

# **City of Udall, Kansas**

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

December 31, 2017



**City of Udall, Kansas**  
**December 31, 2017**

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## Independent Auditors' Report

The Mayor and City Council  
City of Udall, Kansas

### Report on Financial Statement

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, 2017, 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; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Udall, 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 accordance with accounting principles generally accepted in the United States of America, the financial position of the City of Udall, Kansas as of December 31, 2017, 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, 2017, 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.

***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  
June 20, 2018

**City of Udall, Kansas**  
**Summary Statement of Receipts, Expenditures and Unencumbered Cash**  
**Regulatory Basis**  
**For the Year Ended December 31, 2017**

<b>Funds</b>	<b>Beginning Unencumbered Cash Balance</b>	<b>Receipts</b>	<b>Expenditures</b>
<b>Primary Governmental Funds</b>			
General	\$ 240,527	\$ 229,946	\$ 429,214
Special Purpose:			
Special Highway	15,774	42,624	39,000
Library	1,578	6,201	6,201
City Sales Tax	16,937	82,604	99,541
Equipment Reserve	1,930	-	-
Capital Improvement Reserve	6,700	-	-
Bond and Interest	54,723	6,448	11,006
Business:			
Electric System	359,065	769,600	729,733
Water System	362,705	236,068	230,024
Sewer System	46,834	73,611	74,425
Refuse System	17,914	60,616	55,251
Electric Reserve	120,000	-	-
Water Reserve	140,906	20,000	-
Sewer Reserve	10,000	25,000	-
Capital Project:			
Phase II Water Project	481,843	1,000,000	1,415,570
Splash Park Construction	3,403	2,733	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>\$ 1,880,839</u>	<u>\$ 2,555,451</u>	<u>\$ 3,089,965</u>

<b>Ending Unencumbered Cash Balance</b>	<b>Add Outstanding Encumbrances</b>	<b>Ending Cash Balance</b>
\$ 41,259	\$ 1,457	\$ 42,716
19,398	-	19,398
1,578	-	1,578
-	-	-
1,930	-	1,930
6,700	-	6,700
50,165	-	50,165
398,932	1,766	400,698
368,749	571	369,320
46,020	-	46,020
23,279	-	23,279
120,000	-	120,000
160,906	-	160,906
35,000	-	35,000
66,273	-	66,273
6,136	-	6,136
<u>\$ 1,346,325</u>	<u>\$ 3,794</u>	<u>\$ 1,350,119</u>

**Composition of Cash**

Primary Governmental	
Petty cash	\$ 200
Union State Bank	
Regular checking	667,285
Certificates of deposit	65,379
RCB Bank	
NOW account	174,041
Certificates of deposit	477,192
	<u>1,384,097</u>
Agency Funds	<u>(33,978)</u>
Total	<u>\$ 1,350,119</u>

**City of Udall, Kansas**  
**Notes to Financial Statement**  
**For the Year Ended December 31, 2017**

**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 2017:

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, 2017**

***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, 2017**

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 Improvement 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**

***General Information About the Pension Plan***

*Plan description.* The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly 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](http://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, 2017**

*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 with a 0% moratorium from the period of January 1, 2017 through September 30, 2017, for the Death and Disability Program) and the statutory contribution rate was 8.46% for the fiscal year ended December 31, 2017. Contributions to the pension plan from the City were \$24,900 for the year ended December 31, 2017.

***Net Pension Liability***

At December 31, 2017, the City proportionate share of the collective net pension liability reported by KPERS was \$241,400. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The City and Library's proportion of the net pension liability was based on the ratio of their 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](http://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:

<b>From</b>	<b>To</b>	<b>Amount</b>
City Sales Tax Fund	Electric System Fund	\$ 73,659
City Sales Tax Fund	Sewer System Fund	7,318
City Sales Tax Fund	Water Systems Fund	18,564
Sewer System Fund	Sewer Reserve Fund	25,000
Water System Fund	Water Reserve Fund	20,000

**City of Udall, Kansas**  
**Notes to Financial Statement**  
**For the Year Ended December 31, 2017**

**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, 2017**

*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. All deposits were legally secured at December 31, 2017.

At December 31, 2017, the City's carrying amount of deposits was \$1,384,097 and the bank balance was \$1,422,116. The bank balance was held by Union State Bank and RCB Bank. The difference between the carrying amount and the bank balance is outstanding checks and deposits in transit. Of the bank balance, \$565,379 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 \$1,245,671 to date. The Splash Park project is authorized for \$75,000 and has expended \$65,547 to date.

**City of Udall, Kansas**  
**Notes to Financial Statement**  
**For the Year Ended December 31, 2017**

**Note 11: Long-term Debt Schedule**

Changes in long-term debt for the City for the year ended December 31, 2017, were as follows:

<b>Issue</b>	<b>Interest Rates</b>	<b>Date of Issue</b>	<b>Amount of Issue</b>
General Obligation Bonds:			
Water system improvements - Series 2017	2.625%	9/14/2017	\$ 1,000,000
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 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:

<b>Maturities</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Principal:					
General obligation bonds	\$ 89,611	\$ 89,995	\$ 90,318	\$ 95,790	\$ 96,205
Revolving loan program	24,369	25,170	25,997	-	-
Capital lease	38,587	39,768	40,984	42,238	-
Total principal	<u>\$ 152,567</u>	<u>\$ 154,933</u>	<u>\$ 157,299</u>	<u>\$ 138,028</u>	<u>\$ 96,205</u>
Interest:					
General obligation bonds	\$ 47,210	\$ 45,816	\$ 44,333	\$ 42,483	\$ 40,469
Revolving loan program	2,265	1,465	588	-	-
Capital lease	4,943	3,762	2,546	1,292	-
Total interest	<u>\$ 54,418</u>	<u>\$ 51,043</u>	<u>\$ 47,467</u>	<u>\$ 43,775</u>	<u>\$ 40,469</u>

<b>Date of Final Maturity</b>	<b>Balance Beginning of Year</b>	<b>Additions</b>	<b>Reductions/ Payments</b>	<b>Balance End of Year</b>	<b>Interest Paid</b>
9/14/2057	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
2/1/2026	<u>1,010,000</u>	<u>-</u>	<u>75,000</u>	<u>935,000</u>	<u>21,820</u>
	<u>1,010,000</u>	<u>1,000,000</u>	<u>75,000</u>	<u>1,935,000</u>	<u>21,820</u>
9/1/2020	<u>99,129</u>	<u>-</u>	<u>23,593</u>	<u>75,536</u>	<u>3,041</u>
4/1/2018	<u>1,178,000</u>	<u>-</u>	<u>1,178,000</u>	<u>-</u>	<u>18,004</u>
	<u>1,178,000</u>	<u>-</u>	<u>1,178,000</u>	<u>-</u>	<u>18,004</u>
5/15/2021	<u>202,000</u>	<u>-</u>	<u>40,423</u>	<u>161,577</u>	<u>3,107</u>
	<u>\$ 2,489,129</u>	<u>\$ 1,000,000</u>	<u>\$ 1,317,016</u>	<u>\$ 2,172,113</u>	<u>\$ 45,972</u>

<b>2023-2027</b>	<b>2028-2032</b>	<b>2033-2037</b>	<b>2038-2042</b>	<b>2043-2047</b>	<b>2048-2052</b>	<b>2053-2057</b>	<b>Total</b>
\$ 517,562	\$ 219,623	\$ 113,475	\$ 129,178	\$ 147,053	\$ 167,387	\$ 178,803	\$ 1,935,000
-	-	-	-	-	-	-	75,536
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>161,577</u>
<u>\$ 517,562</u>	<u>\$ 219,623</u>	<u>\$ 113,475</u>	<u>\$ 129,178</u>	<u>\$ 147,053</u>	<u>\$ 167,387</u>	<u>\$ 178,803</u>	<u>\$ 2,172,113</u>
\$ 167,450	\$ 107,982	\$ 90,830	\$ 75,128	\$ 57,252	\$ 36,918	\$ 13,726	\$ 769,597
-	-	-	-	-	-	-	4,318
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,543</u>
<u>\$ 167,450</u>	<u>\$ 107,982</u>	<u>\$ 90,830</u>	<u>\$ 75,128</u>	<u>\$ 57,252</u>	<u>\$ 36,918</u>	<u>\$ 13,726</u>	<u>\$ 786,458</u>

## **Regulatory Required Supplementary Information**

**City of Udall, Kansas**  
**Summary of Expenditures – Actual and Budget**  
**Regulatory Basis**  
**For the Year Ended December 31, 2017**

Funds	Certified Budget	Expenditures Chargeable to Current Year	Variance - Over (Under)
<b>Governmental Type Funds</b>			
General	\$ 474,175	\$ 429,214	\$ (44,961)
Special Purpose:			
Special Highway	39,256	39,000	(256)
Library	7,800	6,201	(1,599)
City Sales Tax	133,336	99,541	(33,795)
Bond and Interest	53,410	11,006	(42,404)
<b>Business Funds</b>			
Electric System	1,146,430	729,733	(416,697)
Water System	619,685	230,024	(389,661)
Sewer System	109,365	74,425	(34,940)
Refuse System	73,049	55,251	(17,798)



**City of Udall, Kansas**  
**General Fund**  
**Schedule of Receipts and Expenditures – Actual and Budget**  
**Regulatory Basis**  
**For the Year Ended December 31, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>Receipts</b>			
Taxes and shared revenue			
Ad valorem	\$ 144,773	\$ 149,113	\$ (4,340)
Delinquent	1,850	4,200	(2,350)
Motor vehicle	28,792	29,333	(541)
Licenses, permits and fees	7,781	-	7,781
Franchise fees	18,209	18,000	209
Fines, forfeitures and penalties	11,769	35,000	(23,231)
Interest	2,885	1,800	1,085
Cemetery	1,500	2,200	(700)
Grants and donations	668	2,500	(1,832)
Other	11,719	-	11,719
	<u>229,946</u>	<u>242,146</u>	<u>(12,200)</u>
<b>Total receipts</b>			
<b>Expenditures</b>			
General government			
Personnel services	6,036	15,000	(8,964)
Commodities	26,486	4,000	22,486
Contractual services	55,653	12,000	43,653
Capital outlay	-	173,175	(173,175)
Police department			
Personnel services	109,785	110,000	(215)
Commodities	4,985	6,500	(1,515)
Contractual services	12,370	15,000	(2,630)
Court remittances	1,581	1,800	(219)

**City of Udall, Kansas**  
**General Fund (Continued)**  
**Schedule of Receipts and Expenditures – Actual and Budget**  
**Regulatory Basis**  
**For the Year Ended December 31, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>Expenditures (Continued)</b>			
Parks			
Commodities	\$ 6,556	\$ 3,000	\$ 3,556
Street department			
Contractual services	-	110,000	(110,000)
Lease principal	40,423	-	40,423
Lease interest	3,107	-	3,107
Commodities	153,236	5,000	148,236
Other			
Economic development	-	5,000	(5,000)
Planning	8,726	11,200	(2,474)
Civil defense	270	2,500	(2,230)
	<u>429,214</u>	<u>474,175</u>	<u>\$ (44,961)</u>
<b>Receipts Over (Under) Expenditures</b>	(199,268)	(232,029)	
<b>Unencumbered Cash, Beginning</b>	<u>240,527</u>	<u>232,029</u>	
<b>Unencumbered Cash, Ending</b>	<u>\$ 41,259</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, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>Receipts</b>			
State fuel tax	\$ 19,449	\$ 22,550	\$ (3,101)
County fuel tax	3,300	2,500	800
Proceeds	19,875	-	19,875
	<u>42,624</u>	<u>25,050</u>	<u>17,574</u>
Total receipts			
<b>Expenditures</b>			
Commodities	39,000	-	39,000
Capital outlay	-	39,256	(39,256)
	<u>39,000</u>	<u>39,256</u>	<u>\$ (256)</u>
Total expenditures			
<b>Receipts Over (Under) Expenditures</b>	3,624	(14,206)	
<b>Unencumbered Cash, Beginning</b>	<u>15,774</u>	<u>14,206</u>	
<b>Unencumbered Cash, Ending</b>	<u>\$ 19,398</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, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>Receipts</b>			
Taxes and shared revenue			
Ad valorem	\$ 4,900	\$ 5,041	\$ (141)
Delinquent	82	-	82
Motor vehicle	1,219	1,240	(21)
	<u>6,201</u>	<u>6,281</u>	<u>(80)</u>
Total receipts			
<b>Expenditures</b>			
Appropriation	<u>6,201</u>	<u>7,800</u>	<u>\$ (1,599)</u>
<b>Receipts Over (Under) Expenditures</b>	-	(1,519)	
<b>Unencumbered Cash, Beginning</b>	<u>1,578</u>	<u>1,519</u>	
<b>Unencumbered Cash, Ending</b>	<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, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>Receipts</b>			
Local sales tax	\$ 82,604	\$ 60,000	\$ 22,604
<b>Expenditures</b>			
Capital outlay	-	133,336	(133,336)
Transfers to:			
Electric System Fund	73,659	-	73,659
Sewer System Fund	7,318	-	7,318
Water System Fund	18,564	-	18,564
Total expenditures	<u>99,541</u>	<u>133,336</u>	<u>\$ (33,795)</u>
<b>Receipts Over (Under) Expenditures</b>	(16,937)	(73,336)	
<b>Unencumbered Cash, Beginning</b>	<u>16,937</u>	<u>73,336</u>	
<b>Unencumbered Cash, Ending</b>	<u>\$ -</u>	<u>\$ -</u>	

**City of Udall, Kansas**  
**Equipment Reserve Fund**  
**Schedule of Receipts and Expenditures – Actual**  
**Regulatory Basis**  
**For the Year Ended December 31, 2017**

	<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 Reserve Fund**  
**Schedule of Receipts and Expenditures – Actual**  
**Regulatory Basis**  
**For the Year Ended December 31, 2017**

	<u>Actual</u>
Unencumbered Cash, Beginning	<u>\$ 6,700</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, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>Receipts</b>			
Taxes and shared revenue			
Ad valorem	\$ 4,630	\$ 4,681	\$ (51)
Delinquent	86	-	86
Motor vehicle	1,732	1,716	16
	<u>6,448</u>	<u>6,397</u>	<u>51</u>
Total receipts			
<b>Expenditures</b>			
Principal	-	37,500	(37,500)
Interest	11,006	10,910	96
Miscellaneous	-	5,000	(5,000)
	<u>11,006</u>	<u>53,410</u>	<u>\$ (42,404)</u>
Total expenditures			
<b>Receipts Over (Under) Expenditures</b>	(4,558)	(47,013)	
<b>Unencumbered Cash, Beginning</b>	<u>54,723</u>	<u>47,013</u>	
<b>Unencumbered Cash, Ending</b>	<u>\$ 50,165</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, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>Receipts</b>			
Electric sales	\$ 675,167	\$ 700,000	\$ (24,833)
Connect fees	7,547	10,000	(2,453)
Penalties	936	12,000	(11,064)
Utility meter deposits	-	7,000	(7,000)
Other	12,291	2,500	9,791
Transfer from City Sales Tax Fund	73,659	-	73,659
	<u>769,600</u>	<u>731,500</u>	<u>38,100</u>
<b>Total receipts</b>			
<b>Expenditures</b>			
Personnel services	166,133	250,000	(83,867)
Contractual services	478,308	500,000	(21,692)
Commodities	60,603	100,000	(39,397)
Capital outlay	22,887	286,430	(263,543)
Refunds	1,802	2,500	(698)
Other	-	7,500	(7,500)
	<u>729,733</u>	<u>1,146,430</u>	<u>\$ (416,697)</u>
<b>Total expenditures</b>			
<b>Receipts Over (Under) Expenditures</b>	39,867	(414,930)	
<b>Unencumbered Cash, Beginning</b>	<u>359,065</u>	<u>414,930</u>	
<b>Unencumbered Cash, Ending</b>	<u>\$ 398,932</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, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>Receipts</b>			
Water sales	\$ 168,537	\$ 170,000	\$ (1,463)
New meter set	3,210	2,000	1,210
Utility meter deposits	-	5,000	(5,000)
Tower rent	45,757	30,000	15,757
Miscellaneous	-	500	(500)
Transfer from City Sales Tax Fund	<u>18,564</u>	<u>50,000</u>	<u>(31,436)</u>
Total receipts	<u>236,068</u>	<u>257,500</u>	<u>(21,432)</u>
<b>Expenditures</b>			
Personnel services	66,681	65,000	1,681
Contractual services	52,543	85,000	(32,457)
Commodities	4,536	6,500	(1,964)
Capital outlay	-	393,275	(393,275)
Debt service principal	75,000	37,500	37,500
Debt service interest	10,814	10,910	(96)
Refunds	450	1,500	(1,050)
Transfer to Water Reserve Fund	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Total expenditures	<u>230,024</u>	<u>619,685</u>	<u>\$ (389,661)</u>
<b>Receipts Over (Under) Expenditures</b>	6,044	(362,185)	
<b>Unencumbered Cash, Beginning</b>	<u>362,705</u>	<u>362,185</u>	
<b>Unencumbered Cash, Ending</b>	<u>\$ 368,749</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, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>Receipts</b>			
Charges for service	\$ 66,293	\$ 68,430	\$ (2,137)
Transfer from City Sales Tax Fund	7,318	-	7,318
	<u>73,611</u>	<u>68,430</u>	<u>5,181</u>
Total receipts	<u>73,611</u>	<u>68,430</u>	<u>5,181</u>
<b>Expenditures</b>			
Personnel services	-	14,000	(14,000)
Contractual services	20,326	25,000	(4,674)
Commodities	2,465	4,000	(1,535)
Capital outlay	-	14,732	(14,732)
Debt service principal	23,593	23,593	-
Debt service interest	3,041	3,040	1
Transfer to Sewer Reserve Fund	25,000	25,000	-
	<u>74,425</u>	<u>109,365</u>	<u>\$ (34,940)</u>
Total expenditures	<u>74,425</u>	<u>109,365</u>	<u>\$ (34,940)</u>
<b>Receipts Over (Under) Expenditures</b>	(814)	(40,935)	
<b>Unencumbered Cash, Beginning</b>	<u>46,834</u>	<u>40,935</u>	
<b>Unencumbered Cash, Ending</b>	<u>\$ 46,020</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, 2017**

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
<b>Receipts</b>			
Charges for service	\$ 60,616	\$ 61,730	\$ (1,114)
<b>Expenditures</b>			
Contractual services	<u>55,251</u>	<u>73,049</u>	<u>\$ (17,798)</u>
<b>Receipts Over (Under) Expenditures</b>	5,365	(11,319)	
<b>Unencumbered Cash, Beginning</b>	<u>17,914</u>	<u>11,319</u>	
<b>Unencumbered Cash, Ending</b>	<u>\$ 23,279</u>	<u>\$ -</u>	

**City of Udall, Kansas**  
**Electric Reserve Fund**  
**Schedule of Receipts and Expenditures – Actual**  
**Regulatory Basis**  
**For the Year Ended December 31, 2017**

	<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, 2017**

	<u>Actual</u>
<b>Receipts</b>	
Transfer from Water Fund	\$ 20,000
<b>Receipts Over (Under) Expenditures</b>	<u>20,000</u>
<b>Unencumbered Cash, Beginning</b>	<u>140,906</u>
<b>Unencumbered Cash, Ending</b>	<u><u>\$ 160,906</u></u>

**City of Udall, Kansas**  
**Sewer Reserve Fund**  
**Schedule of Receipts and Expenditures – Actual**  
**Regulatory Basis**  
**For the Year Ended December 31, 2017**

	<u>Actual</u>
<b>Receipts</b>	
Transfer from Sewer Fund	\$ 25,000
<b>Receipts Over (Under) Expenditures</b>	<u>25,000</u>
<b>Unencumbered Cash, Beginning</b>	<u>10,000</u>
<b>Unencumbered Cash, Ending</b>	<u><u>\$ 35,000</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, 2017**

	<b>Actual</b>
<b>Receipts</b>	
Proceeds	\$ 1,000,000
<b>Expenditures</b>	
Temporary note principal	1,178,000
Temporary note interest	18,004
Professional services	219,566
Total expenditures	1,415,570
<b>Receipts Over (Under) Expenditures</b>	(415,570)
<b>Unencumbered Cash, Beginning</b>	481,843
<b>Unencumbered Cash, Ending</b>	\$ 66,273



**City of Udall, Kansas**  
**Splash Park Construction Fund**  
**Schedule of Receipts and Expenditures – Actual**  
**Regulatory Basis**  
**For the Year Ended December 31, 2017**

	<u>Actual</u>
<b>Receipts</b>	
Donations	<u>\$ 2,733</u>
<b>Receipts Over (Under) Expenditures</b>	2,733
<b>Unencumbered Cash, Beginning</b>	<u>3,403</u>
<b>Unencumbered Cash, Ending</b>	<u><u>\$ 6,136</u></u>

**City of Udall, Kansas**  
**Agency Funds**  
**Schedule of Receipts and Expenditures – Actual**  
**Regulatory Basis**  
**For the Year Ended December 31, 2017**

<b>Fund</b>	<b>Beginning Cash Balance</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Ending Cash Balance</b>
Payroll Clearing Fund	\$ 14,928	\$ 357,139	\$ 351,531	\$ 20,536
Sales Tax Clearing Fund	8,089	18,049	25,097	1,041
Deposit Clearing Fund	-	44,876	44,842	34
Penalty Clearing Fund	-	12,367	-	12,367
Total agency funds	<u>\$ 23,017</u>	<u>\$ 432,431</u>	<u>\$ 421,470</u>	<u>\$ 33,978</u>