

City of Udall, Kansas

Financial Statement and Regulatory Required Supplementary Information
(With Independent Auditor's Report)

December 31, 2016



City of Udall, Kansas
December 31, 2016

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Independent Auditors' Report

The Mayor and City Council
City of Udall, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of City of Udall, Kansas, as of and for the year ended December 31, 2016, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

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

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

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

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Udall, Kansas as of December 31, 2016, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Udall, Kansas as of December 31, 2016, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

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

BKD, LLP

Wichita, Kansas
July 10, 2017

City of Udall, Kansas
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2016

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures
Primary Governmental Funds			
General	\$ 408,029	\$ 246,686	\$ 414,188
Special Purpose:			
Special Highway	24,777	22,776	31,779
Library	1,326	7,575	7,323
City Sales Tax	81,566	55,371	120,000
Equipment Reserve	1,930	-	-
Capital Improvement	13,200	30,000	36,500
Bond and Interest	58,990	27,233	31,500
Business:			
Electric System	394,105	770,474	805,514
Water System	349,515	359,464	346,274
Sewer System	62,845	68,545	84,556
Refuse System	12,597	61,936	56,619
Electric Reserve	120,000	-	-
Water Reserve	40,906	100,000	-
Sewer Reserve	10,000	-	-
Capital Project:			
Phase II Water Project	406,111	75,861	129
Splash Park Construction	13,726	55,224	65,547
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 1,999,623</u>	<u>\$ 1,881,145</u>	<u>\$ 1,999,929</u>

Ending Unencumbered Cash Balance	Add Outstanding Encumbrances	Current Year Ending Cash Balance
\$ 240,527	\$ 1,607	\$ 242,134
15,774	1,577	17,351
1,578	278	1,856
16,937	-	16,937
1,930	-	1,930
6,700	6,500	13,200
54,723	-	54,723
359,065	2,657	361,722
362,705	2,687	365,392
46,834	-	46,834
17,914	4,522	22,436
120,000	-	120,000
140,906	-	140,906
10,000	-	10,000
481,843	-	481,843
3,403	3,087	6,490
<u>\$ 1,880,839</u>	<u>\$ 22,915</u>	<u>\$ 1,903,754</u>

Composition of Cash

Primary Governmental	
Petty cash	\$ 200
Union State Bank	
Regular checking	1,212,388
Certificates of deposit	64,969
Corner Bank	
NOW account	173,867
Certificates of deposit	475,347
	<u>1,926,771</u>
Agency Funds	<u>(23,017)</u>
Total	<u>\$ 1,903,754</u>

City of Udall, Kansas
Notes to Financial Statement
For the Year Ended December 31, 2016

Note 1: Summary of Significant Accounting Policies

This summary of significant accounting policies of the City of Udall, Kansas (the City) is presented to assist in understanding the City's financial statement. The financial statement and notes are representations of the City's management, who is responsible for their integrity and objectivity. These accounting policies conform to a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statement.

Reporting Entity

The City is incorporated under the laws of the State of Kansas. The City operates under a Mayor-Council form of City government consisting of an elected Mayor and five council persons and provides services to the citizens in the areas of highways and streets, water and wastewater treatment services, electric services, public improvement, public safety, planning and zoning and general administrative services.

Basis of Presentation

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

The following types of funds comprise the financial activities of the City for the year 2016:

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

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

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

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

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

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

City of Udall, Kansas
Notes to Financial Statement
For the Year Ended December 31, 2016

Basis of Accounting

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

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

Note 2: Budgetary Information

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in 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. There were no such budget amendments for this year.

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

City of Udall, Kansas
Notes to Financial Statement
For the Year Ended December 31, 2016

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

A legal operating budget is not required for capital project funds, trust funds and the following special purpose funds and business funds:

- Equipment Reserve
- Electric Reserve
- Water Reserve
- Sewer Reserve
- Capital Equipment Reserve

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

Note 3: Other Post-Employment Benefits

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

Under the *Consolidated Omnibus Budget Reconciliation Act* (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Note 4: Defined Benefit Pension Plan

Plan description. The City participate in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publically available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

City of Udall, Kansas
Notes to Financial Statement
For the Year Ended December 31, 2016

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate through March 31, 2016, with a 0% moratorium until June 30, 2017, for the Death and Disability Program) and the statutory contribution rate was 9.18% for the fiscal year ended December 31, 2016. Contributions to the pension plan from the City were \$27,674 for the year ended December 31, 2016.

Net Pension Liability

At December 31, 2016, the City's proportionate share of the collective net pension liability reported by KPERS was \$232,147. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015, which was rolled forward to June 30, 2016. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non- employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

Note 5: Interfund Transfers

Operating transfers per K.S.A. 10-117a, 12-825d, 12-1,117, 12-1-118, 12-631o, were as follows:

From	To	Amount
City Sales Tax Fund	Water Systems Fund	\$ 120,000
General Fund	Splash Park Construction Fund	43,945
Electric Fund	Capital Improvement Fund	30,000
Water Fund	Water Reserve Fund	100,000

City of Udall, Kansas
Notes to Financial Statement
For the Year Ended December 31, 2016

Note 6: Compensated Absences

Vacation

All full-time employees of the City shall be entitled to vacation as follows:

From date of employment to December 31 of that year, considered the first calendar year, one week (5 working days) will be earned. After the second calendar year, two weeks (10 working days) will be earned. After ten calendar years, three weeks (15 working days) will be earned. Annual vacation shall be paid at the employee's regular rate during each leave period. Half of the employee's accrued vacation may be carried over from one year to the next.

Sick Leave

All full-time employees of the City shall be entitled to five (5) days of sick leave per calendar year or 1.54 hours per payroll period. Sick leave shall be paid at the employee's regular rate of pay during such sick leave. The term "sick leave" shall also include any necessary absence from duty caused by injury sustained on the job, but does not include absence from work after the employee becomes eligible for workers' compensation benefits. Sick leave may be accumulated from year-to-year but no employee shall be credited with more than ten (10) days of accumulated sick leave. The Council may require satisfactory evidence of any illness or absence from duty at the time any payroll is approved.

Changes in the employee handbook, including reimbursement for sick leave accrued over eighty (80) hours, resulted in a reduction of accumulated sick leave. This reimbursement is included in the first paycheck of the following year. The cost of accumulated sick leave is recorded in the financial statement at the time payments are made to employees.

Note 7: Deposits

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

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

City of Udall, Kansas
Notes to Financial Statement
For the Year Ended December 31, 2016

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

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka.

At December 31, 2016, the City's carrying amount of deposits was \$1,926,571 and the bank balance was \$1,928,327. The bank balance was held by Union State Bank and Corner Bank. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$500,000 was covered by FDIC insurance and the remaining amount 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.

Note 8: Risk Management

The City continues to carry commercial insurance for all other risks of loss, including property, liability, crime, inland marine, automobile, and workers' compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note 9: Concentrations

The City buys all of its electricity from the Kansas Power Pool.

Note 10: Capital Projects

At year-end, the City had two capital projects; the Phase II Water project and the Splash Park project. The Phase II Water project is authorized for \$1,622,329 and has expended \$1,008,101 to date. The Splash Park project is authorized for \$75,000 and has expended \$65,547 to date.

Note 11: Reclassifications

Certain reclassifications have been made to the 2015 financial statement to conform to the 2016 financial statement presentation. These reclassifications had no effect on total cash balance.

City of Udall, Kansas
Notes to Financial Statement
For the Year Ended December 31, 2016

Note 12: Long-term Debt Schedule

Changes in long-term debt for the City for the year ended December 31, 2016, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue
General Obligation Bonds:			
Internal improvements - Series 2001	4.1% to 5.0%	9/15/2001	\$ 300,000
Water system improvements - Series 2013	0.3% to 3.0%	5/15/2013	1,270,000
Total general obligation bonds			
Revolving Loan Program:			
KWPCRF Project No. C20-1325-01	3.26%	9/1/2000	400,252
Temporary Note:			
Series 2014	0.50%	6/1/2014	1,160,000
Series 2016	1.05%	4/1/2016	1,178,000
Total temporary notes			
Capital Lease:			
Street Sweeper	3.06%	11/15/2016	202,000
Total contractual indebtedness			

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

Maturities	2017	2018	2019
Principal:			
General obligation bonds	\$ 75,000	\$ 75,000	\$ 75,000
Revolving loan program	23,593	24,369	25,170
Temporary note	-	1,178,000	-
Capital lease	40,423	38,587	39,768
Total principal	<u>\$ 139,016</u>	<u>\$ 1,315,956</u>	<u>\$ 139,938</u>
Interest:			
General obligation bonds	\$ 21,820	\$ 20,960	\$ 19,950
Revolving loan program	3,041	2,265	1,465
Temporary note	-	24,738	-
Capital lease	3,107	4,973	3,762
Total interest	<u>\$ 27,968</u>	<u>\$ 52,936</u>	<u>\$ 25,177</u>

Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
9/1/2016	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ 1,500
2/1/2026	<u>1,085,000</u>	<u>-</u>	<u>75,000</u>	<u>1,010,000</u>	<u>22,530</u>
	<u>1,115,000</u>	<u>-</u>	<u>105,000</u>	<u>1,010,000</u>	<u>24,030</u>
9/1/2020	<u>121,972</u>	<u>-</u>	<u>22,843</u>	<u>99,129</u>	<u>3,792</u>
6/1/2016	1,160,000	-	1,160,000	-	5,800
4/1/2018	<u>-</u>	<u>1,178,000</u>	<u>-</u>	<u>1,178,000</u>	<u>-</u>
	<u>1,160,000</u>	<u>1,178,000</u>	<u>1,160,000</u>	<u>1,178,000</u>	<u>5,800</u>
5/15/2021	<u>-</u>	<u>202,000</u>	<u>-</u>	<u>202,000</u>	<u>-</u>
	<u>\$ 2,396,972</u>	<u>\$ 1,380,000</u>	<u>\$ 1,287,843</u>	<u>\$ 2,489,129</u>	<u>\$ 33,622</u>

2020	2021	2022-2026	2027-2031	Total
\$ 75,000	\$ 80,000	\$ 420,000	\$ 210,000	\$ 1,010,000
25,997	-	-	-	99,129
-	-	-	-	1,178,000
<u>40,984</u>	<u>42,238</u>	<u>-</u>	<u>-</u>	<u>202,000</u>
<u>\$ 141,981</u>	<u>\$ 122,238</u>	<u>\$ 420,000</u>	<u>\$ 210,000</u>	<u>\$ 2,489,129</u>
\$ 18,790	\$ 17,413	\$ 60,894	\$ 8,925	\$ 168,752
637	-	-	-	7,408
-	-	-	-	24,738
<u>2,546</u>	<u>1,292</u>	<u>-</u>	<u>-</u>	<u>15,680</u>
<u>\$ 21,973</u>	<u>\$ 18,705</u>	<u>\$ 60,894</u>	<u>\$ 8,925</u>	<u>\$ 216,578</u>

Regulatory Required Supplementary Information

City of Udall, Kansas
Summary of Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

Funds	Certified Budget	Expenditures Chargeable to Current Year	Variance - Over (Under)
Governmental Type Funds			
General	\$ 431,579	\$ 414,188	\$ (17,391)
Special Purpose:			
Special Highway	34,906	31,779	(3,127)
Library	7,640	7,323	(317)
City Sales Tax	120,000	120,000	-
Bond and Interest	39,000	31,500	(7,500)
Business Funds			
Electric System	838,971	805,514	(33,457)
Water System	597,805	346,274	(251,531)
Sewer System	88,853	84,556	(4,297)
Refuse System	78,517	56,619	(21,898)

City of Udall, Kansas
General Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts			
Taxes and shared revenue			
Ad valorem	\$ 144,034	\$ 147,171	\$ (3,137)
Delinquent	3,722	-	3,722
Motor vehicle	29,917	30,153	(236)
Licenses, permits and fees	6,047	4,000	2,047
Franchise fees	17,456	18,000	(544)
Fines, forfeitures and penalties	19,386	35,000	(15,614)
Interest	2,280	2,500	(220)
Cemetery	3,250	2,000	1,250
Grants and donations	2,939	4,500	(1,561)
Rents	-	6,000	(6,000)
Sales tax collected - utilities	-	21,000	(21,000)
Other	17,655	500	17,155
	<u>246,686</u>	<u>270,824</u>	<u>(24,138)</u>
Total receipts			
Expenditures			
General government			
Personnel services	6,784	45,000	(38,216)
Commodities	27,360	4,894	22,466
Contractual services	32,379	28,000	4,379
Capital outlay	23,106	13,685	9,421
Police department			
Personnel services	111,977	120,000	(8,023)
Commodities	13,615	8,500	5,115
Contractual services	5,771	30,000	(24,229)
Vehicle and other expense	39,269	18,000	21,269
Court remittances	2,155	9,000	(6,845)
Capital outlay	-	18,000	(18,000)

City of Udall, Kansas
General Fund (Continued)
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Expenditures (Continued)			
Parks			
Commodities	\$ 6,528	\$ 5,000	\$ 1,528
Street department			
Contractual services	90,171	110,000	(19,829)
Commodities	1,784	5,000	(3,216)
Other			
Planning	9,171	13,000	(3,829)
Civil defense	173	3,500	(3,327)
Transfer to Splash Park Construction Fund	43,945	-	43,945
	<u>414,188</u>	<u>431,579</u>	<u>\$ (17,391)</u>
Receipts Over (Under) Expenditures	(167,502)	(160,755)	
Unencumbered Cash, Beginning	<u>408,029</u>	<u>160,755</u>	
Unencumbered Cash, Ending	<u>\$ 240,527</u>	<u>\$ -</u>	

City of Udall, Kansas
Special Highway Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts			
State fuel tax	\$ 19,500	\$ 18,000	\$ 1,500
County fuel tax	3,276	2,500	776
	<u>22,776</u>	<u>20,500</u>	<u>2,276</u>
Total receipts			
Expenditures			
Commodities	31,699	5,000	26,699
Contractual services	80	2,500	(2,420)
Capital outlay	-	27,406	(27,406)
	<u>31,779</u>	<u>34,906</u>	<u>\$ (3,127)</u>
Total expenditures			
Receipts Over (Under) Expenditures	(9,003)	(14,406)	
Unencumbered Cash, Beginning	<u>24,777</u>	<u>14,406</u>	
Unencumbered Cash, Ending	<u>\$ 15,774</u>	<u>\$ -</u>	

City of Udall, Kansas
Library Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts			
Taxes and shared revenue			
Ad valorem	\$ 6,092	\$ 6,222	\$ (130)
Delinquent	162	-	162
Motor vehicle	1,321	1,336	(15)
	<u>7,575</u>	<u>7,558</u>	<u>17</u>
Total receipts			
Expenditures			
Appropriation	7,323	-	7,323
Commodities	-	7,640	(7,640)
	<u>7,323</u>	<u>7,640</u>	<u>\$ (317)</u>
Total expenditures			
Receipts Over (Under) Expenditures	252	(82)	
Unencumbered Cash, Beginning	<u>1,326</u>	<u>82</u>	
Unencumbered Cash, Ending	<u>\$ 1,578</u>	<u>\$ -</u>	

City of Udall, Kansas
City Sales Tax Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts			
Local sales tax	<u>\$ 55,371</u>	<u>\$ 60,000</u>	<u>\$ (4,629)</u>
Expenditures			
Capital outlay	-	60,000	(60,000)
Transfer to Water System Fund	<u>120,000</u>	<u>60,000</u>	<u>60,000</u>
Total expenditures	<u>120,000</u>	<u>120,000</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	(64,629)	(60,000)	
Unencumbered Cash, Beginning	<u>81,566</u>	<u>60,000</u>	
Unencumbered Cash, Ending	<u>\$ 16,937</u>	<u>\$ -</u>	

City of Udall, Kansas
Equipment Reserve Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>
Unencumbered Cash, Beginning	<u>\$ 1,930</u>
Unencumbered Cash, Ending	<u><u>\$ 1,930</u></u>

City of Udall, Kansas
Capital Improvement Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>
Receipts	
Transfer from Electric Fund	\$ 30,000
Expenditures	
Capital improvements	<u>36,500</u>
Receipts Over (Under) Expenditures	(6,500)
Unencumbered Cash, Beginning	<u>13,200</u>
Unencumbered Cash, Ending	<u><u>\$ 6,700</u></u>

City of Udall, Kansas
Bond and Interest Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts			
Taxes and shared revenue			
Ad valorem	\$ 8,638	\$ 8,607	\$ 31
Delinquent	248	-	248
Motor vehicle	3,943	4,028	(85)
Special assessments	14,404	-	14,404
	<u>27,233</u>	<u>12,635</u>	<u>14,598</u>
Total receipts			
Expenditures			
Principal	30,000	30,000	-
Interest	1,500	1,500	-
Miscellaneous	-	7,500	(7,500)
	<u>31,500</u>	<u>39,000</u>	<u>\$ (7,500)</u>
Total expenditures			
Receipts Over (Under) Expenditures	(4,267)	(26,365)	
Unencumbered Cash, Beginning	<u>58,990</u>	<u>26,365</u>	
Unencumbered Cash, Ending	<u>\$ 54,723</u>	<u>\$ -</u>	

City of Udall, Kansas
Electric System Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts			
Electric sales	\$ 727,550	\$ 625,000	\$ 102,550
Connect fees	6,285	1,500	4,785
Penalties	15,647	10,000	5,647
Utility meter deposits	-	4,800	(4,800)
Other	20,992	3,500	17,492
	<u>770,474</u>	<u>644,800</u>	<u>125,674</u>
Total receipts			
Expenditures			
Personnel services	179,276	150,000	29,276
Contractual services	436,576	450,000	(13,424)
Commodities	156,949	29,000	127,949
Capital outlay	-	49,471	(49,471)
Refunds	2,713	5,000	(2,287)
Lease payment	-	5,500	(5,500)
Transfer to Capital Improvements Fund	30,000	150,000	(120,000)
	<u>805,514</u>	<u>838,971</u>	<u>\$ (33,457)</u>
Total expenditures			
Receipts Over (Under) Expenditures	(35,040)	(194,171)	
Unencumbered Cash, Beginning	<u>394,105</u>	<u>194,171</u>	
Unencumbered Cash, Ending	<u>\$ 359,065</u>	<u>\$ -</u>	

City of Udall, Kansas
Water System Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts			
Water sales	\$ 172,803	\$ 165,000	\$ 7,803
New meter set	-	4,000	(4,000)
Utility meter deposits	3,045	-	3,045
Tower rent	44,635	30,000	14,635
Miscellaneous	3,499	-	3,499
Proceeds	15,482	-	15,482
Transfer from City Sales Tax Fund	<u>120,000</u>	<u>60,000</u>	<u>60,000</u>
Total receipts	<u>359,464</u>	<u>259,000</u>	<u>100,464</u>
Expenditures			
Personnel services	70,016	65,000	5,016
Contractual services	46,142	16,000	30,142
Commodities	9,150	30,000	(20,850)
Capital outlay	-	287,775	(287,775)
Debt service principal	75,000	75,000	-
Debt service interest	24,576	22,530	2,046
Cost of issuance	15,482	-	15,482
Refunds	5,908	1,500	4,408
Transfer to Water Reserve Fund	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total expenditures	<u>346,274</u>	<u>597,805</u>	<u>\$ (251,531)</u>
Receipts Over (Under) Expenditures	13,190	(338,805)	
Unencumbered Cash, Beginning	<u>349,515</u>	<u>338,805</u>	
Unencumbered Cash, Ending	<u>\$ 362,705</u>	<u>\$ -</u>	

City of Udall, Kansas
Sewer System Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts			
Charges for service	\$ 68,545	\$ 65,000	\$ 3,545
Total receipts	<u>68,545</u>	<u>65,000</u>	<u>3,545</u>
Expenditures			
Personnel services	-	6,883	(6,883)
Contractual services	18,288	18,750	(462)
Commodities	3,773	1,950	1,823
Capital outlay	35,860	9,636	26,224
Debt service principal	22,843	22,842	1
Debt service interest	3,792	3,792	-
Transfer to Sewer Reserve	-	25,000	(25,000)
Total expenditures	<u>84,556</u>	<u>88,853</u>	<u>\$ (4,297)</u>
Receipts Over (Under) Expenditures	(16,011)	(23,853)	
Unencumbered Cash, Beginning	<u>62,845</u>	<u>23,853</u>	
Unencumbered Cash, Ending	<u>\$ 46,834</u>	<u>\$ -</u>	

City of Udall, Kansas
Refuse System Fund
Schedule of Receipts and Expenditures – Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts			
Charges for service	\$ 61,936	\$ 60,000	\$ 1,936
Expenditures			
Contractual services	<u>56,619</u>	<u>78,517</u>	<u>\$ (21,898)</u>
Receipts Over (Under) Expenditures	5,317	(18,517)	
Unencumbered Cash, Beginning	<u>12,597</u>	<u>18,517</u>	
Unencumbered Cash, Ending	<u>\$ 17,914</u>	<u>\$ -</u>	

City of Udall, Kansas
Electric Reserve Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>
Unencumbered Cash, Beginning	<u>\$ 120,000</u>
Unencumbered Cash, Ending	<u><u>\$ 120,000</u></u>

City of Udall, Kansas
Water Reserve Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>
Receipts	
Transfer from Water Fund	<u>\$ 100,000</u>
Receipts Over (Under) Expenditures	100,000
Unencumbered Cash, Beginning	<u>40,906</u>
Unencumbered Cash, Ending	<u><u>\$ 140,906</u></u>

City of Udall, Kansas
Sewer Reserve Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>
Unencumbered Cash, Beginning	<u>\$ 10,000</u>
Unencumbered Cash, Ending	<u><u>\$ 10,000</u></u>

City of Udall, Kansas
Phase II Water Project Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2016

	<u>Actual</u>
Receipts	
Grants	\$ 75,861
Expenditures	
Professional services	<u>129</u>
Receipts Over (Under) Expenditures	75,732
Unencumbered Cash, Beginning	<u>406,111</u>
Unencumbered Cash, Ending	<u><u>\$ 481,843</u></u>

City of Udall, Kansas
Splash Park Construction Fund
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2016

	Actual
Receipts	
Donations	\$ 11,279
Transfer from General Fund	43,945
Total receipts	55,224
Expenditures	
Construction	65,547
Receipts Over (Under) Expenditures	(10,323)
Unencumbered Cash, Beginning	13,726
Unencumbered Cash, Ending	\$ 3,403

City of Udall, Kansas
Agency Funds
Schedule of Receipts and Expenditures – Actual
Regulatory Basis
For the Year Ended December 31, 2016

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Payroll Clearing Fund	\$ 12,565	\$ 371,854	\$ 369,491	\$ 14,928
Sales Tax Clearing Fund	3,367	24,905	20,183	8,089
Deposit Clearing Fund	-	26,533	26,533	-
Penalty Clearing Fund	162	13,007	13,169	-
Total agency funds	<u>\$ 16,094</u>	<u>\$ 436,299</u>	<u>\$ 429,376</u>	<u>\$ 23,017</u>