPENDITURES			
General governmental	\$ 1,311,041	\$ 1,659,087	\$ -
Public safety	8,562,992	-	-
Highways and streets	343,822	-	-
Culture and recreation	1,819,424	-	-
Health and environment	-	-	-
Building maintenance	1,286,695	-	-
Planning and development	33,789	-	-
Airport operations	463,568	-	-
Appropriations	161,691	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	3,200,000
Interest and other charges	-	-	581,667
Total Expenditures	<u>\$ 13,983,022</u>	<u>1,659,087</u>	<u>\$ 3,781,667</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 1,700,053</u>	<u>\$ (1,658,204)</u>	<u>\$ (998,633)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 1,999,502	\$ 2,211,474	\$ 846,253
Transfers out	(3,371,876)	(57,000)	-
Total Other Financing Sources and Uses	<u>\$ (1,372,374)</u>	<u>\$ 2,154,474</u>	<u>\$ 846,253</u>
Net Change in Fund Balance	\$ 327,679	\$ 496,270	\$ (152,380)
Fund Balance - Beginning	4,471,013	883,932	600,676
Fund Balance - Ending	<u>\$ 4,798,692</u>	<u>\$ 1,380,202</u>	<u>\$ 448,296</u>

(continued)

Other Nonmajor Funds	Total Governmental Funds
\$ 1,423,824	\$ 16,943,835
-	1,023,912
-	79,275
1,159,020	1,851,581
-	158,506
-	779,135
2,551	156,043
532,156	532,156
206,722	266,822
<u>\$ 3,324,273</u>	<u>\$ 21,791,265</u>

\$ 486,169	\$ 3,456,297
140,844	8,703,836
664,254	1,008,076
716,131	2,535,555
62,627	62,627
-	1,286,695
503,913	537,702
-	463,568
-	161,691
3,143,259	3,143,259
-	3,200,000
-	581,667
<u>\$ 5,717,197</u>	<u>\$ 25,140,973</u>

<u>\$ (2,392,924)</u>	<u>\$ (3,349,708)</u>
-----------------------	-----------------------

\$ 782,625	\$ 5,839,854
(398,910)	(3,827,786)
<u>\$ 383,715</u>	<u>\$ 2,012,068</u>

\$ (2,009,209)	\$ (1,337,640)
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<u>4,314,512</u>	<u>10,270,133</u>
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<u><u>\$ 2,305,303</u></u>	<u><u>\$ 8,932,493</u></u>
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CITY OF EMPORIA, KANSAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2014

Total Net Change in Fund Balances - Governmental Funds \$ (1,337,640)

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

Capital outlays to purchase or build assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which capital outlays exceed depreciation in the period.

Capital outlays	\$ 1,012,866	
Depreciation expense	<u>(7,426,967)</u>	(6,414,101)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The revenues and expenses of certain internal service funds are included in governmental activities in the statement of activities. (101,075)

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. This is the amount by which interest accrual changed. 19,724

Some expenses reported in the statement of activities, such as compensated absences and postemployment benefits do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 57,070

Repayment of bond principal and transfers to escrow agent are expenditures in the governmental funds, but it reduces long-term liabilities in the statement of net position and does not affect the statement of activities. 3,200,000

Changes in Net Assets of Governmental Activities \$ (4,576,022)

CITY OF EMPORIA, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
GENERAL FUND

For the Year Ended December 31, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 12,545,241	\$ 12,545,241	\$ 12,822,136	\$ 276,895
Intergovernmental	593,582	593,582	692,561	98,979
Licenses and permits	144,485	144,485	158,506	14,021
Charges for services	1,983,715	1,983,715	1,023,912	(959,803)
Fines and fees	664,400	664,400	779,135	114,735
Use of money and property	133,213	133,213	151,772	18,559
Reimbursements	145,068	145,068	20,999	(124,069)
Miscellaneous	96,300	96,300	34,054	(62,246)
Total Revenues	<u>\$ 16,306,004</u>	<u>\$ 16,306,004</u>	<u>\$ 15,683,075</u>	<u>\$ (622,929)</u>
EXPENDITURES				
Current:				
General Government	\$ 1,393,866	\$ 1,393,866	1,302,001	\$ 91,865
Public Safety				
Law enforcement	\$ 4,520,580	\$ 4,520,580	\$ 4,201,306	\$ 319,274
Animal control	139,813	139,813	128,703	11,110
Court services	465,856	465,856	385,555	80,301
Ambulance	2,345,048	2,345,048	1,140,620	1,204,428
Fire	2,648,409	2,648,409	2,735,362	(86,953)
Total Public Safety	<u>\$ 10,119,706</u>	<u>\$ 10,119,706</u>	<u>\$ 8,591,546</u>	<u>\$ 1,528,160</u>
Highways and Streets				
Maintenance				
Maintenance	\$ 20,940	\$ 20,940	\$ 3,537	\$ 17,403
Snow removal	40,950	40,950	45,594	(4,644)
Street lighting	250,000	250,000	294,691	(44,691)
Total Highways and Streets	<u>\$ 311,890</u>	<u>\$ 311,890</u>	<u>\$ 343,822</u>	<u>\$ (31,932)</u>
Culture and Recreation				
Park	\$ 666,151	\$ 666,151	\$ 666,982	\$ (831)
Swimming pool/Peter Pan Park	161,500	161,500	105,943	55,557
Golf course	386,107	386,107	375,452	10,655
Golf shop	250,898	250,898	232,838	18,060
Zoo	428,039	428,039	438,209	(10,170)
Total Culture and Recreation	<u>\$ 1,892,695</u>	<u>\$ 1,892,695</u>	<u>\$ 1,819,424</u>	<u>\$ 73,271</u>
Building and Maintenance				
Engineering	\$ 373,185	\$ 373,185	\$ 366,003	\$ 7,182
Grounds maintenance	122,287	122,287	137,591	(15,304)
Civic building	737,740	737,740	648,021	89,719
Library maintenance	59,329	59,329	53,758	5,571
Concessions	66,185	66,185	81,322	(15,137)
Total Building and Maintenance	<u>\$ 1,358,726</u>	<u>\$ 1,358,726</u>	<u>\$ 1,286,695</u>	<u>\$ 72,031</u>
Parking Facilities	<u>\$ 31,492</u>	<u>\$ 31,492</u>	<u>\$ 33,789</u>	<u>\$ (2,297)</u>
Airport Operations	<u>\$ 548,439</u>	<u>\$ 548,439</u>	<u>\$ 463,568</u>	<u>\$ 84,871</u>
Appropriations	<u>\$ 151,800</u>	<u>\$ 151,800</u>	<u>\$ 161,691</u>	<u>\$ (9,891)</u>
Salary Contingencies	<u>\$ (316,917)</u>	<u>\$ (316,917)</u>	<u>\$ -</u>	<u>\$ (316,917)</u>
Excess Carryover	<u>\$ 1,543,304</u>	<u>\$ 1,543,304</u>	<u>\$ -</u>	<u>\$ 1,543,304</u>
Total Expenditures	<u>\$ 17,035,001</u>	<u>\$ 17,035,001</u>	<u>\$ 14,002,536</u>	<u>\$ 3,032,465</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (728,997)</u>	<u>\$ (728,997)</u>	<u>\$ 1,680,539</u>	<u>\$ 2,409,536</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 2,097,408	\$ 2,097,408	\$ 1,999,502	\$ (97,906)
Transfers out	(3,530,942)	(3,530,942)	(3,371,876)	159,066
Total Other Financing Sources (Uses)	<u>\$ (1,433,534)</u>	<u>\$ (1,433,534)</u>	<u>\$ (1,372,374)</u>	<u>\$ 61,160</u>
Net Change in Fund Balance	<u>\$ (2,162,531)</u>	<u>\$ (2,162,531)</u>	<u>\$ 308,165</u>	<u>\$ 2,470,696</u>
Fund Balance - Beginning			4,461,973	
Fund Balance - Ending			\$ 4,770,138	
Adjustments to GAAP				
Encumbrances			28,554	
Fund Balance - GAAP Basis			<u>\$ 4,798,692</u>	

CITY OF EMPORIA, KANSAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - ACTUAL AND BUDGET
MULTI-YEAR IMPROVEMENT FUND
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 1,100	\$ 1,100	\$ 883	\$ (217)
Miscellaneous	37,500	37,500	-	37,500
Total Revenues	<u>\$ 38,600</u>	<u>\$ 38,600</u>	<u>\$ 883</u>	<u>\$ 37,283</u>
EXPENDITURES				
Planning and development	\$ -	\$ -	\$ -	\$ -
Capital Projects	2,389,908	2,389,908	2,194,536	195,372
Total Expenditures	<u>\$ 2,389,908</u>	<u>\$ 2,389,908</u>	<u>\$ 2,194,536</u>	<u>\$ 195,372</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (2,351,308)</u>	<u>\$ (2,351,308)</u>	<u>\$ (2,193,653)</u>	<u>\$ (158,089)</u>
OTHER FINANCING SOURCES				
Transfers in	\$ 2,401,821	\$ 2,401,821	\$ 2,211,474	\$ (190,347)
Transfers out	-	-	(57,000)	(57,000)
Total Other Financing Sources	<u>\$ 2,401,821</u>	<u>\$ 2,401,821</u>	<u>\$ 2,154,474</u>	<u>\$ (247,347)</u>
Net Change in Fund Balance	<u>\$ 50,513</u>	<u>\$ 50,513</u>	<u>\$ (39,179)</u>	<u>\$ (405,436)</u>
Fund Balance - Beginning			883,932	
Fund Balance - Ending			\$ 844,753	
Adjustments to GAAP				
Encumbrances			535,449	
Fund Balance - GAAP Basis			<u>\$ 1,380,202</u>	

CITY OF EMPORIA, KANSAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2014

	Business-Type Activities - Enterprise Funds				Governmental
	Solid Waste Disposal	Sewer Utility	Water Utility	Total	Activities- Internal Service Funds
ASSETS					
Current Assets					
Cash and investments	\$ 2,987,867	\$ 3,647,908	\$ 1,997,457	\$ 8,633,232	\$ 1,454,681
Receivables - Net of allowance for uncollectibles	345,742	287,166	376,741	1,009,649	-
Inventory	-	-	389,412	389,412	-
Deferred charges	-	-	63,868	63,868	-
Total Current Assets	\$ 3,333,609	\$ 3,935,074	\$ 2,827,478	\$ 10,096,161	\$ 1,454,681
Capital Assets					
Land	\$ 102,625	\$ 7,702	\$ 100,198	\$ 210,525	\$ -
Capital assets	4,892,387	35,905,638	32,076,065	72,874,090	-
Less: Accumulated depreciation	(2,979,999)	(22,299,216)	(18,288,702)	(43,567,917)	-
Total Capital Assets	\$ 2,015,013	\$ 13,614,124	\$ 13,887,561	\$ 29,516,698	\$ -
TOTAL ASSETS	\$ 5,348,622	\$ 17,549,198	\$ 16,715,039	\$ 39,612,859	\$ 1,454,681
LIABILITIES					
Current Liabilities					
Accounts payable	\$ 93,857	\$ 12,475	\$ 209,486	\$ 315,818	\$ -
Accrued liabilities	139,712	16,025	83,379	239,116	320
Interest payable	-	69,094	53,648	122,742	-
Unpaid claims	-	-	-	-	118,961
Current portion of Compensated absences payable	3,101	9,041	12,649	24,791	-
Notes payable	-	-	-	-	-
General obligation bonds payable	-	745,000	555,000	1,300,000	-
Total Current Liabilities	\$ 236,670	\$ 851,635	\$ 914,162	\$ 2,002,467	\$ 119,281
Non-Current Liabilities					
Compensated absences payable	\$ 6,201	\$ 18,082	\$ 25,300	\$ 49,583	\$ -
General obligation bonds payable	-	6,065,000	4,510,000	10,575,000	-
Unamortized premium	-	207,308	35,735	243,043	-
Total Non-Current Liabilities	\$ 6,201	\$ 6,290,390	\$ 4,571,035	\$ 10,867,626	\$ -
Total Liabilities	\$ 242,871	\$ 7,142,025	\$ 5,485,197	\$ 12,870,093	\$ 119,281
NET POSITION					
Net investment in capital assets	\$ 2,015,013	\$ 6,596,816	\$ 8,786,826	\$ 17,398,655	\$ -
Unrestricted	3,090,738	3,810,357	2,443,016	9,344,111	1,335,400
Total Net Position	\$ 5,105,751	\$ 10,407,173	\$ 11,229,842	\$ 26,742,766	\$ 1,335,400

CITY OF EMPORIA, KANSAS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the Year Ended December 31, 2014

	Business-Type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Solid Waste Disposal	Sewer Utility	Water Utility	Total	
OPERATING REVENUES					
Charges for services	3,961,186	\$ 3,453,685	\$ 4,864,624	\$ 12,279,495	\$ 313,404
Miscellaneous	36,367	18,667	6,460	61,494	7,885
Total Operating Revenues	<u>\$ 3,997,553</u>	<u>\$ 3,472,352</u>	<u>4,871,084</u>	<u>\$ 12,340,989</u>	<u>\$ 321,289</u>
OPERATING EXPENSES					
Personal services	\$ 1,280,785	664,635	634,249	\$ 2,579,669	\$ -
Contractual services	1,075,925	86,565	502,139	1,664,629	425,170
Commodities	571,820	803,674	1,286,861	2,662,355	-
Capital outlay	206,194	413,659	487,285	1,107,138	-
Depreciation	387,193	1,000,551	939,942	2,327,686	-
Debt issuance costs amortization	-	-	33,636	33,636	-
Other	(288,423)	(732,472)	118,482	(902,413)	-
Total Operating Expenses	<u>\$ 3,233,494</u>	<u>\$ 2,236,612</u>	<u>\$ 4,002,594</u>	<u>\$ 9,472,700</u>	<u>\$ 425,170</u>
Operating income (loss)	<u>\$ 764,059</u>	<u>\$ 1,235,740</u>	<u>\$ 868,490</u>	<u>\$ 2,868,289</u>	<u>\$ (103,881)</u>
NON-OPERATING REVENUES (EXPENSES)					
Interest income	\$ 1,772	\$ 2,236	\$ 1,188	\$ 5,196	\$ 2,806
Interest expense	-	(218,836)	(181,826)	(400,662)	-
Sale of salvage	154,313	(1,474)	831	153,670	-
Total Non-Operating Revenues (Expenses)	<u>\$ 156,085</u>	<u>\$ (218,074)</u>	<u>\$ (179,807)</u>	<u>\$ (241,796)</u>	<u>\$ 2,806</u>
Income (loss) before operating transfers	<u>\$ 920,144</u>	<u>\$ 1,017,666</u>	<u>\$ 688,683</u>	<u>\$ 2,626,493</u>	<u>\$ (101,075)</u>
Transfers from (to) other funds					
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out	(666,561)	(565,734)	(779,773)	(2,012,068)	-
Total Transfers	<u>\$ (666,561)</u>	<u>\$ (565,734)</u>	<u>\$ (779,773)</u>	<u>\$ (2,012,068)</u>	<u>\$ -</u>
Changes in Net Position	<u>\$ 253,583</u>	<u>\$ 451,932</u>	<u>\$ (91,090)</u>	<u>\$ 614,425</u>	<u>\$ (101,075)</u>
Net Position - Beginning	<u>4,852,168</u>	<u>9,955,241</u>	<u>11,320,932</u>	<u>26,128,341</u>	<u>1,436,475</u>
Net Position - Ending	<u><u>\$ 5,105,751</u></u>	<u><u>\$ 10,407,173</u></u>	<u><u>\$ 11,229,842</u></u>	<u><u>\$ 26,742,766</u></u>	<u><u>\$ 1,335,400</u></u>

CITY OF EMPORIA, KANSAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2014

	Business-Type Activities - Enterprise Funds				Internal Service Funds
	Solid Waste Disposal	Sewer Utility	Water Utility	Total Enterprise Funds	
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers and users	\$ 4,061,277	\$ 3,572,865	\$ 4,936,877	\$ 12,571,019	\$ 313,404
Cash received from reimbursements					7,750
Cash payments to employees	(1,279,352)	(667,789)	(637,835)	(2,584,976)	-
Cash payments to suppliers	(1,580,063)	(570,488)	(2,190,562)	(4,341,113)	135
Cash paid for services	-	-	-	-	(407,101)
Net Cash Provided by (Used in) Operating Activities	\$ 1,201,862	\$ 2,334,588	\$ 2,108,480	\$ 5,644,930	\$ (85,812)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfers from other funds	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers (to) other funds	(666,561)	(565,734)	(779,773)	(2,012,068)	-
Net Cash Provided by (Used in) Noncapital Financing Activities	\$ (666,561)	\$ (565,734)	\$ (779,773)	\$ (2,012,068)	\$ -
CASH FLOWS FORM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchase and construction of capital assets	\$ (373,951)	\$ (829,626)	\$ (69,930)	\$ (1,273,507)	\$ -
Proceeds from sale of capital assets	224,672	-	831	225,503	-
Principal paid on bonds and notes	-	(690,000)	(1,115,000)	(1,805,000)	-
Interest paid	-	(218,836)	(183,826)	(402,662)	-
Net Cash Provided by (Used in) Capital and Related Financing Activities	\$ (149,279)	\$ (1,738,462)	\$ (1,367,925)	\$ (3,255,666)	\$ -
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest on investments	\$ 1,772	\$ 2,236	\$ 1,188	\$ 5,196	\$ 2,806
Proceeds from sale of investments	-	-	-	-	-
Net Cash Provided by (Used in) Investing Activities	\$ 1,772	\$ 2,236	\$ 1,188	\$ 5,196	\$ 2,806
Net Increase (Decrease) in Cash & Cash Equivalents	\$ 387,794	\$ 32,628	\$ (38,030)	\$ 382,392	\$ (83,006)
Cash & Cash Equivalents - Beginning of Year	2,600,073	3,615,280	2,035,487	8,250,840	1,537,687
Cash & Cash Equivalents - End of Year	\$ 2,987,867	\$ 3,647,908	\$ 1,997,457	\$ 8,633,232	\$ 1,454,681
Reconciliation of operating (loss) income to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 764,059	\$ 1,235,740	\$ 868,490	\$ 2,868,289	\$ (103,881)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	387,193	1,000,551	939,942	2,327,686	-
Amortization	-	-	33,636	33,636	-
Change in assets and liabilities:					
(Increase) decrease receivables	63,724	100,513	65,793	230,030	-
(Increase) decrease inventory	-	-	61,549	61,549	-
Increase (decrease) accounts payable	(2,425)	(5,702)	182,675	174,548	-
Increase (decrease) in claims payable	-	-	-	-	18,069
Increase (decrease) accrued liabilities	(10,689)	3,486	(43,605)	(50,808)	-
Increase (decrease) unamortized bond premium	-	-	-	-	-
Net Cash Provided by (Used in) Operating Activities	\$ 1,201,862	\$ 2,334,588	\$ 2,108,480	\$ 5,644,930	\$ (85,812)
Noncash investing, capital, and financing activities:					
Capital assets acquired/donated through contributions from governmental funds	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF EMPORIA, KANSAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2014

	Private Purpose Trust	Agency Funds
ASSETS		
Current Assets		
Cash and investments	\$ 1,126,171	\$ 15,648
Accrued interest receivable	19	-
Total Current Assets	\$ 1,126,190	\$ 15,648
LIABILITIES		
Current Liabilities		
Accounts payable	\$ -	\$ 15,648
Total Current Liabilities	\$ -	\$ 15,648
NET POSITION		
Net assets held in trust	\$ 1,126,190	\$ -

CITY OF EMPORIA, KANSAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended December 31, 2014

	Private Agency Funds
Addition	
Interest income	\$ 719
Deductions	\$ -
Change in Net Assets	\$ 719
Net Position - Beginning	1,125,471
Net Position - Ending	\$ 1,126,190

NOTES TO FINANCIAL STATEMENTS

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

Note 1: Summary of Significant Accounting Policies

Reporting Entity

The City of Emporia is a municipal corporation governed by five elected commissioners. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the government is considered to be financially accountable. The discretely presented component unit is reported in a separate column in the combined financial statements to emphasize it is legally separated from the government. The discretely presented component unit has a December 31 year-end.

Discretely Presented Component Unit

Emporia Public Library – The Emporia Public Library (the Library) serves the citizens within the City's jurisdiction. The City appoints the entire governing body of the Library. Because the Library is not a separate taxing entity, the City levies tax for the Library's operations. The City appropriated \$691,171 to the Library in 2014, which included an additional special allocation of \$50,000. Complete financial statements may be obtained at the Emporia Public Library, 110 E. 6th Avenue, Emporia, Kansas.

Jointly Governed Organization

Regional Development Association of East Central Kansas, Inc. – The Regional Development Association of East Central Kansas, Inc., (the RDA) is a not-for-profit corporation whose purpose is to benefit the public interest through the activity of business and economic development in the City and Lyon County, Kansas. The RDA's governing board consists of seven voting members, two of whom are appointed by the City. The City has entered into a contract under which the City appropriates funds to the RDA which are used for business and economic development. The City has no ongoing financial interest or responsibilities with respect to the RDA.

Emporia Recreation Commission – The Emporia Recreation Commission was established as a joint venture between the City of Emporia, Kansas and Unified School District Number 253, Emporia, Kansas. The governing board consists of one member from the Emporia City Commission, one member from the Unified School District Number 253 Board of Education, and one at large Board member appointed by the other four appointed members of the Recreation Commission Board.

Government-Wide and Fund Financial Statements

The statement of net position and the statement of activities report information on all of the non-fiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the City's governmental and business-type activities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational requirements of a particular program. Taxes and other items which are not classified as program revenues are presented as general revenues of the City.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual funds are reported as separate columns in the fund financial statements. Non-major funds are aggregated and presented in a single column in the fund financial statements.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 1: Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

Measurement Focus - Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied and collected within 60 days of the end of the current fiscal period. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing goods and services in connection with a proprietary fund's ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

The internal service funds account for contributions made by the City to be used for paying claims for job related injuries as well as contributions made by the City, City employees and former City employees to be used for payment of medical claims of covered employee health care participants and additional health insurance premiums. The City is self insured for its workers' compensation insurance.

The private purpose trust funds are used to account for resources legally held in trust. Agency funds are custodial in nature and do not measure results of operations or have a measurement focus. Agency funds do, however, use the accrual basis of accounting. The following activities are accounted for in each fiduciary fund:

Tree Private Purpose Trust Fund – To account for monies provided by private donors to finance planting of trees.

Fremont Park Private Purpose Trust Fund – To account for the money donated to the City for the purpose of building a display shelter for the railroad engine and caboose at Fremont Park.

Las Casitas Park Private Purpose Trust Fund - To account for monies provided by private donors to finance improvements to the Las Casitas Park.

Economic Development Private Purpose Trust Fund - To provide a financial resource which enhances the City's ability to attract new economic development projects by lending money to businesses that is repaid with interest.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 1: Summary of Significant Accounting Policies (Continued)

Reporting Entity (Continued)

Measurement Focus - Basis of Accounting and Basis of Presentation (Continued)

Fire Insurance Proceeds Agency Fund – To account for a portion of insurance proceeds from fire and casualty losses to structures within the City. Proceeds are returned to property owners upon substantial completion of repairs or demolition of structure.

The City reports the following major governmental funds:

The General Fund is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

The Multi-year Improvement Fund is used to account for the 1% county sales tax which is used to make improvements to the City of Emporia.

The Debt Service Fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

The City reports the following major proprietary funds:

Solid Waste Disposal Fund accounts for funds derived from customer service charges for solid waste disposal. All activities necessary to provide such services are accounted for in this fund.

Sewer Utility Fund is used to account for all sewer operations including administration, maintenance, and financing and related debt service and billing collection. All operations are financed by means of customer user fees which are established by the governing body.

Water Utility Fund is used to account for the provision of water service to the residents of the City and some customers outside the City. All activities necessary to provide water service are accounted for in this fund, including administration, operations, maintenance, financing and related debt service and billing collection.

Pooled Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds managed by the City (except for investments of the employees' health insurance trust and workers' compensation fund). The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are stated at fair value. Cash balances from all funds are invested to the extent available in certificates of deposit and other authorized investments. Investments with maturity dates greater than three months are stated separately. Earnings from these investments, unless specifically designated, are allocated monthly to the investing fund based on the percentage of funds invested to total investments.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 1: Summary of Significant Accounting Policies (Continued)

Receivables and Payables

Transactions between funds that are representative of lending / borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables / payables" (i.e., the current portion of interfund loans) or "advances to / from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to / from other funds". Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade receivables are shown net of an allowance for uncollectibles, if applicable.

Property taxes receivable – The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The office of the County Appraiser annually determines assessed valuations on January 1 and 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 levied and liens against property are placed on November 1 of the year prior to the fiscal year for which they are budgeted. Payments are due December 20, becoming delinquent, with penalty, December 21. Payments of 50% are accepted through December 20, with the second 50% then being due on or before May 10 of the following year. The City Treasurer draws down all available funds from the County Treasurer's office in two-month intervals. Taxes remaining due and unpaid at February 15 and July 1 are subject to collection procedures prescribed in state statutes.

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. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operations of the City. Accruals of uncollected current year property taxes are offset by deferred revenue and are identical to the adopted budget for 2015 in the governmental fund financial statements. It is not practicable to apportion delinquent taxes held by the County Treasurer and, further, the amounts thereof are not material in relationship to the

Inventories

Inventories are valued at cost using the first-in / first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Restricted Assets

Cash in the Debt Service Fund held with the fiscal agent are restricted for payment of principal and interest on general obligation bonds.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Capital assets used in governmental funds types of the City are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 1: Summary of Significant Accounting Policies (Continued)

Capital Assets (Continued)

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type is included in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Property, plant and equipment of the primary government are depreciated using the straight-line

<u>Assets</u>	<u>Years</u>
Buildings	20-75
Land improvements	20-75
Building improvements	20-75
Machinery and equipment	5-10
Office equipment	5-10
Infrastructure	20-75

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, compensatory and sick pay benefits. No liability is reported for unpaid accumulated sick leave, as sick leave is not payable upon termination. Vacation pay is accrued when incurred in the government-wide and proprietary funds and reported as a fund liability. Vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Compensated absences are reported in governmental funds only if they have matured (i.e. unused reimbursable leave still outstanding following an employee's termination). The General Fund has been used to liquidate the governmental funds compensated absences in prior years.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before restricted – net position is applied.

Fund Balance Flow Assumptions

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The governing commission is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Balance Policies (Continued)

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria as committed. The commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Landfill Post-Closure Care Liability

State and federal laws and regulations required the City to place a final cover on its landfill site, which was closed during 1994, and to perform certain maintenance and monitoring activities at the site for thirty years after closure. The amount reported as landfill post-closure care liability at December 31, 2014 represents what it would cost to perform all post-closure care in 2014. The actual costs may be higher due to inflation, changes in technology or changes in regulations. The

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those asset. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City of through external restrictions imposed by creditors, grantors or law or regulations of other governments.

Note 2: Stewardship, Compliance and Accountability

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted from statute), debt service funds and enterprise funds. 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 15th of each year.
- b. Publication in a local newspaper of the proposed budget and the notice of public hearing on the budget on or before August 5th.
- c. Public hearing on or before August 15th of each year, but at least ten days after publication of the 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 ten days after publication the hearing may be held and the governing body may amend the budget at that time. For 2014, there was one budget amendment affecting the following funds: Multi Year Fund, Drug Forfeiture Fund, Sewer Fund and Solid Waste Fund.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2014

Note 2: Stewardship, Compliance and Accountability (Continued)
Budgetary Information (Continued)

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

All legal annual operating budgets are prepared using the statutory basis of accounting, in which revenues are recognized when cash is received, and expenditures include disbursements, 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 projects funds, trust funds, and the following special revenue funds: Wireless 911 Tax, Telephone Tax 911, Housing Study RDA, Emergency Shelter, Law Enforcement Block Grants, DARE Crime Prevention, 2009 NSP, 2009 Home Buyer and Repair, 2011 Home Rehabilitation, 911 Land Wire, Lake Kahola, TDD, TIF, CID, 2014 Housing and Emporia Home Repair. Spending in funds which are not subject to the legal annual operating budget requirements are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

By statute, the City prepares its annual budget on a non-GAAP basis of accounting as described above. A reconciliation of these budgetary statements to the GAAP statements for the major governmental funds is as follows:

	Major Governmental Funds			
	General Fund	Multi- Year Improvement	Debt Service Fund	Other Nonmajor Funds
Revenues - Budgetary basis	\$ 15,683,075	\$ 883	\$ 2,783,034	\$ 990,964
Canceled encumbrances	-	-	-	-
Revenues - GAAP Basis	\$ 15,683,075	\$ 883	\$ 2,783,034	\$ 990,964
Expenditures - budgetary basis	\$ 17,374,412	\$ 2,251,536	\$ 3,781,667	\$ 2,546,115
Encumbrances, beginning of year	(9,040)	(219,979)	-	(48,435)
Encumbrances, end of year	28,554	535,449	-	393,422
Expenditures - GAAP Basis	\$ 17,393,926	\$ 2,567,006	\$ 3,781,667	\$ 2,891,102
Fund balances - budgetary basis	\$ 4,770,138	\$ 844,753	\$ 448,296	\$ 1,139,494
Encumbrances, end of year	28,554	535,449	-	393,422
Fund Balance - GAAP Basis	\$ 4,798,692	\$ 1,380,202	\$ 448,296	\$ 1,532,916

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 December 31, 2014

Note 2: Stewardship, Compliance and Accountability (Continued)

Compliance with Kansas Statutes

The following funds had deficit fund equities as of December 31, 2014: Emergency Shelter \$1,417, 2009 Home Buyer and Repair \$3,751, and 2009 NSP Fund \$586.

These deficits will be recovered from the receipt of grant monies.

Note 3: Detailed Notes on All Funds

Deposits and Investments

The City's cash is considered to be active funds by management and is invested according to KSA 9-1401. The statute requires that banks eligible to hold active funds have a main or branch bank in the county in which the City is located and the banks provide an acceptable rate for active funds.

Various City investments are considered to be idle funds by management and are invested according to KSA 12-1675. The statute requires that the City invest its idle funds in only temporary notes of the City, bank certificates of deposit, repurchase agreements, and if eligible banks do not offer an acceptable rate for the funds: U.S. Treasury bills or notes, or the Kansas Municipal Investment Pool (KMIP). Maturities of the above investments may not exceed two years by statute.

Some of the City's investments are of bond proceeds invested pursuant to KSA 10-131. This statute allows additional investment authority beyond that of KSA 12-1675. Investments of bond proceeds may follow KSA 12-1675 or include other investments such as the KMIP, direct obligations of the US government or any agency thereof, investment agreements with a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's investors service or Standard and Poor's corporation, and various other investments as specified in KSA 10-131.

At December 31, 2014, the City has the following Investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Rating</u>	<u>Weighted Rate</u>
Kansas Municipal Investment Pool	\$ 3,441,166	S&P AA+/S1+	0.010%

The municipal investment pool 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 obligations of, or obligations that are insured as to principal and interest by the US government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers. The fair value of the City's position in the municipal investment pool is substantially the same as the value of the pool shares.

The City does not have any formal investment policies that would further limit concentration of credit risk, interest rate risk or custodial credit risks beyond state statutes.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 3: Detailed Notes on All Funds

Deposits and Investments (Continued)

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy for custodial credit risk require that the depository banks will maintain 100% security in the form of FDIC coverage and pledged collateral according to KSA 9-1402. At year-end, the carrying amount of the cash, including certificates of deposit and cash on hand, was \$19,923,923 and the bank balance was \$20,005,896. The difference between the carrying amount and the bank balance was outstanding checks, deposits in transit and cash on hand. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining \$19,755,896 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the city's name. The third-party bank holding the pledged securities is independent of the pledging bank. The pledged securities are held under a tri-party custodial agreement signed by all three parties: the City, the pledging bank, and the independent third-party bank holding the pledged securities.

Component Unit - At year-end, the carrying amount of the Library's cash, including certificates of deposit and cash on hand, was \$494,155 and the bank balance was \$520,568. The difference between the carrying amount and the bank balance was outstanding checks, deposits in transit and cash on hand. Of the bank balance, \$399,146 was covered by federal depository insurance and the remaining \$121,422 was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the Library's name. The third-party bank holding the pledged securities is independent of the pledging bank. The pledged securities are held under a tri-party custodial agreement signed by all three parties: the Library, the pledging bank, and the independent third-party bank holding the pledged securities.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2014

Note 3: Detailed Notes on All Funds (Continued)
Receivables

Receivables as of year end, including the applicable allowances for uncollectible accounts, are as follows:

	General	Debt Service	Multi-Year Improvement	Solid Waste Disposal	Sewer Utility	Water Utility	Other Governmental	Total
Receivables								
Accounts	\$ 1,356,349	\$ -	\$ 2,127	\$ 360,867	\$ 303,282	\$ 389,193	\$ 13,098	\$ 2,424,916
Taxes	2,744,873	2,492,081	-	-	-	-	645,916	5,882,870
Gross Receivables	\$ 4,101,222	\$ 2,492,081	\$ 2,127	\$ 360,867	\$ 303,282	\$ 389,193	\$ 659,014	\$ 8,307,786
Less: Allowance for uncollectible	88,439	-	-	15,125	16,116	12,452	-	132,132
Total Receivables	\$ 4,012,783	\$ 2,492,081	\$ 2,127	\$ 345,742	\$ 287,166	\$ 376,741	\$ 659,014	\$ 8,175,654

Interfund Receivables and Payables

The composition of interfund balances as of December 31, 2014, is as follows:

<u>Fund Types</u>	<u>Due From</u>	<u>Due To</u>
General fund	\$ 8,718	\$ -
Special revenue		
2009 NSP Fund	-	586
2009 Home Buyer and Repair		3,751
Emporia Homeowner Repair		4,381
	<u>\$ 8,718</u>	<u>\$ 8,718</u>

The City uses interfund receivables and payables as needed when pooled cash is negative within a fund until investments mature or grant proceeds are received. All payables are cleared in less than one year.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2014

Note 3: Detailed Notes on All Funds (Continued)

Capital Assets

Capital asset activity for the year ended December 31, 2014, was as follows:

	<u>Balance December 31, 2013</u>	<u>Additions/ Restatements</u>	<u>Retirements</u>	<u>Balance December 31, 2014</u>
City Governmental Activities				
Capital assets - Not being depreciated				
Land	\$ 1,683,849	\$ -	\$ -	\$ 1,683,849
Capital assets - Being depreciated				
Land improvements	206,232,132	-	-	206,232,132
Buildings and improvements	14,717,253	427,395	-	15,144,648
Vehicles	3,216,563	531,413	480,814	3,267,162
Equipment, furniture and fixtures	5,975,069	109,267	470,735	5,613,601
Total capital assets being depreciated	<u>\$ 230,141,017</u>	<u>\$ 1,068,075</u>	<u>\$ 951,549</u>	<u>\$ 230,257,543</u>
Total Capital Assets	<u>\$ 231,824,866</u>	<u>\$ 1,068,075</u>	<u>\$ 951,549</u>	<u>\$ 231,941,392</u>
Less: Accumulated Depreciation for				
Land improvements	\$ 154,055,123	\$ 6,608,991	\$ -	\$ 160,664,114
Buildings and improvements	10,049,967	483,006	-	10,532,973
Vehicles	2,775,436	180,318	446,327	2,509,427
Equipment, furniture and fixtures	5,252,572	154,651	450,012	4,957,211
Total Accumulated Depreciation	<u>\$ 172,133,098</u>	<u>\$ 7,426,966</u>	<u>\$ 896,339</u>	<u>\$ 178,663,725</u>
Governmental Activities				
Capital Assets - Net	<u>\$ 59,691,768</u>	<u>\$ (6,358,891)</u>	<u>\$ 55,210</u>	<u>\$ 53,277,667</u>
Business-Type Activities				
Capital assets - Not being depreciated				
Land	\$ 210,525	\$ -	\$ -	\$ 210,525
Capital assets - Being depreciated				
Land improvements	\$ 40,317,151	\$ 813,132	\$ 4,890	\$ 41,125,393
Buildings and improvements	19,443,022	95,400	-	19,538,422
Vehicles	2,365,641	21,347	18,782	2,368,206
Equipment, furniture and fixtures	9,864,500	354,845	377,278	9,842,067
Total capital assets being depreciated	<u>\$ 71,990,314</u>	<u>\$ 1,284,724</u>	<u>\$ 400,950</u>	<u>\$ 72,874,088</u>
Total Capital Assets	<u>\$ 72,200,839</u>	<u>\$ 1,284,724</u>	<u>\$ 400,950</u>	<u>\$ 73,084,613</u>
Less: Accumulated Depreciation for				
Land improvements	\$ 21,260,078	\$ 1,173,301	\$ -	\$ 22,433,379
Buildings and improvements	10,505,134	516,438	-	11,021,572
Vehicles	1,513,660	267,219	(2,565)	1,783,444
Equipment, furniture and fixtures	8,270,309	370,728	311,517	8,329,520
Total Accumulated Depreciation	<u>\$ 41,549,181</u>	<u>\$ 2,327,686</u>	<u>\$ 308,952</u>	<u>\$ 43,567,915</u>
Business-Type Activities				
Capital Assets - Net	<u>\$ 30,651,658</u>	<u>\$ (1,042,962)</u>	<u>\$ 91,998</u>	<u>\$ 29,516,698</u>

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2014

Note 3: Detailed Notes on All Funds (Continued)
Capital Assets (Continued)

The City's depreciation expense was charged as follows:

Governmental Activities		
General government		\$ 159,048
Public safety		270,156
Highways and streets		6,315,939
Culture and recreation		465,216
Building and maintenance		169,217
Airport operations		35,601
Planning and development		11,789
Total Depreciation		<u>\$ 7,426,966</u>
 Business-Type Activities		
Solid waste disposal		\$ 387,193
Sewer utility		1,000,551
Water utility		939,942
Total Depreciation		<u>\$ 2,327,686</u>

Long-Term Debt

During the year ended December 31, 2014, the following changes, including the reallocation of the general obligation bonds outstanding between governmental and business-type activities, occurred in long term liabilities:

	<u>Balance January 1, 2014</u>	<u>Additions/ Adjustments</u>	<u>Reductions</u>	<u>Balance December 31, 2014</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
General obligation	\$ 16,075,000	\$ -	\$ 3,200,000	\$ 12,875,000	\$ -
Compensated absences	484,868	-	57,070	427,798	142,599
	<u>\$ 16,559,868</u>	<u>\$ -</u>	<u>\$ 3,257,070</u>	<u>\$ 13,302,798</u>	<u>\$ 142,599</u>
 Business-Type Activities					
General obligation	\$ 13,680,000	\$ -	\$ 1,805,000	\$ 11,875,000	\$ -
Compensated absences	87,361	-	12,987	74,374	24,791
	<u>\$ 13,767,361</u>	<u>\$ -</u>	<u>\$ 1,817,987</u>	<u>\$ 11,949,374</u>	<u>\$ 24,791</u>

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 3: Detailed Notes on All Funds (Continued)
Long-Term Debt (Continued)

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

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

Issue	Interest Rates	Date of Issue	Original Issue	Date of Final Maturity	Bonds Outstanding
Governmental Activities					
2007A Internal Improvements	5.00% - 5.60%	10/10/2007	3,610,000	9/1/2018	1,075,000
2007B Internal Improvements	3.50% - 5.25%	12/27/2007	5,120,000	9/1/2019	1,260,000
2008 Internal Improvements	3.05% - 4.60%	9/1/2008	5,500,000	9/1/2028	3,175,000
2009A Internal Improvements	2.6% - 4.5%	9/1/2009	770,000	9/1/2029	570,000
2010A Internal Improvements	3.00% - 4.00%	9/1/2009	8,450,000	9/1/2022	2,715,000
2011 Internal Improvements	3.00% - 4.00%	6/3/2011	2,490,000	9/1/2021	2,070,000
2011B Internal Improvements	1.50% - 2.125%	12/22/2011	690,000	9/1/2021	335,000
2013 Internal Improvements	3.00%	12/30/2013	1,835,000	9/1/2023	1,675,000
Total Governmental Activities					\$ 12,875,000
Business-Type Activities					
2010A Internal Improvements	3.00% - 4.00%	9/1/2009	4,270,000	9/1/2022	\$ 810,000
2011 Internal Improvements	3.00% - 4.00%	6/3/2011	5,400,000	9/1/2021	3,625,000
2012A Refunding Issue	2.00% - 3.50%	1/4/2012	6,420,000	9/1/2029	5,085,000
2013 Internal Improvements	3.00%	12/30/2013	2,445,000	9/1/2023	2,355,000
Total Business-Type Activities					\$ 11,875,000
					\$ 24,750,000

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

Year	Business-Type Activities		Governmental Activities		Total
	Principal	Interest	Principal	Interest	
2015	\$ 1,300,000	\$ 338,525	\$ 3,145,000	\$ 395,304	\$ 5,178,829
2016	1,340,000	301,475	3,000,000	276,136	4,917,611
2017	1,380,000	263,375	2,195,000	181,389	4,019,764
2018	1,415,000	225,125	1,315,000	133,189	3,088,314
2019	1,470,000	185,825	1,210,000	93,469	2,959,294
2020 - 2024	4,435,000	366,319	1,880,000	157,274	6,838,593
2025 - 2029	535,000	55,500	130,000	17,425	737,925
	\$ 11,875,000	\$ 1,736,144	\$ 12,875,000	\$ 1,254,186	\$ 27,740,330

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 3: Detailed Notes on All Funds (Continued)
Long-Term Debt (Continued)

Special assessments - As provided by Kansas statutes, projects financed in part by special assessments are financed through general obligation bonds of the City and are retired from the Debt Service Fund. Special assessments paid prior to the issuance of bonds are recorded as revenue in the appropriate project. Special assessments received after the issuance of bonds are recorded as revenue in the Debt Service Fund. The special assessments receivable are not recorded as revenue when levied against the respective property owners as such amounts are not available to finance current year operations. The special assessment debt is a contingent liability of the City to the extent of property owner defaults, which have historically been immaterial.

Conduit Debt - The City has entered into several conduit debt arrangements wherein the City issues industrial revenue bonds to finance a portion of the construction of facilities by private enterprises. In return, the private enterprises have executed mortgage notes or leases with the City. The City is not responsible for payment of the original bonds, but rather the debt is secured only by the cash payments agreed to be paid by the private enterprises under the terms of the mortgage or lease agreements. Generally, the conduit debt is arranged so that payments required by the private enterprises are equal to the mortgage payment schedule related to the original debt. As of December 31, 2014, total outstanding conduit debt was \$1,325,000.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
December 31, 2014

Note 3: Detailed Notes on All Funds (Continued)

Reconciliation of Transfers

A reconciliation of interfund transfers follows:

	<u>To</u>	<u>From</u>
Major Funds		
General	\$ 1,999,502	\$ 3,371,876
Industrial development sales tax	675,625	272,275
Multi-year improvement	2,211,474	57,000
Debt service	846,253	-
Water utility	-	779,773
Sewer utility	-	565,734
Solid waste disposal	-	666,561
Other governmental funds	107,000	126,635
	<u>\$ 5,839,854</u>	<u>\$ 5,839,854</u>

The City uses interfund transfers to share administrative costs between funds.

Capital Projects

At December 31, 2014, the City had contractual commitments for the construction of the following projects:

	<u>Expenditures to Date</u>	<u>Amount Authorized</u>
Air Conditioner - Auditorium	\$ -	\$ 362,434
Construction New Tennis Courts	155,687	174,662
Install Sanitary Sewer Line	111,079	258,279
Install Water Main	335,957	552,495
Sewer Relining	-	410,424

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 3: Detailed Notes on All Funds (Continued)

Net Assets

The amounts reported on the statement of net position identified as net investment in capital assets are comprised of the following:

	Governmental Activities	Business-Type Activities	Primary Government Total
Total net capital assets	\$ 53,277,667	\$ 29,516,698	\$ 82,794,365
Less:			
Current portion of notes payable	-	-	-
Current portion of general obligation bonds and temporary notes payable	3,145,000	1,300,000	4,445,000
Non-current portion of general obligation bonds and temporary notes payable	9,730,000	10,818,043	20,548,043
Net Investment in Capital Assets	\$ 40,402,667	\$ 17,398,655	\$ 57,801,322

Note 4: Other Information

Defined Benefit Pension Plan

Plan description - The City participates in the Kansas Public Employees Retirement System (KPERS) and the Kansas Police and Firemen's Retirement System (KP&F). Both are cost-sharing multiple-employer defined benefit pension plans as provided by Kansas Statutes (KSA 74-4901 et seq). KPERS and KP&F provide retirement benefits, life insurance, disability income benefits and death benefits. Kansas law established and amends benefit provisions. KPERS and KP&F issue a publicly available financial report that includes financial statements and required supplementary information. Those reports may be obtained by writing to 611 South Kansas, Suite 100; Topeka, Kansas 66603 or by calling 1-888-275-5737.

Funding policy – KSA 74-4919 established the KPERS member-employee contribution rate at 4% of covered salary. KSA 74-4975 establishes the KP&F member-employee contribution rate at 7% of covered salary. The employer collects and remits member-employee contributions according to the provision of section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined annually based on the results of an annual actuarial valuation. KPERS and KP&F are funded on an actuarial reserve basis. State law set a limitation on annual increases in the employer contribution rates. The KPERS employer rate was 9.69% from January 1 to December 31, 2014 for new members, and 13.77% for rehired retirees. The City employer contributions to KPERS for the years ending December 31, 2014, 2013, and 2012 were \$519,583, \$457,848, and \$438,996, respectively, equal to the required contributions for each year. The KP&F employer rate established for fiscal years beginning in 2014 was 19.92%. Employers participating in KP&F also make contributions to amortize the liability for past service costs, if any, which are determined separately for each participating employer. The City's contributions to KP&F for the years ended December 31, 2014, 2013, and 2012 were \$914,465, \$775,969, and \$768,743, respectively, equal to the required contributions for each year.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 4: Other Information (Continued)

Deferred Compensation Plan

The City offers its employees a deferred compensation plan (the Plan) created in accordance with Internal Revenue code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the Plan are transferred to a third-party custodial trust. The amount in the custodial trust at December 31, 2014 for IMCA was \$1,337,999 and for Nationwide (PEBSCO) was \$2,238,958.

Flexible Benefit Plan (IRC Section 125)

The City Commission has adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All City full-time employees are eligible to participate in the Plan beginning after two full months of employment. Each participant may elect to reduce his or her salary to purchase benefits offered through the Plan. Benefits offered through the Plan include insurance benefits.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. Settlements of claims have not exceeded available coverage for the years ended December 31, 2014, 2013, and 2012.

Workers' compensation - The City established a limited risk management program for workers' compensation. The program covers all City employees. Premiums are paid into the workers' compensation reserve fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims over a certain amount. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The liability for claims and judgments is reported in the Workers' Compensation Fund because it is expected to be liquidated with expendable available financial resources. Changes in the balances of claims liabilities during the past year are as follows:

	2014	2013
Unpaid claims - January 1	\$ 56,019	\$ 37,422
Incurred claims (including IBNRs)	32,978	36,328
Claim payments	(14,909)	(17,731)
Unpaid claims - December 31	\$ 74,088	\$ 56,019

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 4: Other Information (Continued)

Contingent Liabilities

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with the terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims would not have a material effect on any of the financial statements of the City at December 31, 2014.

The City is a party in various pending claims. Although the outcome of these pending claims is not presently determinable, it is the opinion of the City's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the City.

New Governmental Accounting Standards

The Governmental Accounting Standards Board (GASB) has issued the following statements which will or may affect the City:

GASB Statement No. 68, "Accounting and Financial Reporting for Pensions", was issued in June 2012. This statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of this statement are effective for financial statements for fiscal years beginning after June 15, 2014.

GASB Statement No. 69, "Government Combinations and Disposals of Government Operations", was issued in January 2013. This statement provides new accounting and financial reporting standards for government mergers and acquisitions and for government operations that have been transferred or sold. The provisions of this statement are effective for periods beginning after December 15, 2013, although earlier application is encouraged.

GASB Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees", was issued in April 2013. This statement requires a state or local government guarantor that offers a nonexchange financial guarantee to another organization or government to recognize a liability on its financial statements when it is more likely than not that the guarantor will be required to make a payment to the obligation holders under the agreement. The provisions of this statement are effective for periods beginning after June 15, 2013, although earlier application is encouraged.

GASB Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date", was issued in November 2013. This statement amends GASB Statement No. 68. The statement is effective concurrent with Statement 68 for fiscal years beginning after June 15, 2014. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*.

GASB Statement No. 72, "Fair Value Measurement and Application", was issued in February 2015. This statement addresses accounting and financial reporting issues related to fair value measurements. This statement is effective for financial statements for periods beginning after June 15, 2015. The objective of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements.

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 4: Other Information (Continued)

Postemployment Benefits Other Than Pensions

Plan Description

As required by Kansas statutes, the City provides postemployment healthcare benefits to electing retired employees who have met age and/or service eligibility requirements until the individuals become eligible for Medicare coverage at age 65. The health insurance benefit provides the same coverage for retirees and their dependents as for active employees and their dependents. The plan is a single-employer plan.

Funding Policy

The City provides medical, prescription drug, and dental benefits (healthcare benefits) to retirees and their dependents in accordance with Kansas law (K.S.A. 12-5040). This statute, which may be amended by the state legislature, establishes that participating retirees may be required to contribute to the employee group health benefits plan, including administrative costs at an amount not to exceed 125% of the premium cost for other similarly situated employees. The City requires participating retirees to contribute 120% of the premium cost of active employee.

The City provides funding for the expenditures on a pay-as-you-go basis through the Health Care Fund. In 2014, active and retired plan members contributed \$521,593 to the plan and the City contributed \$807,422 to the plan.

Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB (other postemployment benefit) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period of not to exceed 30 years. The following table presents the components of the City's annual OPEB cost for the year, the amount contributed to the plan, and changes in the City net OPEB obligation:

Annual required contribution (ARC)	\$ 41,690
Interest on net OPEB obligation	-
Adjustment to ARC	-
Annual OPEB Cost (Expense)	\$ 41,690
Contributions made	21,576
Increase in Net OPEB Obligation	\$ 20,114
Net OPEB Obligation - January 1, 2013	22,134
Net OPEB Obligation - December 31, 2014*	\$ 42,248

* Based on valuation dated January 1, 2014

CITY OF EMPORIA, KANSAS
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

December 31, 2014

Note 4: Other Information (Continued)

Postemployment Benefits Other Than Pensions (Continued)

Annual OPEB Cost and Net OPEB Obligation

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation are as follows in the table below:

<u>Fiscal Year Ended</u>	<u>OPEB Cost</u>	<u>% of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
December 31, 2009	\$ 101,665	29.9%	\$ 109,946
December 31, 2010	60,353	35.9%	31,773
December 31, 2011	60,353	47.4%	34,610
December 31, 2012	57,522	61.5%	22,134
December 31, 2013	41,690	51.7%	42,248

Funded Status and Funding Progress

As of January 1, 2013, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$413,955. The City's policy is to fund the benefits on a pay-as-you-go basis, resulting in an unfunded actuarial accrued liability (UAAL) of \$413,955. As of January 1, 2009, the first actuarial valuation date, the plan was 0% funded. The UAAL as of January 1, 2009 was \$585,945. The covered payroll (annual payroll of active employees of active employees covered by the plan) in 2013 was \$8,807,954 and the ratio of the UAAL to covered payroll was 4.7%. Actuarial analysis is required every two years. No changes as of December 31, 2014.

Actuarial Methods and Assumptions

The cost of the plan is derived by making certain specific assumptions as to rates of interest, mortality, turnover, etc., which are assumed to hold for many years into the future. Since actual experience may differ somewhat from the long-term assumptions, the cost determined by the valuation must be regarded as estimates of the true costs of the plan. Actuarially determined amounts reflect a long-term view and are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial liabilities and comparative costs were computed using the Projected Unit Credit Actuarial Cost Method and the following assumptions:

Amortization method	Level dollar amount on open basis over 30 years
Discount rate	5%
Mortality rate	RP-2000 mortality tables for healthy annuitants and employees for males and females with generational projection, ages set forward on year
Withdrawal rates	Past history of City used to established rates
Retirement rates	Past history of City used to established rates
Marriage and family assumptions	Wives are assumed to be three years younger than husbands and 20% of members are assumed to have spouses who will elect coverage
Price inflation	3% per year
Payroll growth	3% per year
Healthcare cost trend rate	8% grading down to 5%
Participant rate	30% of members are assumed to elect coverage upon retirement

REQUIRED SUPPLEMENTARY INFORMATION (RSI)

CITY OF EMPORIA, KANSAS
TREND DATA ON POSTEMPLOYMENT BENEFITS
 December 31, 2014

(a) Actuarial Valuation Date	(b) Actuarial Value of Assets	(c) Actuarial Accrued Liability	(d) Unfunded Actuarial Liability (b) - (c)
12/31/2007	\$ -	\$ 950,929	\$ 950,929
12/31/2009	-	585,945	585,945
12/31/2011	-	593,820	593,820
12/31/2012	-	413,955	413,955

(e) Funded Ratio (b)/(c)	(f) Annual Covered Payroll	(g) Unfunded Actuarial Liability as % of Covered Payroll
-	\$ 9,154,091	10.40%
-	9,608,556	6.10%
-	9,357,230	6.30%
-	8,807,954	4.70%

OTHER FINANCIAL INFORMATION

CITY OF EMPORIA, KANSAS
COMBINING STATEMENTS - NON-MAJOR FUNDS

December 31, 2014

Non-Major Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Budgeted Funds

Library Fund - To account for the collection of tax levy money, which is appropriated to the Emporia Public Library for its operations.

Library Employee Benefits Fund - To account for the collection of tax levy money, which is appropriated to the Emporia Public Library specifically for employee benefits.

Convention and Tourism Promotion Fund - To account for the promotion of convention and tourism. Financing is provided by a 6% tax on gross rental receipts collected from hotels and motels within the City limits.

Industrial Fund - To account for the promotion of industrial development. The majority of this fund is used to assist in the acquisition of land for the industrial parks. Financing is provided by a property tax levy not to exceed 1 mill. This is the maximum amount that can be levied per Kansas statutes.

Special Alcohol Program Fund - To account for costs for the establishment, maintenance and/or expansion of services or programs related to substance abuse prevention and education, or treatment of persons who are substance abusers or are in danger of becoming substance abusers. Financing is provided by tax on the sale of alcoholic liquor by private clubs. State law requires 1/3 of this liquor tax to be used for a special alcohol program.

Special Park and Recreation Fund - To account for the costs of enhancing the area of recreation or parks. Financing is provided by tax on the sale of alcoholic liquor by private clubs. State law requires 1/3 of this liquor tax to be used for a special park and recreation fund.

Special Street Fund - To account for a portion of costs of maintaining the street system. Financing is provided by a proportionate share of the Special City and County Highway Fund distributed by the State Treasurer.

Drug Money Forfeiture Fund - To account for the receipt and expenditure of funds seized by the police in connection with the arrest and conviction of individuals for illegal drug activities.

Industrial Development Sales Tax Fund - To account for the sales tax receipts, other revenues and expenditures related to industrial development. Receipts of retail sales taxes are deposited in the General Fund, and the portion related to this activity is transferred to this fund.

Non-Budgeted Funds

Wireless 911 Tax - To account for the cost of implementing a "911" emergency response for the wireless telephone system.

Telephone Tax - 911 Fund - To account for the cost of implementing a "911" emergency response telephone system.

Housing Study RDA Fund - To account for a county-wide study to identify the current and future needs and solutions to housing problems within the county.

Emergency Shelter Fund - To account for grant funds appropriated to a local women's shelter.

CITY OF EMPORIA, KANSAS
COMBINING STATEMENTS - NON-MAJOR FUNDS
December 31, 2014

Non-Major Special Revenue Fund (Continued)

Non-Budgeted Funds

Law Enforcement Block Grants Fund - to account for receipts and expenditures of police department related grant funds.

DARE Crime Prevention Fund - To account for funds expended in connection with the DARE program.

2009 NSP Fund - (Neighborhood Stabilization Program) to account for the funds used to purchase homes to rehabilitate and then resell.

2014 Housing Fund - to account for the housing grant funds.

2009 Home Buyer and Repair Fund - To account for the funds used to rehabilitate homes of first- time home owners.

2011 Home Rehabilitation Funds - To account for the funds used in the owner-occupied rehabilitation grant program.

911 Land Wire Fund - To account for fees collected and expenditures made.

Lake Kahola Fund - To account for the funds received in the sale of Lake Kahola to the Lake Kahola cabin owners.

Non-Major Capital Project Funds

Capital project funds are used to account for acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Internal Improvements - To account for various City infrastructure improvement projects. Financing is provided through temporary notes and special assessments.

Airport Improvements - To account for the costs of new airport improvements.

Recreation Center Improvements - To account for the costs of improvements to the recreation center.

Construction Projects - To account for the funds appropriated for various construction projects of the City of Emporia.

Civic Auditorium Improvement - To account for the improvements to the Civic Auditorium, which will be funded through the issuance of general obligation bonds.

Park Improvements - To account for the costs of improving existing parks.

Bridge Projects - To account for the costs of bridge improvements.

Traffic Signals - To account for the cost of new traffic control devices.

Paving Projects - To account for the costs of new paving projects.

CITY OF EMPORIA, KANSAS
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2014

	<u>Total Non-Major Special Revenue Funds</u>	<u>Total Non-Major Capital Project Funds</u>	<u>Total Non-Major Governmental Funds</u>
ASSETS			
Current Assets			
Cash and investments	\$ 2,081,939	\$ 476,628	\$ 2,558,567
Receivables			
Accounts	13,098	-	13,098
Taxes	645,916	-	645,916
Total Assets	<u>\$ 2,740,953</u>	<u>\$ 476,628</u>	<u>\$ 3,217,581</u>
 LIABILITIES AND FUND BALANCE			
Liabilities			
Due to other funds	\$ 8,718	\$ -	\$ 8,718
Accounts payable	18,797	228,956	247,753
Accrued liabilities	9,891	-	9,891
Unearned revenue	645,916	-	645,916
Total Liabilities	<u>\$ 683,322</u>	<u>\$ 228,956</u>	<u>\$ 912,278</u>
 Fund Balance			
Restricted:			
Urban development and housing	\$ 887,409	\$ -	\$ 887,409
General government	-	-	-
Capital projects	-	-	-
Public safety	472,113	-	472,113
Culture and recreation	392,200	-	392,200
Public works	301,199	-	301,199
Debt service	1,120	-	1,120
Committed:			
Capital projects	3,590	247,672	251,262
Total Fund Balance	<u>\$ 2,057,631</u>	<u>\$ 247,672</u>	<u>\$ 2,305,303</u>
 Total Liabilities and Fund Balance	 <u>\$ 2,740,953</u>	 <u>\$ 476,628</u>	 <u>\$ 3,217,581</u>

CITY OF EMPORIA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2014

	Total Non-Major Special Revenue Funds	Total Non-Major Capital Project Funds	Total Non-Major Governmental Funds
REVENUES			
Taxes	\$ 1,423,824	\$ -	\$ 1,423,824
Intergovernmental	965,723	193,297	1,159,020
Use of money and property	1,175	1,376	2,551
Contributions	1,670	530,486	532,156
Miscellaneous	169,151	37,571	206,722
Total Revenues	\$ 2,561,543	\$ 762,730	\$ 3,324,273
EXPENDITURES			
Current			
General government	\$ 486,169	\$ -	\$ 486,169
Law enforcement	140,844	-	140,844
Highways and streets	664,254	-	664,254
Culture and recreation	716,131	-	716,131
Health and environment	62,627	-	62,627
Planning and development	503,913	-	503,913
Capital outlay	-	3,143,259	3,143,259
Bond issuance costs	-	-	-
Debt service	-	-	-
Total Expenditures	\$ 2,573,938	\$ 3,143,259	\$ 5,717,197
Excess (deficiency) of revenues over (under) expenditures	\$ (12,395)	\$ (2,380,529)	\$ (2,392,924)
OTHER FINANCING SOURCES (USES)			
Transfers in	\$ 725,625	\$ 57,000	\$ 782,625
Transfers out	(272,275)	(126,635)	(398,910)
Total Other Financing Sources (Uses)	\$ 453,350	\$ (69,635)	\$ 383,715
Net Change in Fund Balance	\$ 440,955	\$ (2,450,164)	\$ (2,009,209)
Fund Balance - Beginning	1,616,676	2,697,836	4,314,512
Fund Balance - Ending	\$ 2,057,631	\$ 247,672	\$ 2,305,303

CITY OF EMPORIA, KANSAS
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
December 31, 2014

	<u>Library</u>	<u>Library Employee Benefits</u>	<u>Convention and Tourism Promotion</u>	<u>Industrial</u>	<u>Special Alcohol Program</u>
ASSETS					
Current Assets					
Cash and investments	\$ 4,461	\$ 702	\$ 98,540	\$ 34,690	\$ 30,170
Receivables					
Accounts	-	-	-	-	-
Taxes	565,370	79,546	-	1,000	-
Total Assets	<u>\$ 569,831</u>	<u>\$ 80,248</u>	<u>\$ 98,540</u>	<u>\$ 35,690</u>	<u>\$ 30,170</u>
LIABILITIES AND FUND BALANCE					
Liabilities					
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-	-
Accrued liabilities	-	-	-	-	-
Unearned revenue	565,370	79,546	-	1,000	-
Total Liabilities	<u>\$ 565,370</u>	<u>\$ 79,546</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ -</u>
Fund Balance					
Restricted:					
Urban development and housing	\$ -	\$ -	\$ 98,540	\$ 34,690	\$ -
General government	-	-	-	-	-
Capital projects	-	-	-	-	-
Public safety	-	-	-	-	30,170
Culture and recreation	4,461	702	-	-	-
Public works	-	-	-	-	-
Debt service	-	-	-	-	-
Committed:					
Urban development and housing	-	-	-	-	-
Total Fund Balance (Deficit)	<u>\$ 4,461</u>	<u>\$ 702</u>	<u>\$ 98,540</u>	<u>\$ 34,690</u>	<u>\$ 30,170</u>
Total Liabilities and Fund Balance	<u>\$ 569,831</u>	<u>\$ 80,248</u>	<u>\$ 98,540</u>	<u>\$ 35,690</u>	<u>\$ 30,170</u>

Special Park and Recreation	Special Street	Drug Money Forfeiture	Industrial Development Sales Tax	Wireless 911 Tax	Telephone Tax-911	Housing Study RDA
\$ 391,239	\$ 299,151	\$ 24,408	\$ 724,880	\$ 88,191	\$ 104,032	\$ 1,694
(300)	13,398	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 390,939</u>	<u>\$ 312,549</u>	<u>\$ 24,408</u>	<u>\$ 724,880</u>	<u>\$ 88,191</u>	<u>\$ 104,032</u>	<u>\$ 1,694</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,922	1,459	-	8,022	-	-	-
-	9,891	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 3,922</u>	<u>\$ 11,350</u>	<u>\$ -</u>	<u>\$ 8,022</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 716,858	\$ -	\$ -	\$ 1,694
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	24,408	-	88,191	104,032	-
387,017	-	-	-	-	-	-
-	301,199	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 387,017</u>	<u>\$ 301,199</u>	<u>\$ 24,408</u>	<u>\$ 716,858</u>	<u>\$ 88,191</u>	<u>\$ 104,032</u>	<u>\$ 1,694</u>
<u>\$ 390,939</u>	<u>\$ 312,549</u>	<u>\$ 24,408</u>	<u>\$ 724,880</u>	<u>\$ 88,191</u>	<u>\$ 104,032</u>	<u>\$ 1,694</u>

CITY OF EMPORIA, KANSAS
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
December 31, 2014

	Emergency Shelter	Law Enforcement Block Grants	DARE Crime Prevention	2009 NSP Fund	2009 Home Buyer and Repair	2014 Housing
ASSETS						
Current Assets						
Cash and investments	\$ -	\$ 1,567	\$ 1,687	\$ -	\$ -	\$ 44,073
Receivables						-
Accounts	-	-	-	-	-	-
Taxes	-	-	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 1,567</u>	<u>\$ 1,687</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,073</u>
LIABILITIES AND FUND BALANCE						
Liabilities						
Due to other funds	\$ -	\$ -	\$ -	\$ 586	\$ 3,751	\$ -
Accounts payable	1,417	82	-	-	-	-
Accrued liabilities	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Total Liabilities	<u>\$ 1,417</u>	<u>\$ 82</u>	<u>\$ -</u>	<u>\$ 586</u>	<u>\$ 3,751</u>	<u>\$ -</u>
Fund Balance						
Restricted						
Urban development and housing	\$ -	\$ -	\$ -	\$ (586)	\$ (3,751)	\$ 44,073
General government	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Public safety	-	1,485	1,687	-	-	-
Culture and recreation	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Committed:						
Urban development and housing	(1,417)	-	-	-	-	-
Total Fund Balance (deficit)	<u>\$ (1,417)</u>	<u>\$ 1,485</u>	<u>\$ 1,687</u>	<u>\$ (586)</u>	<u>\$ (3,751)</u>	<u>\$ 44,073</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 1,567</u>	<u>\$ 1,687</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,073</u>

2011 Home Rehab	911 Land Wire Fees	Lake Kahola	TDD Fund	CID Fund	TIF Fund	Emporia Home Repair	Totals
\$ 3,990	\$ 222,317	\$ 20	\$ 1,120	\$ 2,505	\$ 2,502	\$ -	\$ 2,081,939
-	-	-	-	-	-	-	13,098
-	-	-	-	-	-	-	645,916
<u>\$ 3,990</u>	<u>\$ 222,317</u>	<u>\$ 20</u>	<u>\$ 1,120</u>	<u>\$ 2,505</u>	<u>\$ 2,502</u>	<u>\$ -</u>	<u>\$ 2,740,953</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,381	\$ 8,718
-	177	-	-	-	-	3,718	18,797
-	-	-	-	-	-	-	9,891
-	-	-	-	-	-	-	645,916
<u>\$ -</u>	<u>\$ 177</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,099</u>	<u>\$ 683,322</u>
\$ 3,990	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,099)	\$ 887,409
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	222,140	-	-	-	-	-	472,113
-	-	20	-	-	-	-	392,200
-	-	-	-	-	-	-	301,199
-	-	-	1,120	-	-	-	1,120
-	-	-	-	2,505	2,502	-	3,590
<u>\$ 3,990</u>	<u>\$ 222,140</u>	<u>\$ 20</u>	<u>\$ 1,120</u>	<u>\$ 2,505</u>	<u>\$ 2,502</u>	<u>\$ (8,099)</u>	<u>\$ 2,057,631</u>
<u>\$ 3,990</u>	<u>\$ 222,317</u>	<u>\$ 20</u>	<u>\$ 1,120</u>	<u>\$ 2,505</u>	<u>\$ 2,502</u>	<u>\$ -</u>	<u>\$ 2,740,953</u>

CITY OF EMPORIA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2014

	Library	Library Employee Benefits	Convention and Tourism Promotion	Industrial	Special Alcohol Program
REVENUES					
Taxes	\$ 645,632	\$ 58,992	\$ -	\$ 1,270	\$ -
Intergovernmental	-	-	393,504	-	79,163
Use of money and property	-	-	85	21	12
Donations	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>\$ 645,632</u>	<u>\$ 58,992</u>	<u>\$ 393,589</u>	<u>\$ 1,291</u>	<u>\$ 79,175</u>
EXPENDITURES					
General government	\$ -	\$ -	\$ 439,500	\$ -	\$ -
Law enforcement	-	-	-	-	-
Highways and streets	-	-	-	-	-
Culture and recreation	641,171	58,290	-	-	-
Health and environment	-	-	-	-	62,475
Planning and development	-	-	-	270	-
Total Expenditures	<u>\$ 641,171</u>	<u>\$ 58,290</u>	<u>\$ 439,500</u>	<u>\$ 270</u>	<u>\$ 62,475</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 4,461</u>	<u>\$ 702</u>	<u>\$ (45,911)</u>	<u>\$ 1,021</u>	<u>\$ 16,700</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Change in Fund Balance	\$ 4,461	\$ 702	\$ (45,911)	\$ 1,021	\$ 16,700
Fund Balance - Beginning	-	-	144,451	33,669	13,470
Fund Balance - End	<u>\$ 4,461</u>	<u>\$ 702</u>	<u>\$ 98,540</u>	<u>\$ 34,690</u>	<u>\$ 30,170</u>

Special Park and Recreation	Special Street	Drug Money Forfeiture	Industrial Development Sales Tax	Wireless 911 Tax	Telephone Tax-911	Housing Study RDA
\$ -	\$ 717,930	\$ -	\$ -	\$ -	\$ -	\$ -
79,163	-	21,658	-	-	-	-
217	200	10	401	54	67	-
1,200	-	-	-	-	-	-
-	13,792	-	152,859	-	-	-
<u>\$ 80,580</u>	<u>\$ 731,922</u>	<u>\$ 21,668</u>	<u>\$ 153,260</u>	<u>\$ 54</u>	<u>\$ 67</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,804	\$ -
-	-	7,412	-	-	-	-
-	664,254	-	-	-	-	-
16,670	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	388,771	-	-	-
<u>\$ 16,670</u>	<u>\$ 664,254</u>	<u>\$ 7,412</u>	<u>\$ 388,771</u>	<u>\$ -</u>	<u>\$ 8,804</u>	<u>\$ -</u>
<u>\$ 63,910</u>	<u>\$ 67,668</u>	<u>\$ 14,256</u>	<u>\$ (235,511)</u>	<u>\$ 54</u>	<u>\$ (8,737)</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 675,625	\$ -	\$ -	\$ -
-	-	-	(272,275)	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 403,350</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 63,910	\$ 67,668	\$ 14,256	\$ 167,839	\$ 54	\$ (8,737)	\$ -
323,107	233,531	10,152	549,019	88,137	112,769	1,694
<u>\$ 387,017</u>	<u>\$ 301,199</u>	<u>\$ 24,408</u>	<u>\$ 716,858</u>	<u>\$ 88,191</u>	<u>\$ 104,032</u>	<u>\$ 1,694</u>

CITY OF EMPORIA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2014

	Emergency Shelter	Law Enforcement Block Grants	DARE Crime Prevention	2009 NSP Fund	2009 Home Buyer and Repair	2014 Housing
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	36,448	77,721	-	68,136	-	-
Use of money and property	-	-	-	-	-	-
Donations	-	470	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	<u>\$ 36,448</u>	<u>\$ 78,191</u>	<u>\$ -</u>	<u>\$ 68,136</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES						
General government	\$ 37,865	\$ -	\$ -	\$ -	\$ -	\$ -
Law enforcement	-	61,758	-	-	-	-
Highways and streets	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Health and environment	-	-	-	-	-	-
Planning and development	-	-	-	68,198	-	5,927
Total Liabilities	<u>\$ 37,865</u>	<u>\$ 61,758</u>	<u>\$ -</u>	<u>\$ 68,198</u>	<u>\$ -</u>	<u>\$ 5,927</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (1,417)</u>	<u>\$ 16,433</u>	<u>\$ -</u>	<u>\$ (62)</u>	<u>\$ -</u>	<u>\$ (5,927)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>
Net Change in Fund Balance	<u>\$ (1,417)</u>	<u>\$ 16,433</u>	<u>\$ -</u>	<u>\$ (62)</u>	<u>\$ -</u>	<u>\$ 44,073</u>
Fund Balance - Beginning	<u>-</u>	<u>(14,948)</u>	<u>1,687</u>	<u>(524)</u>	<u>(3,751)</u>	<u>-</u>
Fund Balance - Ending	<u>\$ (1,417)</u>	<u>\$ 1,485</u>	<u>\$ 1,687</u>	<u>\$ (586)</u>	<u>\$ (3,751)</u>	<u>\$ 44,073</u>

2011 Home Rehab	911 Land Wire Fees	Lake Kahola	TDD Fund	CID Fund	TIF Fund	Emporia Home Repair	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,423,824
-	177,282	-	-	-	-	32,648	965,723
-	105	-	-	1	2	-	1,175
-	-	-	-	-	-	-	1,670
-	-	-	-	-	2,500	-	169,151
\$ -	\$ 177,387	\$ -	\$ -	\$ 1	\$ 2,502	\$ 32,648	\$ 2,561,543
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 486,169
-	71,674	-	-	-	-	-	140,844
-	-	-	-	-	-	-	664,254
-	-	-	-	-	-	-	716,131
152	-	-	-	-	-	-	62,627
-	-	-	-	-	-	40,747	503,913
\$ 152	\$ 71,674	\$ -	\$ -	\$ -	\$ -	\$ 40,747	\$ 2,573,938
\$ (152)	\$ 105,713	\$ -	\$ -	\$ 1	\$ 2,502	\$ (8,099)	\$ (12,395)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 725,625
-	-	-	-	-	-	-	(272,275)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 453,350
\$ (152)	\$ 105,713	\$ -	\$ -	\$ 1	\$ 2,502	\$ (8,099)	\$ 440,955
4,142	116,427	20	1,120	2,504	-	-	1,616,676
\$ 3,990	\$ 222,140	\$ 20	\$ 1,120	\$ 2,505	\$ 2,502	\$ (8,099)	\$ 2,057,631

CITY OF EMPORIA, KANSAS
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
December 31, 2014

	<u>Internal Improvements</u>	<u>Airport Improvements</u>	<u>Recreation Center Improvements</u>	<u>Construction Projects</u>
ASSETS				
Current Assets				
Cash and investments	\$ 206,191	\$ (335,923)	\$ (105,373)	\$ 514,370
Accounts receivables	-	-	-	-
Total Assets	<u>\$ 206,191</u>	<u>\$ (335,923)</u>	<u>\$ (105,373)</u>	<u>\$ 514,370</u>
LIABILITIES AND FUND BALANCE				
Liabilities				
Due to other funds	\$ -	\$ -	\$ -	\$ -
Accounts payable	2,282	-	89,352	116,322
Total Liabilities	<u>\$ 2,282</u>	<u>\$ -</u>	<u>\$ 89,352</u>	<u>\$ 116,322</u>
Fund Balance				
Committed				
Capital projects	\$ 203,909	\$ (335,923)	\$ (194,725)	\$ 398,048
Total Fund Balance (Deficit)	<u>\$ 203,909</u>	<u>\$ (335,923)</u>	<u>\$ (194,725)</u>	<u>\$ 398,048</u>
Total Liabilities and Fund Balance	<u>\$ 206,191</u>	<u>\$ (335,923)</u>	<u>\$ (105,373)</u>	<u>\$ 514,370</u>

<u>Civic Auditorium Improvement</u>	<u>Park Improvements</u>	<u>Bridge Projects</u>	<u>Traffic Signals</u>	<u>Paving Projects</u>	<u>Totals</u>
\$ -	\$ 74,230	\$ 144,438	\$ -	\$ (21,305)	\$ 476,628
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 74,230</u>	<u>\$ 144,438</u>	<u>\$ -</u>	<u>\$ (21,305)</u>	<u>\$ 476,628</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	21,000	-	-	-	228,956
<u>\$ -</u>	<u>\$ 21,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 228,956</u>
\$ -	\$ 53,230	\$ 144,438	\$ -	\$ (21,305)	\$ 247,672
\$ -	\$ 53,230	\$ 144,438	\$ -	\$ (21,305)	\$ 247,672
<u>\$ -</u>	<u>\$ 74,230</u>	<u>\$ 144,438</u>	<u>\$ -</u>	<u>\$ (21,305)</u>	<u>\$ 476,628</u>

CITY OF EMPORIA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
For the Year Ended December 31, 2014

	<u>Internal Improvements</u>	<u>Airport Improvements</u>	<u>Recreation Center Improvements</u>	<u>Construction Projects</u>
REVENUES				
Intergovernmental	\$ 1,000	\$ 189,794	\$ -	\$ -
Use of money and property	304	8	6	869
Miscellaneous	37,500	-	-	-
Contributions	16,461	-	339,000	-
Total Revenues	<u>\$ 55,265</u>	<u>\$ 189,802</u>	<u>\$ 339,006</u>	<u>\$ 869</u>
EXPENDITURES				
Capital outlay				
Contract costs	\$ 433,348	580,846	\$ 220,354	\$ 1,705,899
Bond issuance costs	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest and other charges	-	-	-	-
Total Expenditures	<u>\$ 433,348</u>	<u>\$ 580,846</u>	<u>\$ 220,354</u>	<u>\$ 1,705,899</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (378,083)</u>	<u>\$ (391,044)</u>	<u>\$ 118,652</u>	<u>\$ (1,705,030)</u>
OTHER FINANCING RESOURCES (USES)				
Transfers in	\$ -	\$ 57,000	\$ -	\$ -
Transfers out	(43,099)	-	-	-
Total Other Financing Resources (Uses)	<u>\$ (43,099)</u>	<u>\$ 57,000</u>	<u>\$ -</u>	<u>\$ -</u>
Net Change in Fund Balance	\$ (421,182)	\$ (334,044)	\$ 118,652	\$ (1,705,030)
Fund Balance (Deficit) - Beginning	<u>625,091</u>	<u>(1,879)</u>	<u>(313,377)</u>	<u>2,103,078</u>
Fund Balance (Deficit) - Ending	<u>\$ 203,909</u>	<u>\$ (335,923)</u>	<u>\$ (194,725)</u>	<u>\$ 398,048</u>

Civic Auditorium Improvement	Park Improvements	Bridge Projects	Traffic Signals	Paving Projects	Totals
\$ -	\$ 2,503	\$ -	\$ -	\$ -	\$ 193,297
3	65	91	30	-	1,376
71	-	-	-	-	37,571
-	175,025	-	-	-	530,486
<u>\$ 74</u>	<u>\$ 177,593</u>	<u>\$ 91</u>	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ 762,730</u>
\$ 16,548	\$ 159,294	5,665	\$ -	21,305	\$ 3,143,259
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 16,548</u>	<u>\$ 159,294</u>	<u>\$ 5,665</u>	<u>\$ -</u>	<u>\$ 21,305</u>	<u>\$ 3,143,259</u>
\$ (16,474)	\$ 18,299	\$ (5,574)	\$ 30	\$ (21,305)	\$ (2,380,529)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 57,000
-	-	-	(83,536)	-	(126,635)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (83,536)</u>	<u>\$ -</u>	<u>\$ (69,635)</u>
\$ (16,474)	\$ 18,299	\$ (5,574)	\$ (83,506)	\$ (21,305)	\$ (2,450,164)
16,474	34,931	150,012	83,506	-	2,697,836
<u>\$ -</u>	<u>\$ 53,230</u>	<u>\$ 144,438</u>	<u>\$ -</u>	<u>\$ (21,305)</u>	<u>\$ 247,672</u>

CITY OF EMPORIA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ACTUAL AND BUDGET
INDUSTRIAL DEVELOPMENT SALES TAX FUND
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money & property	\$ 300	\$ 300	\$ 401	\$ 101
Miscellaneous	140,603	140,603	152,859	12,256
Total Revenues	<u>\$ 140,903</u>	<u>\$ 140,903</u>	<u>\$ 153,260</u>	<u>\$ 12,357</u>
EXPENDITURES				
Planning and development				
Contractual services	<u>\$ 1,180,615</u>	<u>\$ 1,180,615</u>	<u>\$ 388,771</u>	<u>\$ 791,844</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (1,180,315)</u>	<u>\$ (1,180,315)</u>	<u>\$ (235,511)</u>	<u>\$ 791,945</u>
OTHER FINANCING RESOURCES (USES)				
Transfers in	\$ 594,344	\$ 594,344	\$ 675,625	\$ (81,281)
Transfers out	-	-	(272,275)	272,275
Total Other Financing Sources	<u>\$ 594,344</u>	<u>\$ 594,344</u>	<u>\$ 403,350</u>	<u>\$ 190,994</u>
Net Change in Fund Balance	<u>\$ (585,971)</u>	<u>\$ (585,971)</u>	\$ 167,839	<u>\$ 982,939</u>
Fund Balance - Beginning			549,019	
Fund Balance - Ending			\$ 716,858	
Adjustments to GAAP				
Encumbrances			-	
Fund Balance - GAAP			<u>\$ 716,858</u>	

CITY OF EMPORIA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ACTUAL AND BUDGET
LIBRARY FUND

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 642,668	\$ 642,668	\$ 645,632	\$ 2,964
Miscellaneous	-	-	-	-
Total Revenues	<u>\$ 642,668</u>	<u>\$ 642,668</u>	<u>\$ 645,632</u>	<u>\$ 2,964</u>
EXPENDITURES				
Culture and recreation	\$ 641,171	\$ 641,171	\$ 641,171	\$ -
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 1,497</u>	<u>\$ 1,497</u>	<u>\$ 4,461</u>	<u>\$ 2,964</u>
OTHER FINANCING RESOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
Total Other Financing Sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Change in Fund Balance			\$ 4,461	
Fund Balance - Beginning			-	
Fund Balance - Ending			\$ 4,461	
Adjustments to GAAP			-	
Fund Balance - GAAP			<u>\$ 4,461</u>	

CITY OF EMPORIA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ACTUAL AND BUDGET
LIBRARY EMPLOYEE BENEFITS FUND
For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 58,290	\$ 58,290	\$ 58,992	\$ 702
EXPENDITURES				
Culture and recreation	\$ 58,290	\$ 58,290	\$ 58,290	\$ -
Excess (Deficiency) of Revenues over Expenditures	\$ -	\$ -	\$ 702	\$ 1,404
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
Total Other Financing Sources	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balance	\$ -	\$ -	\$ 702	\$ 1,404
Fund Balance - Beginning			-	
Fund Balance - Ending			\$ 702	
Adjustments to GAAP				
Encumbrances			-	
Fund Balances - GAAP			\$ 702	

CITY OF EMPORIA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ACTUAL AND BUDGET
CONVENTION AND TOURISM PROMOTION FUND
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 420,000	\$ 420,000	\$ 393,504	\$ (26,496)
Use of money and property	50	50	85	35
Miscellaneous	-	-	-	-
Total Revenues	<u>\$ 420,050</u>	<u>\$ 420,050</u>	<u>\$ 393,589</u>	<u>\$ (26,461)</u>
EXPENDITURES				
General government				
Appropriations	<u>\$ 500,500</u>	<u>\$ 500,500</u>	<u>\$ 439,500</u>	<u>\$ 61,000</u>
Net Change in Fund Balances	<u>\$ (80,450)</u>	<u>\$ (80,450)</u>	<u>\$ (45,911)</u>	<u>\$ (87,461)</u>
Fund Balance - Beginning			<u>144,451</u>	
Fund Balance - Ending			\$ 98,540	
Adjustments to GAAP				
Encumbrances			<u>-</u>	
Fund Balance - GAAP			<u>\$ 98,540</u>	

CITY OF EMPORIA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ACTUAL AND BUDGET
INDUSTRIAL FUND

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 1,143	\$ 1,143	\$ 1,270	\$ 127
Use of money and property	40	40	21	(19)
Total Revenues	<u>\$ 1,183</u>	<u>\$ 1,183</u>	<u>\$ 1,291</u>	<u>\$ 108</u>
EXPENDITURES				
Planning and development				
Contractual services	<u>\$ 3,300</u>	<u>\$ 3,300</u>	<u>270</u>	<u>\$ 3,030</u>
Net Change in Fund Balance	<u>\$ (2,117)</u>	<u>\$ (2,117)</u>	<u>\$ 1,021</u>	<u>\$ 3,138</u>
Fund Balance - Beginning			<u>33,669</u>	
Fund Balance - Ending			\$ 34,690	
Adjustments to GAAP				
Encumbrances			<u>-</u>	
Fund Balance - GAAP			<u>\$ 34,690</u>	

CITY OF EMPORIA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ACTUAL AND BUDGET
SPECIAL ALCOHOL PROGRAM FUND
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 61,518	\$ 61,518	\$ 79,163	\$ 17,645
Use of money and property	30	30	12	(18)
Total Revenues	<u>\$ 61,548</u>	<u>\$ 61,548</u>	<u>\$ 79,175</u>	<u>\$ 17,627</u>
EXPENDITURES				
Health and environment Appropriations	<u>\$ 62,475</u>	<u>\$ 62,475</u>	<u>\$ 62,475</u>	<u>\$ -</u>
Net Change in Fund Balance	<u>\$ (927)</u>	<u>\$ (927)</u>	<u>\$ 16,700</u>	<u>\$ 17,627</u>
Fund Balance - Beginning			<u>13,470</u>	
Fund Balance - ending			\$ 30,170	
Adjustments to GAAP				
Encumbrances			<u>-</u>	
Fund Balance - GAAP			<u>\$ 30,170</u>	

CITY OF EMPORIA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ACTUAL AND BUDGET
SPECIAL PARK AND RECREATION FUND
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 61,518	\$ 61,518	\$ 79,163	\$ 17,645
Use of money and property	150	150	217	67
Donations	150,000	150,000	1,200	(148,800)
Total Revenues	<u>\$ 61,668</u>	<u>\$ 61,668</u>	<u>\$ 80,580</u>	<u>\$ (131,088)</u>
EXPENDITURES				
General government				
Contractual	\$ -	\$ -	\$ 4,858	\$ (4,858)
Commodities	-	-	3,843	(3,843)
Capital outlay	300,000	300,000	7,969	292,031
Total Expenditures	<u>\$ 300,000</u>	<u>\$ 300,000</u>	<u>\$ 16,670</u>	<u>\$ 283,330</u>
Net Change in Fund Balance	<u>\$ (238,332)</u>	<u>\$ (238,332)</u>	<u>\$ 63,910</u>	<u>\$ (423,119)</u>
Fund Balance - Beginning			<u>\$ 323,107</u>	
Fund Balance - Ending			\$ 387,017	
Adjustments to GAAP				
Encumbrances			<u>3,922</u>	
Fund Balance - GAAP			<u>\$ 390,939</u>	

CITY OF EMPORIA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ACTUAL AND BUDGET
SPECIAL STREET FUND

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 704,407	\$ 704,407	\$ 717,930	\$ 13,523
Use of money and property	200	200	200	-
Miscellaneous	5,000	5,000	13,792	8,792
Total Revenues	<u>\$ 709,607</u>	<u>\$ 709,607</u>	<u>\$ 731,922</u>	<u>\$ 22,315</u>
EXPENDITURES				
Highway and streets				
Personal services	\$ 406,892	\$ 406,892	\$ 370,494	\$ 36,398
Contractual	51,220	51,220	61,799	(10,579)
Commodities	196,300	196,300	181,522	14,778
Other charges	33,180	33,180	27,562	5,618
Capital outlay	42,000	42,000	22,875	19,125
Debt Service				
Interest expense	81,200	81,200	-	81,200
Total Expenditures	<u>\$ 810,792</u>	<u>\$ 810,792</u>	<u>\$ 664,252</u>	<u>\$ 146,540</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (101,185)</u>	<u>\$ (101,185)</u>	<u>\$ 67,670</u>	<u>\$ 168,855</u>
OTHER FINANCING RESOURCES (USES)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	11,510
Total Other Financing Resources (Uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,510</u>
Net Change in Fund Balance	<u>\$ (101,185)</u>	<u>\$ (101,185)</u>	<u>\$ 67,670</u>	<u>\$ 180,365</u>
Fund Balance - Beginning			<u>233,529</u>	
Fund Balances - Ending			\$ 301,199	
Adjustments to GAAP				
Encumbrances			<u>6,787</u>	
Fund Balance - GAAP			<u>\$ 307,986</u>	

CITY OF EMPORIA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ACTUAL AND BUDGET
DRUG MONEY FORFEITURE FUND
For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 5,000	\$ 5,000	\$ 21,658	\$ 16,658
Use of money and property	10	10	10	-
Total Revenues	<u>\$ 5,010</u>	<u>\$ 5,010</u>	<u>\$ 21,668</u>	<u>\$ 16,658</u>
EXPENDITURES				
Law enforcement				
Contractual	\$ -	\$ -	\$ 259	\$ (259)
Commodities	5,000	10,260	7,153	3,107
Total Expenditures	<u>\$ 5,000</u>	<u>\$ 10,260</u>	<u>\$ 7,412</u>	<u>\$ 2,848</u>
Net Change in Fund Balance	<u>\$ 10</u>	<u>\$ (5,250)</u>	\$ 14,256	<u>\$ 19,506</u>
Fund Balance - Beginning			<u>10,152</u>	
Fund Balance - Ending			\$ 24,408	
Adjustments to GAAP				
Encumbrances			<u>-</u>	
Fund Balance - GAAP			<u>\$ 24,408</u>	

CITY OF EMPORIA, KANSAS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - ACTUAL AND BUDGET
DEBT SERVICE FUND

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes	\$ 2,706,424	\$ 2,706,424	\$ 2,697,875	\$ (8,549)
Special assessments	46,142	46,142	79,275	33,133
Use of money and property	1,200	1,200	837	(363)
Miscellaneous			5,047	
Total Revenues	<u>\$ 2,753,766</u>	<u>\$ 2,753,766</u>	<u>\$ 2,783,034</u>	<u>\$ 24,221</u>
EXPENDITURES				
Debt service				
Principal	\$ 3,479,174	\$ 3,479,174	\$ 3,200,000	\$ 279,174
Interest and other charges	631,214	631,214	581,667	49,547
Total Expenditures	<u>\$ 4,110,388</u>	<u>\$ 4,110,388</u>	<u>\$ 3,781,667</u>	<u>\$ 328,721</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (1,356,622)</u>	<u>\$ (1,356,622)</u>	<u>\$ (998,633)</u>	<u>\$ 352,942</u>
OTHER FINANCING RESOURCES (USES)				
Transfers in	\$ 1,084,252	\$ 1,084,252	846,253	\$ (237,999)
Transfers out	-	-	-	-
Total Other Financing Sources	<u>\$ 1,084,252</u>	<u>\$ 1,084,252</u>	<u>\$ 846,253</u>	<u>\$ (237,999)</u>
Net Change in Fund Balance	<u>\$ (272,370)</u>	<u>\$ (272,370)</u>	<u>\$ (152,380)</u>	<u>\$ 114,943</u>
Fund Balance - Beginning			<u>600,676</u>	
Fund Balance - Ending			\$ 448,296	
Adjustments to GAAP				
Encumbrances			<u>-</u>	
Fund Balance - GAAP			<u>\$ 448,296</u>	

**CITY OF EMPORIA, KANSAS
INTERNAL SERVICE FUNDS**

December 31, 2014

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City and to other government units on a cost reimbursement basis.

Workers' Compensation Fund - To account for contributions made by the City to be used for paying claims for job-related injuries.

Employee Health Care Fund - To account for contributions made by the City, city employees and former city employees to be used for payment of medical claims of covered patients.

**CITY OF EMPORIA, KANSAS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS**

December 31, 2014

	Workers' Compensation	Employee Health Care	Total
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 1,262,606	\$ 192,075	\$ 1,454,681
TOTAL ASSETS	\$ 1,262,606	\$ 192,075	\$ 1,454,681
LIABILITIES			
Liabilities			
Unpaid claims	\$ 118,961	\$ 320	\$ 119,281
TOTAL LIABILITIES	\$ 118,961	\$ 320	\$ 119,281
NET POSITION			
Unrestricted	\$ 1,143,645	\$ 191,755	\$ 1,335,400
Total Net Position	\$ 1,143,645	\$ 191,755	\$ 1,335,400
TOTAL NET POSITION	\$ 1,262,606	\$ 192,075	\$ 1,454,681

CITY OF EMPORIA, KANSAS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2014

	<u>Workers'</u> <u>Compensation</u>	<u>Employee</u> <u>Health Care</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 313,404	\$ -	\$ 313,404
Miscellaneous	7,750	135	7,885
Total Operating Revenues	<u>\$ 321,154</u>	<u>\$ 135</u>	<u>\$ 321,289</u>
OPERATING EXPENSES			
Cost of services	\$ 425,170	\$ -	\$ 425,170
Other	-	-	-
Total Operating Expenses	<u>\$ 425,170</u>	<u>\$ -</u>	<u>\$ 425,170</u>
Operating income (loss)	<u>\$ (104,016)</u>	<u>\$ 135</u>	<u>\$ (103,881)</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest income	<u>\$ 2,448</u>	<u>\$ 358</u>	<u>\$ 2,806</u>
Transfers from (to) other funds			
Transfers out	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Change in Net Position	<u>\$ (101,568)</u>	<u>\$ 493</u>	<u>\$ (101,075)</u>
Net Position - Beginning	<u>1,245,213</u>	<u>191,262</u>	<u>1,436,475</u>
Net Position - Ending	<u><u>\$ 1,143,645</u></u>	<u><u>\$ 191,755</u></u>	<u><u>\$ 1,335,400</u></u>

CITY OF EMPORIA, KANSAS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2014

	<u>Workers'</u> <u>Compensation</u>	<u>Employee</u> <u>Health Care</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from participants	\$ 313,404	\$ -	\$ 313,404
Cash received from reimbursements	7,750	-	7,750
Cash paid for services	(407,101)	-	(407,101)
Cash payments to suppliers	-	135	135
Net Cash Provided by (Used in) Operating Activities	<u>\$ (85,947)</u>	<u>\$ 135</u>	<u>\$ (85,812)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers (to) other funds	\$ -	\$ -	\$ -
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	\$ 2,448	\$ 358	\$ 2,806
Net Cash Provided by (Used in) Investing Activities	<u>\$ 2,448</u>	<u>\$ 358</u>	<u>\$ 2,806</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (83,499)	\$ 493	\$ (83,006)
Cash and cash equivalents, beginning of year	<u>1,346,105</u>	<u>191,582</u>	<u>1,537,687</u>
Cash and cash equivalents, end of year	<u>\$ 1,262,606</u>	<u>\$ 192,075</u>	<u>\$ 1,454,681</u>

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH
PROVIDED BY (USED IN) OPERATING ACTIVITIES**

Operating income (loss)	\$ (104,016)	\$ 135	\$ (103,881)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Changes in assets and liabilities			
Increase (decrease) in unpaid claims	18,069	-	18,069
Net Cash Provided by (Used in) Operating Activities	<u>\$ (85,947)</u>	<u>\$ 135</u>	<u>\$ (85,812)</u>

**CITY OF EMPORIA, KANSAS
TRUST AND AGENCY FUNDS**

December 31, 2014

Trust funds are used to account for assets held by the City in a trustee capacity. Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, other governments and/or other funds.

Tree Private Purpose Trust Fund - To account for monies provided by private donors to finance planting of trees.

Fremont Park Private Purpose Trust Fund - To account for the money donated to the City for the purpose of building a display shelter for the railroad engine and caboose at Fremont Park.

Las Casitas Park Private Purpose Trust Fund - To account for monies provided by private donors to finance improvements to the Las Casitas Park.

Economic Development Private Purpose Trust Fund - To provide a financial resource which enhances the City's ability to attract new economic development projects by lending money to businesses that is repaid with interest.

Fire Insurance Proceeds Agency Fund - To account for a portion of insurance proceeds from fire and casualty losses to structures within the City. Proceeds are returned to property owners upon substantial completion of repairs or demolition of structure.

CITY OF EMPORIA, KANSAS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PRIVATE PURPOSE TRUST
December 31, 2014

	Private Purpose Trust				Total
	Tree	Fremont Park	Las Casitas Park	Economic Development	
ASSETS					
Cash and investments	\$ 1,670	\$ 89	\$ 413	\$ 1,123,999	\$ 1,126,171
Accrued interest receivable	-	-	-	19	19
Notes receivable	-	-	-	-	-
TOTAL ASSETS	\$ 1,670	\$ 89	\$ 413	\$ 1,124,018	\$ 1,126,190
LIABILITIES					
Accounts payable	-	-	-	-	-
NET POSITION					
Held in trust for various purpose:	\$ 1,670	\$ 89	\$ 413	\$ 1,124,018	\$ 1,126,190

CITY OF EMPORIA, KANSAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS - AGENCY FUND
December 31, 2014

	<u>Fire Insurance Proceeds</u>
ASSETS	
Cash and cash equivalents	\$ 15,648
TOTAL ASSETS	<u>\$ 15,648</u>
LIABILITIES	
Accounts payable	\$ 15,648
TOTAL LIABILITIES	<u>\$ 15,648</u>

CITY OF EMPORIA, KANSAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS - PRIVATE PURPOSE TRUST
For the Year Ended December 31, 2014

	Private Purpose Trust				Total
	Tree	Fremont Park	Las Casitas Park	Economic Development	
ADDITIONS					
Interest income	\$ 1	\$ -	\$ -	\$ 718	\$ 719
Total Additions	\$ 1	\$ -	\$ -	\$ 718	\$ 719
DEDUCTIONS					
	\$ -	\$ -	\$ -	\$ -	\$ -
Change in net position	\$ 1	\$ -	\$ -	\$ 718	\$ 719
NET POSITION - BEGINNING OF YEAR	1,669	89	413	1,123,300	1,125,471
NET POSITION - END OF YEAR	<u>\$ 1,670</u>	<u>\$ 89</u>	<u>\$ 413</u>	<u>\$ 1,124,018</u>	<u>\$ 1,126,190</u>

CITY OF EMPORIA, KANSAS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
For the Year Ended December 31, 2014

	<u>Balance - January 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance - December 31, 2014</u>
Cash and cash equivalents	\$ 21,762	\$ 15	\$ 6,129	\$ 15,648
TOTAL ASSETS	<u>\$ 21,762</u>	<u>\$ 15</u>	<u>\$ 6,129</u>	<u>\$ 15,648</u>
Accounts payable	\$ 21,762	\$ 15	\$ 6,129	\$ 15,648
TOTAL LIABILITIES	<u>\$ 21,762</u>	<u>\$ 15</u>	<u>\$ 6,129</u>	<u>\$ 15,648</u>

STATISTICAL SECTION

CITY OF EMPORIA, KANSAS
STATISTICAL SECTION
(UNAUDITED)
December 31, 2014

This part of the City of Emporia's *Comprehensive Annual Financial Report (CAFR)* presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economical Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Source - Unless otherwise noted, the information in these schedules is derived from the Annual Financial Report for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year

CITY OF EMPORIA, KANSAS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year			
	2005	2006	2007	2008
Governmental Activities				
Net investment in capital assets	\$ 82,349,192	\$ 75,354,567	\$ 66,616,597	\$ 66,752,347
Restricted	99,442	249,058	227,184	467,128
Unrestricted	4,806,454	8,871,611	9,091,918	8,942,071
Total Net Position	<u>\$ 87,255,088</u>	<u>\$ 84,475,236</u>	<u>\$ 75,935,699</u>	<u>\$ 76,161,546</u>
Business-Type Activities				
Net investment in capital assets	\$ 20,188,141	\$ 19,704,708	\$ 19,415,639	\$ 18,842,735
Unrestricted	1,825,862	2,814,926	4,310,519	5,324,738
Total Net Position	<u>\$ 22,014,003</u>	<u>\$ 22,519,634</u>	<u>\$ 23,726,158</u>	<u>\$ 24,167,473</u>
Primary Government				
Net investment in capital assets	\$ 102,537,333	\$ 95,059,275	\$ 86,032,236	\$ 80,595,082
Restricted	99,442	249,058	227,184	467,127
Unrestricted	6,632,316	11,686,537	13,402,437	14,266,809
Total Net Position	<u>\$ 109,269,091</u>	<u>\$ 106,994,870</u>	<u>\$ 99,661,857</u>	<u>\$ 95,329,018</u>

Source: City of Emporia, Kansas Basic Financial Statements.

Fiscal Year

2009	2010	2011	2012	2013	2014
\$ 55,981,334	\$ 51,512,139	\$ 49,963,992	\$ 46,489,682	\$ 43,616,768	\$ 40,402,667
443,006	210,861	8,865,752	8,649,753	8,971,882	4,133,801
6,981,419	8,029,041	1,959,948	1,830,380	2,035,274	5,511,434
<u>\$ 63,405,759</u>	<u>\$ 59,752,041</u>	<u>\$ 60,789,692</u>	<u>\$ 56,969,815</u>	<u>\$ 54,623,924</u>	<u>\$ 50,047,902</u>
\$ 18,327,412	\$ 18,844,682	\$ 19,544,388	\$ 18,844,645	\$ 16,712,412	\$ 17,398,655
6,371,697	7,321,467	6,907,985	7,573,049	9,415,929	9344111
<u>\$ 24,699,109</u>	<u>\$ 26,166,149</u>	<u>\$ 26,452,373</u>	<u>\$ 26,417,694</u>	<u>\$ 26,128,341</u>	<u>\$ 26,742,766</u>
\$ 74,308,746	\$ 70,356,821	\$ 69,508,380	\$ 65,334,327	\$ 60,329,180	\$ 57,801,322
443,006	210,861	8,865,752	8,649,753	8,971,882	4,133,801
13,353,116	15,535,354	8,867,933	9,403,429	11,451,203	14,855,545
<u>\$ 88,104,868</u>	<u>\$ 86,103,036</u>	<u>\$ 87,242,065</u>	<u>\$ 83,387,509</u>	<u>\$ 80,752,265</u>	<u>\$ 76,790,668</u>

CITY OF EMPORIA, KANSAS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year			
	2005	2006	2007	2008
Expenses				
Governmental activities				
General government	\$ 3,661,655	\$ 4,646,991	\$ 6,205,113	\$ 4,580,920
Public safety	8,735,530	7,995,365	8,680,772	9,318,358
Highways and streets	8,174,128	8,099,622	8,218,813	8,122,190
Culture and recreator	2,779,900	2,315,915	2,774,693	2,772,761
Health and environmen	65,539	61,205	72,475	72,475
Building maintenanc	940,398	893,474	939,756	1,114,909
Planning and developmen	1,385,571	1,264,408	4,447,332	1,503,737
Airport operations	538,347	384,315	634,334	688,806
Appropriator	-	-	-	-
Capital outlay	-	-	-	-
Bond issuance costs	-	-	-	-
Interest on long-term deb	1,067,693	1,100,521	1,014,796	1,924,572
Total Governmental Activities Expenses	\$ 27,348,761	\$ 26,761,816	\$ 32,988,084	\$ 30,098,728
Business-Type Activities				
Solid waste disposa	\$ 2,561,538	\$ 2,200,552	\$ 2,629,336	\$ 2,712,201
Sewer utility	3,077,282	2,929,858	2,959,294	2,969,314
Water utility	3,491,982	3,580,339	3,564,058	3,255,744
Total Business-Type Activities Expenses	\$ 9,130,802	\$ 8,710,749	\$ 9,152,688	\$ 8,937,259
Total Primary Government Expenses	\$ 36,479,563	\$ 35,472,565	\$ 42,140,772	\$ 39,035,987
Program Revenues				
Governmental activities				
Charges for services				
General government	\$ 1,732,685	\$ 3,281,319	\$ 2,006,903	\$ 2,182,061
Public safety	1,418,612	949,660	1,889,173	2,687,503
Highways and streets	-	-	69,299	-
Culture and recreator	381,834	-	460,230	586,483
Building maintenanc	7,609	-	-	-
Airport operations	195,286	-	291,138	373,230
Operating grants and contributions	2,478,260	2,551,256	2,275,621	2,369,355
Capital grants and contribution	-	-	-	258,611
Total Governmental Activities Program Revenue	\$ 6,214,286	\$ 6,782,235	\$ 6,992,364	\$ 8,457,243
Business-Type Activities				
Charges for services:				
Solid waste disposa	\$ 2,637,269	\$ 3,021,910	\$ 3,060,494	\$ 3,140,333
Sewer utility	3,176,925	3,245,787	3,682,590	3,880,277
Water utility	4,162,141	4,535,342	4,592,153	3,870,716
Capital grants and contributions:	164,214	205,002	-	-
Total Business-Type Activities Program Revenue	\$ 10,140,549	\$ 11,008,041	\$ 11,335,237	\$ 10,891,326
Total Primary Government Program Revenue	\$ 16,354,835	\$ 17,790,276	\$ 18,327,601	\$ 19,348,569
Net (expense)/revenue				
Governmental activities:	\$ (21,134,475)	\$ (19,979,581)	\$ (25,995,720)	\$ (21,641,485)
Business-type activities:	1,009,747	2,297,292	2,182,549	1,954,067
Total Primary Government Net Expense	\$ (20,124,728)	\$ (17,682,289)	\$ (23,813,171)	\$ (19,687,418)

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 4,149,676	\$ 4,046,255	\$ 3,779,829	\$ 4,387,457	\$ 5,237,185	\$ 5,168,925
10,037,060	10,058,340	10,267,119	9,208,224	10,102,881	8,959,986
8,601,094	8,432,872	7,656,949	7,443,498	6,417,951	7,322,185
2,942,303	2,829,141	2,822,262	2,909,189	3,666,390	3,396,134
89,901	85,400	105,500	197,099	106,788	62,627
1,213,665	1,204,027	1,374,742	1,320,425	1,503,430	1,438,188
1,191,179	1,393,341	656,439	608,747	649,666	549,491
414,202	516,378	584,990	617,829	1,618,281	1,082,280
-	58,543	86,583	81,010	123,121	161,691
-	257,491	-	-	209,145	-
-	39,003	46,235	17,853	673,671	561,943
1,777,794	950,408	1,006,166	830,402	-	-
<u>\$ 30,416,874</u>	<u>\$ 29,871,199</u>	<u>\$ 28,386,814</u>	<u>\$ 27,621,733</u>	<u>\$ 30,308,509</u>	<u>\$ 28,703,450</u>
\$ 2,764,437	\$ 2,570,915	\$ 2,979,111	\$ 3,020,758	\$ 3,098,193	\$ 3,233,494
3,233,827	3,111,908	3,233,859	3,511,678	3,115,167	2,455,448
3,357,695	3,657,273	4,327,855	4,495,878	3,643,768	4,184,420
<u>\$ 9,355,959</u>	<u>\$ 9,340,096</u>	<u>\$ 10,540,825</u>	<u>\$ 11,028,314</u>	<u>\$ 9,857,128</u>	<u>\$ 9,873,362</u>
<u>\$ 39,772,833</u>	<u>\$ 39,211,295</u>	<u>\$ 38,927,639</u>	<u>\$ 38,650,047</u>	<u>\$ 40,165,637</u>	<u>\$ 38,576,812</u>
\$ 2,534,303	\$ -	\$ 1,767,827	\$ 1,133,029	\$ 1,328,031	\$ 1,299,336
1,143,799	3,346,050	2,342,449	1,240,326	2,698,754	1,584,552
-	-	208,007	-	97,237	13,792
-	773,188	127,222	581,032	442,056	644,794
-	-	10,465	-	-	-
-	-	353,204	454,203	136,854	333,379
2,035,167	1,757,275	731,493	476,479	1,551,979	1,049,663
4,645	112,716	760,984	-	321,941	-
<u>\$ 5,717,914</u>	<u>\$ 5,989,229</u>	<u>\$ 6,301,651</u>	<u>\$ 3,885,069</u>	<u>\$ 6,576,852</u>	<u>\$ 4,925,516</u>
\$ 3,487,385	\$ 3,879,922	\$ 3,984,198	\$ 3,907,206	\$ 3,951,538	\$ 3,961,186
3,962,051	3,850,725	3,838,061	3,721,099	3,526,764	3,453,685
4,258,991	5,236,720	5,318,217	5,331,334	4,865,176	4,864,624
-	-	-	-	-	-
<u>\$ 11,708,427</u>	<u>\$ 12,967,367</u>	<u>\$ 13,140,476</u>	<u>\$ 12,959,639</u>	<u>\$ 12,343,478</u>	<u>\$ 12,279,495</u>
<u>\$ 17,426,341</u>	<u>\$ 18,956,596</u>	<u>\$ 19,442,127</u>	<u>\$ 16,844,708</u>	<u>\$ 18,920,330</u>	<u>\$ 17,205,011</u>
\$ (24,698,960)	\$ (23,697,122)	\$ (22,846,147)	\$ (23,736,664)	\$ (23,731,657)	\$ (23,777,934)
2,352,468	3,627,271	3,360,635	1,931,325	2,486,350	2,406,133
<u>\$ (22,346,492)</u>	<u>\$ (20,069,851)</u>	<u>\$ (19,485,512)</u>	<u>\$ (21,805,339)</u>	<u>\$ (21,245,307)</u>	<u>\$ (21,371,801)</u>

CITY OF EMPORIA, KANSAS
CHANGES IN NET POSITION (continued)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year			
	2005	2006	2007	2008
General Revenue and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes, levied for general purposes *	\$ 3,876,443	\$ 3,940,447	\$ 3,918,248	\$ 7,608,716
Property taxes, levied for debt service	1,980,352	2,279,791	2,399,191	2,588,050
Franchise taxes	1,038,088	1,372,059	1,891,288	2,023,685
Sales taxes	3,997,182	4,032,795	4,104,469	716,102
Gasoline taxes	776,892	765,606	774,019	760,128
Investment earnings	231,223	433,320	713,477	414,246
Miscellaneous	268,970	472,137	1,811,021	898,272
Transfers	2,566,496	1,950,840	1,971,420	1,858,133
Total Governmental Activities	<u>\$ 14,735,646</u>	<u>\$ 15,246,995</u>	<u>\$ 17,583,133</u>	<u>\$ 16,867,332</u>
Business-Type Activities:				
Investment earnings	\$ 50,789	\$ 64,197	\$ 496,647	\$ 159,667
Miscellaneous	191,614	107,922	248,217	185,714
Transfers	(2,566,496)	(1,950,840)	(1,971,420)	(1,858,133)
Total Business-Type Activities	<u>\$ (2,324,093)</u>	<u>\$ (1,778,721)</u>	<u>\$ (1,226,556)</u>	<u>\$ (1,512,752)</u>
Total Primary Government	<u>\$ 12,411,553</u>	<u>\$ 13,468,274</u>	<u>\$ 16,356,577</u>	<u>\$ 15,354,580</u>
Change in Net Position				
Governmental activities	\$ (6,398,829)	\$ (4,732,586)	\$ (8,412,587)	\$ (4,774,153)
Business-type activities	(1,314,346)	518,571	955,993	441,315
Total Primary Government	<u>\$ (7,713,175)</u>	<u>\$ (4,214,015)</u>	<u>\$ (7,456,594)</u>	<u>\$ (4,332,838)</u>

* This amount will not trace directly into the Statement of Activities for years 2004 through 2010. In 2011, additional revenue breakdowns were added. Those breakdowns have been used for all years on this statistical comparison.

Fiscal Year

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 4,332,379	\$ 4,526,733	\$ 4,451,177	\$ 4,021,932	\$ 3,946,914	4,382,587
2,637,470	2,739,128	2,773,776	3,009,020	2,927,142	2,697,875
2,028,528	2,175,501	2,233,692	2,211,034	2,332,231	2,567,742
4,789,449	6,263,665	6,658,352	6,442,595	6,665,421	6,656,976
668,649	764,278	649,585	646,213	702,059	717,930
205,596	154,506	141,480	153,676	162,932	158,849
275,803	552,592	994,852	1,211,917	1,397,464	7,885
2,005,299	3,051,850	3,425,288	2,220,400	3,251,603	2,012,068
<u>\$ 16,943,173</u>	<u>\$ 20,228,253</u>	<u>\$ 21,328,202</u>	<u>\$ 19,916,787</u>	<u>\$ 21,385,766</u>	<u>19,201,912</u>
\$ 30,019	\$ 14,286	\$ 7,348	\$ 5,187	\$ 5,357	\$ 5,196
154,448	877,331	343,531	249,209	470,543	215,164
(2,005,299)	(3,051,850)	(3,425,288)	(2,220,400)	(3,251,603)	(2,012,068)
<u>\$ (1,820,832)</u>	<u>\$ (2,160,233)</u>	<u>\$ (3,074,409)</u>	<u>\$ (1,966,004)</u>	<u>\$ (2,775,703)</u>	<u>\$ (1,791,708)</u>
<u>\$ 15,122,341</u>	<u>\$ 18,068,020</u>	<u>\$ 18,253,793</u>	<u>\$ 17,950,783</u>	<u>\$ 18,610,063</u>	<u>\$ 17,410,204</u>
\$ (7,755,787)	\$ (3,468,870)	\$ (1,517,945)	\$ (3,819,877)	\$ (2,345,891)	\$ (4,576,022)
531,636	1,467,038	286,226	(34,679)	(289,353)	614,425
<u>\$ (7,224,151)</u>	<u>\$ (2,001,832)</u>	<u>\$ (1,231,719)</u>	<u>\$ (3,854,556)</u>	<u>\$ (2,635,244)</u>	<u>\$ (3,961,597)</u>

CITY OF EMPORIA, KANSAS
GOVERNMENTAL ACTIVITIES, TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Motor Vehicle Tax	Total
2005	\$ 5,812,138	\$ 3,997,182	\$ 1,060,262	\$ 799,375	\$ 11,668,957
2006	6,218,970	4,032,795	1,372,059	766,874	12,390,698
2007	6,320,568	4,104,469	1,905,311	756,867	13,087,215
2008	6,646,981	4,161,025	2,108,211	780,464	13,696,681
2009	6,773,224	4,875,570	2,028,528	779,153	14,456,475
2010	6,600,005	6,263,664	2,873,074	778,083	16,514,826
2011	6,410,581	6,658,352	2,233,692	768,230	16,070,855
2012	6,152,090	6,442,595	2,211,034	769,244	15,574,963
2013	6,129,697	6,665,421	2,332,231	684,936	15,812,285
2014	6,244,499	6,656,975	2,534,607	784,154	16,220,235

Source: City of Emporia, Kansas Basic Financial Statements.

CITY OF EMPORIA, KANSAS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund					
Pre-GASB 54 *					
Reserved	\$ -	\$ 53,991	\$ 81,152	\$ -	\$ 46,433
Unreserved	906,267	1,346,381	2,234,807	3,038,285	2,633,634
Post-GASB 54 *					
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total General Fund	<u>\$ 906,267</u>	<u>\$ 1,400,372</u>	<u>\$ 2,315,959</u>	<u>\$ 3,038,285</u>	<u>\$ 2,680,067</u>
All Other Governmental Funds					
Pre-GASB 54 *					
Reserved	\$ -	\$ -	\$ 115,753	\$ -	\$ 232,543
Unreserved - Reported in:					
Special revenue funds	1,329,900	1,919,585	1,453,126	1,143,544	822,672
Debt service funds	99,442	249,058	227,184	467,128	443,006
Capital projects funds	1,949,760	5,427,142	6,467,716	5,332,192	2,884,947
Post-GASB 54 *					
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 3,379,102</u>	<u>\$ 7,595,785</u>	<u>\$ 8,263,779</u>	<u>\$ 6,942,864</u>	<u>\$ 4,383,168</u>

The City implemented GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions ("GASB 54") in 2011. GASB 54 established new fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. The City has elected to apply GASB 54 prospectively and thus has provided fund balance information before ("Pre") and after ("Post") its implementation.

2010	2011	2012	2013	2014
\$ 37,900	\$ -	\$ -	\$ -	\$ -
4,096,582	-	-	-	-
-	2,688,478	3,001,385	3,172,762	3,363,829
-	1,632,647	1,108,698	1,298,251	1,434,863
<u>\$ 4,134,482</u>	<u>\$ 4,321,125</u>	<u>\$ 4,110,083</u>	<u>\$ 4,471,013</u>	<u>\$ 4,798,692</u>
\$ 296,680	\$ -	\$ -	\$ -	\$ -
1,375,903	-	-	-	-
210,861	-	-	-	-
2,170,952	-	-	-	-
-	2,337,849	2,427,983	3,098,780	3,882,539
-	3,839,425	3,220,385	2,700,340	251,262
-	-	-	-	-
-	-	-	-	-
<u>\$ 4,054,396</u>	<u>\$ 6,177,274</u>	<u>\$ 5,648,368</u>	<u>\$ 5,799,120</u>	<u>\$ 4,133,801</u>

CITY OF EMPORIA, KANSAS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUND
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Revenues					
Taxes	\$ 11,610,647	\$ 12,324,809	\$ 13,018,554	\$ 13,630,703	\$ 14,365,740
Charges for services	1,380,037	1,744,253	1,725,796	2,602,820	2,534,303
Special assessments	58,310	65,889	68,661	65,978	90,735
Intergovernmental	2,472,129	2,442,244	2,091,977	2,508,944	2,035,167
Licenses and permits	236,014	287,456	310,062	219,877	325,369
Fines and fees	704,566	663,204	701,957	918,706	818,430
Use of money and property	182,814	359,238	639,281	382,330	205,596
Contributions	6,131	825	183,644	296,791	4,645
Miscellaneous	268,970	472,137	1,811,021	390,107	275,803
Total Revenues	<u>\$ 16,919,618</u>	<u>\$ 18,360,055</u>	<u>\$ 20,550,953</u>	<u>\$ 21,016,256</u>	<u>\$ 20,655,788</u>
Expenditures					
General governments	\$ 1,723,621	\$ 1,892,612	\$ 1,986,354	\$ 2,309,225	\$ 3,242,791
Public safety	8,444,565	7,523,946	8,414,431	9,044,346	9,728,384
Highways and streets	1,587,864	1,357,344	1,479,746	1,473,524	1,902,728
Culture and recreation	2,098,537	2,054,308	2,233,824	2,287,583	2,477,137
Health and environment	65,539	61,205	72,475	72,475	89,901
Building maintenance	839,482	827,882	939,756	1,114,909	1,213,665
Planning and development	1,385,571	1,164,397	4,447,332	1,694,637	1,191,179
Airport operations	364,066	384,316	463,628	517,569	401,438
Appropriations	-	-	-	-	58,820
Capital outlay	1,583,078	2,250,940	4,166,044	2,140,096	1,761,441
Bond issuance costs	-	-	-	-	26,585
Debt service					
Principal	2,001,186	1,848,559	1,948,203	7,330,674	4,131,434
Interest and other charges	1,073,492	1,078,698	1,086,649	1,520,013	1,304,501
Total Expenditures	<u>\$ 21,167,001</u>	<u>\$ 20,444,207</u>	<u>\$ 27,238,442</u>	<u>\$ 29,505,051</u>	<u>\$ 27,530,004</u>
 Excess of Revenues Over/(Under Expenditures)	 <u>\$ (4,247,383)</u>	 <u>\$ (2,084,152)</u>	 <u>\$ (6,687,489)</u>	 <u>\$ (8,488,795)</u>	 <u>\$ (6,874,216)</u>
Other Financing Sources (Uses)					
Transfers in	\$ 3,841,246	\$ 3,860,551	\$ 3,510,358	\$ 3,585,034	\$ 5,893,119
Transfers out	(1,274,750)	(1,909,711)	(1,538,938)	(1,194,828)	(3,887,820)
Payment to refund bonds	-	-	(3,720,000)	-	-
Payment to escrow agent	-	-	(156,988)	-	-
Bond premium	-	-	103,588	-	-
Sale of bonds	3,022,000	4,820,000	10,200,000	5,500,000	1,945,000
Total Other Financing Source: (Uses)	<u>\$ 5,588,496</u>	<u>\$ 6,770,840</u>	<u>\$ 8,398,020</u>	<u>\$ 7,890,206</u>	<u>\$ 3,950,299</u>
Net Change in Fund Balance:	<u>\$ 1,341,113</u>	<u>\$ 4,686,688</u>	<u>\$ 1,710,531</u>	<u>\$ (598,589)</u>	<u>\$ (2,923,917)</u>
 Debt service as a percentage of non-capital expenditures:	 15.70%	 16.09%	 13.15%	 32.34%	 21.10%

<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 14,365,740	\$ 16,469,305	\$ 16,720,440	\$ 16,284,653	\$ 16,525,626	\$ 16,943,835
2,534,303	2,933,242	2,650,519	1,079,812	2,149,867	1,023,912
90,735	46,141	46,142	46,141	48,141	79,275
2,035,167	1,711,134	1,553,271	1,641,667	3,168,296	1,851,581
325,369	192,138	232,105	158,756	121,720	158,506
818,430	581,050	545,244	589,334	725,420	779,135
205,596	151,412	138,446	150,177	159,715	156,043
4,645	112,716	222,672	28,739	71,257	532,156
275,803	552,592	813,070	595,735	1,080,172	266,822
<u>20,655,788</u>	<u>\$ 22,749,730</u>	<u>\$ 22,921,909</u>	<u>\$ 20,575,014</u>	<u>\$ 24,050,214</u>	<u>\$ 21,791,265</u>
\$ 3,242,791	\$ 3,012,853	\$ 3,712,908	\$ 3,644,674	\$ 4,547,136	\$ 3,456,297
9,728,384	9,774,290	9,887,398	8,638,708	9,892,795	8,703,836
1,902,728	1,770,603	1,031,166	932,739	916,948	1,008,076
2,477,137	2,341,315	2,522,506	2,504,164	2,478,568	2,535,555
89,901	85,400	105,500	197,099	106,788	62,627
1,213,665	1,204,027	1,361,933	1,194,393	1,345,428	1,286,695
1,191,179	1,393,341	656,439	595,823	636,741	537,702
401,438	448,770	517,009	548,013	480,604	463,568
58,820	58,543	86,583	81,010	123,121	161,691
1,761,441	4,292,416	444,203	1,110,759	2,122,112	3,143,259
26,585	39,917	79,086	5,773	32,100	#REF!
4,131,434	3,105,474	3,818,800	3,525,000	4,385,410	3,200,000
1,304,501	1,090,228	977,084	868,613	750,291	581,667
<u>\$ 27,530,004</u>	<u>\$ 28,617,177</u>	<u>\$ 25,200,615</u>	<u>\$ 23,846,768</u>	<u>\$ 27,818,042</u>	<u>\$ 25,140,973</u>
\$ (6,874,216)	\$ (5,867,447)	\$ (2,278,706)	\$ (3,271,754)	\$ (3,767,828)	\$ (3,349,708)
\$ 5,893,119	\$ 7,549,523	\$ 9,112,902	\$ 7,265,046	\$ 9,069,474	\$ 5,839,854
(3,887,820)	(4,005,818)	(5,108,296)	(4,767,395)	(5,562,947)	(3,827,786)
-	-	-	-	(1,288,607)	-
-	-	(2,936,865)	-	1,288,607	-
-	-	340,484	-	226,590	-
<u>1,945,000</u>	<u>3,449,385</u>	<u>3,180,000</u>	<u>34,155</u>	<u>546,393</u>	<u>2,012,068</u>
\$ 3,950,299	\$ 6,993,090	\$ 4,588,225	\$ 2,531,806	\$ 4,279,510	\$ (1,337,640)
<u>\$ (2,923,917)</u>	<u>\$ 1,125,643</u>	<u>\$ 2,309,519</u>	<u>\$ (739,948)</u>	<u>\$ 511,682</u>	<u>\$ 10,270,133</u>
21.10%	16.74%	19.40%	19.09%	19.78%	17.19%

**CITY OF EMPORIA, KANSAS
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31,	Real Property		Personal Property	
	Residential Property - 1	Commercial Property - 1	Motor Vehicles - 2	Other - 1
2005	\$ 100,577,500	\$ 21,257,000	\$ 21,590,000	\$ 549,000
2006	106,044,300	22,987,100	21,849,600	2,773,000
2007	106,900,000	22,411,800	21,617,400	838,000
2008(3)	113,779,300	46,140,400	20,997,600	1,117,000
2009(3)	118,624,000	49,029,200	17,141,600	1,008,000
2010(3)	78,139,590	53,007,200	18,521,600	123,800
2011	78,018,189	47,819,500	19,279,593	59,970
2012	76,301,740	52,872,743	18,695,592	147,657
2013	75,023,705	52,084,968	18,187,200	144,114
2014	76,585,623	52,477,545	15,590,202	139,671

Note 1 - Lyon County Appraiser

Note 2 - Lyon County Clerk's Office

Note 3 - Abstract of Appraised Value with Appropriate Assessment Values Applied; does not reflect appealed valuation Changes

Less: Tax Exempt Real Property - 1	Total Taxable Assessed Value	Total Direct Tax Rate - 2	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 4,993,000	\$ 138,980,500	\$ 41.157	\$ 852,801,400	16.30%
4,772,000	148,882,000	40.956	890,406,000	16.72%
4,568,000	147,199,200	42.033	895,502,100	16.44%
30,136,000	151,898,300	41.848	920,785,600	16.50%
29,021,000	156,781,800	41.571	919,786,500	17.05%
26,898,000	122,894,190	41.776	892,382,500	13.77%
24,883,140	120,294,112	41,559	870,540,100	13.80%
23,559,970	124,457,762	41.560	876,067,600	14.20%
23,585,880	121,854,107	41.582	869,676,580	14.00%
24,846,450	119,946,591	41.606	884,296,490	13.60%

**CITY OF EMPORIA, KANSAS
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31,	City of Emporia, Kansas			Lyon County		
	Operating Mileage	Debt Service Mileage	Total City Mileage	Operating Mileage	Debt Service Mileage	Total County Mileage
2005	28.859	12.298	41.157	50.165	0.768	50.933
2006	28.453	12.503	40.956	49.656	0.890	50.546
2007	28.699	13.334	42.033	50.998	0.641	51.639
2008	28.573	13.275	41.848	46.437	-	46.437
2009	26.999	14.572	41.571	49.407	-	49.407
2010	26.205	15.571	41.776	52.810	-	52.810
2011	23.588	17.971	41.559	57.304	-	57.304
2012	24.477	17.082	41.559	63.972	-	63.972
2013	26.715	14.867	41.582	56.501	-	56.501
2014	23.982	17.624	41.606	54.513	-	54.513

Fiscal Year Ended December 31,	USD 253			Total Direct & Overlapping Rates
	Operating Mileage	Debt Service Mileage	Total USD Mileage	
2005	45.060	11.324	56.384	148.474
2006	44.849	9.986	54.835	146.337
2007	45.248	8.876	54.124	147.796
2008	46.260	7.788	54.048	142.333
2009	45.655	9.887	55.542	146.520
2010	49.564	10.852	60.416	155.002
2011	51.325	9.112	60.437	159.300
2012	50.404	10.033	60.437	165.968
2013	51.796	9.585	61.381	159.464
2014	47.977	13.409	61.386	157.505

Overlapping rates are those of local and county government that apply to property owners within the City of Emporia. Not all overlapping rates apply to all Emporia property owners.

Source: Lyon County Clerk's Office

CITY OF EMPORIA, KANSAS
PRINCIPAL PROPERTY TAXPAYERS
For the Years Ended December 31,

Taxpayer	2014			2005		
	Taxpayer Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxpayer Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Westar Energy (Electric Div)	\$ 5,169,113	1	3.971%	\$ 4,785,224	1	4.278%
Iowa Beef Processors	2,069,651	3	1.590%	2,216,421	3	
Kansas Gas Service	1,618,721	5	1.244%	1,462,710	6	1.308%
Emporia ROS/WalMart	1,816,389	4	1.395%	1,717,825	4	1.536%
Tyson Fresh Meats	1,278,091	7	0.982%	1,641,258	5	1.467%
Emporia Partners	1,271,683	8	0.977%	1,158,952	7	1.036%
Camoplast Rockland, LTD	1,238,501	9	0.951%	-		
Southwestern Bell	-			2,500,037	2	2.235%
Bunge North America	-			975,328	10	0.897%
Flint Hills Mall LLC	1,494,078	6	1.148%	1,003,251	9	1.030%
Modine Manufacturing	-			1,151,978	8	
Menu Pet Food	2,384,145	2	1.832%	-		
Emporia Hospitality	1,098,585	10	0.844%	-		
Total	\$ 19,438,957		14.934%	\$ 18,612,984		13.787%
Total Assessed Value	\$ 130,165,261			\$ 111,848,428		

(1) County Clerk's Budget Information for 2014

**CITY OF EMPORIA, KANSAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	6,016,595	5,329,513	88.580%	93,220	5,422,733	90.130%
2006	6,054,145	5,624,603	92.905%	148,472	5,773,075	95.357%
2007	6,324,371	5,779,655	91.387%	80,454	5,860,109	92.659%
2008	6,313,570	6,148,270	97.382%	110,117	6,258,387	99.126%
2009	6,444,697	6,161,870	95.611%	184,226	6,346,096	98.470%
2010	6,683,675	5,939,418	88.865%	219,062	6,158,480	92.142%
2011	5,964,427	5,783,102	96.959%	228,161	6,011,263	99.850% *
2012	5,947,380	5,697,522	96.960%	136,198	5,833,720	98.089%
2013	6,036,427	5,737,032	95.040%	119,274	5,856,306	97.016%
2014	6,059,909	5,832,238	96.243%	164,184	5,996,422	98.952%

Data from City of Emporia Treasure

* This percentage was incorrect in the prior CAFR.

**CITY OF EMPORIA, KANSAS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

<u>Fiscal Year Ended December 31,</u>	<u>Governmental Activities</u>			
	<u>General Obligation Bonds</u>	<u>Temporary Notes</u>	<u>Loans Payable</u>	<u>Capital Leases</u>
2005	\$ 25,785,400	\$ -	\$ 168,098	\$ -
2006	23,961,309	4,820,000	143,630	-
2007	27,151,654	6,290,000	118,670	-
2008	30,345,709	1,470,000	94,202	-
2009	28,454,275	1,175,000	67,243	-
2010	27,793,800	1,005,000	40,748	-
2011	23,060,000	175,000	-	-
2012	19,710,000	-	-	-
2013	16,075,000	-	-	-
2014	12,875,000	-	-	-

Note 1 - See the Schedule of Demographic and Economic Statistics at for personal income and population data.

Note - Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Business-type Activities				
General Obligation Bonds	Notes Payable	Total Primary Government	Percentage of Personal Income	Per Capita - 1
5,554,600	14,343,737	45,851,835	7.91%	1,713
4,928,691	13,650,842	47,504,472	8.13%	1,775
4,406,935	12,963,791	50,931,050	8.73%	1,903
3,864,291	12,253,185	48,027,387	8.44%	1,795
3,305,726	11,518,203	44,520,447	6.68%	1,789
2,726,200	14,295,379	45,861,127	11.00%	1,943
8,150,000	6,566,169	37,951,169	9.20%	1,526
12,895,000	-	32,605,000	7.97%	1,984
13,680,000	-	29,755,000	6.69%	1,192
11,875,000	-	24,750,000	5.04%	998

CITY OF EMPORIA, KANSAS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
December 31, 2014

	<u>Debt Outstanding - Paid with Property Taxes</u>	<u>Percentage Applicable to City of Emporia</u>	<u>Amount Applicable to City of Emporia</u>
Governmental Unit			
Unified School District #253 - Overlapping	\$ 24,055,000	87.197%	\$ 20,975,238
Lyon County, Kansas - Overlapping	10,125,000	63.085%	<u>6,387,356</u>
Subtotal, Overlapping Debt			\$ 27,362,595
City of Emporia - Direct Debt			<u>12,875,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 40,237,595</u></u>
Population			24,799
Overlapping debt per capita			\$ 1,103
Direct and overlapping debt per capita			\$ 1,623

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the overlapping debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt, of each overlapping government.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. This approach was also applied to the other debt of the overlapping governmental units.

Source: Lyon County Clerk

CITY OF EMPORIA, KANSAS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
For the Years Ended December 31,

	2005	2006	2007	2008
Debt limit *	\$ 41,694,150	\$ 44,225,583	\$ 44,855,183	\$ 44,639,313
Total net debt applicable to limit	<u>25,679,525</u>	<u>23,707,435</u>	<u>26,924,470</u>	<u>30,345,709</u>
Legal Debt Margin	<u>\$ 16,014,625</u>	<u>\$ 20,518,148</u>	<u>\$ 17,930,713</u>	<u>\$ 14,293,604</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	61.59%	53.61%	60.03%	67.98%

* According to Kansas law, the debt limitation is 30% of assessed valuation

Source: Assessed Valuation from Lyon County Appraise

	2009	2010	2011	2012	2013	2014
	\$ 46,155,021	\$ 44,855,183	\$ 42,716,032	\$ 42,830,893	\$ 38,484,038	\$ 39,049,578
	28,011,269	26,924,470	23,074,579	19,013,762	15,474,324	12,426,704
	<u>\$ 18,143,752</u>	<u>\$ 17,930,713</u>	<u>\$ 19,641,453</u>	<u>\$ 23,817,131</u>	<u>\$ 23,009,714</u>	<u>\$ 26,622,874</u>
	60.69%	60.03%	54.02%	44.39%	40.21%	31.82%

Legal Debt margin Calculation for the Fiscal Year 2014

	2014
Assessed Value	<u>\$ 130,165,261</u>
Debt Limit Ratio	30%
December 31, 2014 Debt Limit	\$ 39,049,578
Outstanding Debt Subject to Debt Limit	* <u>12,426,704</u>
Debt Authority Remaining December 31, 2014	<u>\$ 26,622,874</u>
December 31, 2014 GO Bonds Outstanding	\$ 12,875,000
Less: amount set aside for repayment of general obligation debt	<u>(448,296)</u>
Total Outstanding Debt Subject to Debt Limit December 31, 2014	* <u>\$ 12,426,704</u>

**CITY OF EMPORIA, KANSAS
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities	Business-Type Activities	Less: Amounts Available in Debt Service Fund	Net Bonded Debt	Percentage Estimated Annual Taxable Value of Property - 1	Per Capita - 2
	General Obligation Bonds	General Obligation Bonds				
2005	\$ 25,785,400	\$ 5,554,600	\$ 105,875	\$ 31,234,125	3.66%	\$ 1,167
2006	23,961,309	4,928,691	253,874	28,636,126	3.22%	1,070
2007	27,151,654	4,406,935	227,184	31,331,405	3.50%	1,171
2008	30,345,709	3,864,291	467,128	33,742,872	3.66%	1,261
2009	28,454,275	3,305,726	443,006	31,316,995	3.40%	1,170
2010	27,793,800	2,726,200	210,861	30,309,139	3.40%	1,219
2011	23,060,000	8,150,000	160,421	31,049,579	3.57%	1,249
2012	19,710,000	12,895,000	733,388	31,871,612	3.64%	1,280
2013	16,075,000	13,680,000	600,676	29,154,324	3.61%	1,256
2014	12,875,000	11,875,000	448,296	24,301,704	2.75%	1,228

Note - Detail regarding the City's outstanding debt can be found in the notes to the financial statements

Note 1 - See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for proper value data.

Note 2 - Population data can be found in the Schedule of Demographic and Economic Statistics

**CITY OF EMPORIA, KANSAS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year Ended December 31,	Population - 1	Population Income (amounts expressed in thousands)	Per Capita Personal Income - 2	Median Age - 2	Education Level in Years of Formal Schooling - 2	School Enrollment - 3	Unemployment Rate - 2
2005	26,760	\$ 579,943	\$ 21,672	37.0	14.7	6,192	4.1%
2006	26,760	584,438	21,840	37.1	15.0	6,201	3.6%
2007	26,760	583,475	21,804	37.4	14.9	6,257	4.8%
2008	26,760	569,373	21,277	38.1	14.2	6,167	6.3%
2009	26,760	665,575	24,872	28.4	14.1	6,156	6.7%
2010	24,868	483,260	19,433	28.4	12.2	6,833	8.3%
2011	24,868	408,656	19,433	28.4	12.1	7,067	8.3%
2012	24,891	409,034	16,433	29.0	12.1	7,123	7.1%
2013	24,958	444,901	17,826	29.0	12.2	11,301	5.5%
2014	24,799	490,747	19,789	29.0	12.2	11,268	4.2%

Note 1 - Data from U.S. Census Information

Note 2 - Data from Kansas Department of Labor Lyon County Statistics

Note 3 - Data obtained from USD 253 Board of Ed, Flint Hills Technical College and Emporia State University

**CITY OF EMPORIA, KANSAS
PRINCIPAL EMPLOYERS**
December 31, 2014 and Ten Years Ago

Taxpayer	2014			2004		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Tyson Fresh Meats	931	1	3.75%	2,621	1	9.79%
USD #253	788	2	3.18%	1,150	3	4.30%
Emporia State University	737	3	2.97%	1,735	2	6.48%
Newman Regional Health	430	4	1.73%	565	5	2.11%
Hostess Brands, LLC	320	5	1.29%	748	4	2.80%
Simmons Pet Food	317	6	1.28%			0.00%
Lyon County	254	7	1.02%			0.00%
City of Emporia, Kansas	240	8	0.97%	295	10	1.10%
Hopkins Manufacturing	221	9	0.89%	300	9	1.12%
Norfolk Iron & Metal	144	10	0.58%			
Menu Foods Midwest				362	8	1.35%
Wal-Mart Super Center				375	7	1.40%
Birch Telecom				380	6	1.42%
Total	4,382		17.66%	8,531		31.87%

Data from Emporia Chamber of Commerce

**CITY OF EMPORIA, KANSAS
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government	32	37	35	34	33	34	34	34	36	36
Public Safety										
Officers	45	48	44	46	47	47	49	49	44	44
Civilians	21	23	23	23	23	25	24	24	20	21
Fire										
Firefighters and Officers	46	48	48	48	49	49	49	49	49	49
Civilians	1	1	1	1	1	1	1	1	1	1
Highways and Streets										
Engineering	5	7	8	5	5	5	5	7	7	6
Maintenance	11	11	9	7	7	8	8	9	10	8
Sanitation	28	31	30	30	31	32	33	33	30	29
Culture and Recreation	34	28	30	19	20	20	21	22	18	19
Water	19	18	17	21	21	21	20	22	19	19
Sewer	13	12	12	13	13	13	13	13	12	8
Total	255	264	257	247	250	255	257	263	246	240

(1) Data received from the Human Resources Department

**CITY OF EMPORIA, KANSAS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police										
Physical arrests (1)	1,952	1,859	1,823	1,306	890	996	1,290	1,141	1323	1241
Parking violations (1)	6,308	6,355	6,609	7,130	9,044	7,253	5,249	5,285	4934	4537
Traffic violations (1)	4,788	4,969	4,879	3,725	3,010	2,309	2,237	3,231	4308	3842
Fire										
Number of calls answered (2)	1,448	1,333	1,435	1,267	3,154	3,065	3,047	3,481	3408	3708
Inspections (2)	1,067	980	1,023	1,127	1,338	1,287	1,272	1,157	1224	1097
Highways and Streets										
Street resurfacing (miles) (3)	4.80	4.82	4.81	3.53	3.60	8.56	3.08	3.77	4	2
Potholes repaired (4)	95	100	150	201	304	399	427	451	700	750
Sanitation										
Refuse collected (tons/day) (5)	96.67	94.21	92.11	87.62	81.46	80.00	79.78	78.73	85	76
Recyclables collected (tons/day) (5)	6.04	6.71	6.57	5.61	6.45	5.03	4.76	5.40	5	6
Water										
New connections (6)	173	173	169	177	36	16	27	25	19	23
Water main breaks (6)	57	63	72	69	35	49	47	52	34	25
Average daily consumption (thousands of gallons) (7)	8,765	9,472	8,460	6,629	6,292	6,334	5,524	6,464	5458	5656
Wastewater										
Average daily treatment capacity (thousands of gallons) (8)	2,002	2,200	3,190	2,400	2,357	2,400	2,700	2,300	2000	2000

(1) Data received from the Human Resources Department

(2) Data received from the fire department

(3) Data received from the engineering department

(4) Data received from the street department

(5) Data received from the solid waste department

(6) Data received from the public works department

(7) Data recovered from the water department

(8) Data received from the wastewater department

**CITY OF EMPORIA, KANSAS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Public Safety										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units (1)	24	23	23	23	23	23	30	30	28	22
Fire Stations	2	2	2	2	2	2	2	2	2	2
Sanitation										
Collection Trucks (2)	11	11	11	11	11	10	10	10	10	10
Highways and Streets										
Street (miles) (3)	167	167	167	168	168	168	168	168	168	168
Traffic signals (4)	74	75	76	77	78	80	81	81	89	101
Culture and Recreation										
Parks acreage (5)	325.16	325.16	325.16	325.16	325.16	325.16	325.16	325.16	325.16	325.16
Parks (5)	20	18	18	18	18	18	18	18	18	18
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	6	6	6	6	6	6	6	6	6	6
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Water main (miles) (3)	173.00	173.00	178.60	179.20	180.63	180.63	180.63	180.63	180.63	180.63
Fire hydrants (6)	899	902	916	918	920	908	911	912	906	910
Maximum daily capacity thousands of gallons (7)	13,502	14,115	13,116	9,217	9,355	9,220	12,204	11,732	9,456	7,843
Sewer										
Sanitary sewers (miles) (3)	138.00	138.00	138.50	138.70	139.10	139.10	139.10	139.98	139.98	141.55
Storm sewers (miles) (3)	56.00	56.00	56.50	56.60	67.50	67.50	67.69	67.69	67.69	67.69
Maximum daily treatment capacity (thousands of gallons) (8)	6,130	6,130	7,640	7,520	7,520	7,400	7,200	7,000	4,500	4,500

(1) Data received from the Human Resources Department

(2) Data received from the fire department

(3) Data received from the engineering department

(4) Data received from the street department

(5) Data received from the solid waste department

(6) Data received from the public works department

(7) Data received from the water department

(8) Data received from the wastewater department