

CITY OF BALDWIN CITY, KANSAS

FINANCIAL STATEMENTS

Year Ended December 31, 2016

This page intentionally left blank.

CITY OF BALDWIN CITY, KANSAS

FINANCIAL STATEMENTS
Year ending December 31, 2016

TABLE OF CONTENTS

	<u>Page Number</u>
INTRODUCTORY SECTION	
Table of Contents	i
FINANCIAL SECTION	
Independent Auditor's Report	1 - 2
Summary Statement of Receipts, Expenditures and Unencumbered Cash	3
Notes to the Financial Statements	4 - 10
SCHEDULE 1	
Summary of Expenditures - Actual and Budget	11
SCHEDULE 2	
Schedule of Receipts and Expenditures - Actual and Budget and Actual Only	
General Fund	12 - 13
Library Fund	14
Special Parks and Recreation Fund	15
Special Highway Fund	16
Swimming Pool Sales Tax Revenue Fund	17
General Reserve Fund	18
Cemetery Reserve Fund	19
Cemetery Fund	20
Bond and Interest Fund	21
Capital Project Fund	22
Quality of Life Sales Tax Fund	23
Capital Improvement Sales Tax Fund	24
Public Utility Building Fund	25
Electric System Fund	26
Electric Project Fund	27
Water System Fund	28
Water Project Fund	29
Sewer Project Fund	30
Wastewater Utility Fund	31
Refuse Utility Fund	32
SCHEDULE 3	
Schedule of Receipts and Expenditures - Actual Only	
Related Municipal Entity - Baldwin City Library	33



INDEPENDENT AUDITOR'S REPORT

Mayor and City Council
City of Baldwin City, Kansas

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

Management's Responsibility for the Financial Statements

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

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 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 as of December 31, 2016, or changes in financial position and cash flows thereof for the year then ended.

Unmodified 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 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.

Emphasis of Matter

Prior Period Restatement

As discussed in Note 5 to the financial statements, the financial statements for the year ended December 31, 2015, have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Other Matters

Report on Supplementary Information

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

The 2015 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2016 basic financial statement upon which we rendered an unmodified opinion dated May 17, 2016. The 2015 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2015 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2015 basic financial statement. The 2015 comparative information was subjected to the auditing procedures applied in the audit of the 2015 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 2015 basic financial statement or to the 2015 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 2015 comparative information is fairly stated in all material respects in relation to the 2015 basic financial statement as a whole, on the basis of accounting described in Note 1.

Mize Houser & Company PA

Certified Public Accountants
Lawrence, Kansas

June 12, 2017

CITY OF BALDWIN CITY, KANSAS

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

Funds	Beginning		Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
	Unencumbered Cash Balance	Prior Year Adjustment					
General Funds:							
General	\$ 604,816	\$ -	\$ 2,620,480	\$ 2,495,687	\$ 729,609	\$ 22,519	\$ 752,128
Special Purpose Funds:							
Library Fund	-	-	132,400	132,400	-	-	-
Special Parks and Recreation Fund	55,993	-	16,545	-	72,538	-	72,538
Special Highway Fund	214,067	-	134,345	224,116	124,296	-	124,296
Swimming Pool Sales Tax Revenue Fund	94,952	-	214	-	95,166	-	95,166
General Reserve Fund	294,942	-	57,054	58,880	293,116	845	293,961
Cemetery Reserve Fund	135,659	-	10,292	22,294	123,657	-	123,657
Cemetery Fund	20,353	-	81,338	84,488	17,203	731	17,934
Bond and Interest Funds:							
Bond and Interest Fund	5,233	-	509,144	513,145	1,232	-	1,232
Capital Project Funds:							
Capital Project Fund	6,393	-	124,191	31,428	99,156	-	99,156
Quality of Life Sales Tax Fund	171,707	-	101,790	126,739	146,758	-	146,758
Capital Improvement Sales Tax Fund	133,275	-	203,280	230,000	106,555	-	106,555
Public Utility Building Fund	-	-	30,004	24,047	5,957	-	5,957
Business Funds:							
Electric System Fund	1,672,880	[86,702]	4,136,214	4,066,913	1,655,479	120,151	1,775,630
Electric Project Fund	860,785	-	1,051	693,467	168,369	-	168,369
Water System Fund	998,198	[27,285]	1,446,810	1,690,125	727,598	28,514	756,112
Water Project Fund	213,195	-	20,757	100,237	133,715	600	134,315
Sewer Project Fund	3,070,847	-	12,295	173,184	2,909,958	-	2,909,958
Wastewater Utility Fund	204,581	-	925,937	1,007,259	123,259	4,168	127,427
Refuse Utility Fund	34,693	-	245,250	251,686	28,257	128	28,385
Total Primary Government	<u>8,792,569</u>	<u>[113,987]</u>	<u>10,809,391</u>	<u>11,926,095</u>	<u>7,561,878</u>	<u>177,656</u>	<u>7,739,534</u>
Related Municipal Entity:							
Baldwin City Library	<u>332,050</u>	<u>-</u>	<u>57,807</u>	<u>52,734</u>	<u>337,123</u>	<u>-</u>	<u>337,123</u>
Total Related Municipal Entity	<u>332,050</u>	<u>-</u>	<u>57,807</u>	<u>52,734</u>	<u>337,123</u>	<u>-</u>	<u>337,123</u>
Total Reporting Entity	<u>\$ 9,124,619</u>	<u>\$ [113,987]</u>	<u>\$ 10,867,198</u>	<u>\$ 11,978,829</u>	<u>\$ 7,899,001</u>	<u>\$ 177,656</u>	<u>\$ 8,076,657</u>

Composition of Cash:

Baldwin State Bank	
Checking	\$ 5,739,019
Checking - Baldwin City Library	114,856
Certificates of Deposit - Baldwin City Library	196,536
Mid America Bank - Certificates of Deposit	2,000,000
Bank of America - Baldwin City Library Shares	25,731
Petty Cash	515
Total	<u>\$ 8,076,657</u>

CITY OF BALDWIN CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2016

NOTE 1 - Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

The City of Baldwin City, Kansas, (the City) is a municipal corporation governed by a mayor and a five member council. These financial statements present the City and its related municipal entity for which the City is considered to be financially accountable.

Related Municipal Entity. The Baldwin City Public Library (Library) serves the citizens within the City's jurisdiction. The City appoints the entire governing body of the Library. Acquisition or disposition of real property by the Library must be approved by the City. Bond issuances must also be approved by the City. The Library is presented as a governmental fund type. Complete financial statements are not available for the Library 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 *Kansas Municipal Audit and Accounting Guide (KMAAG)* regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the City for the year ended December 31, 2016:

The General Fund is the chief operating fund is used to account for all resources except those required to be accounted for in another fund.

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

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

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

The Business Funds are 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.)

CITY OF BALDWIN CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2016

NOTE 1 - Summary of Significant Accounting Policies (Continued)

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. 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 1st.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of the notice of hearing.
4. 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 regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. The 2016 budget was not amended.

The statutes permit management to transfer 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. In the financial statements, budget comparisons are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts 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. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

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

Reclassification of Account Balances

Certain line items have been reclassified to conform to the presentation of the financial statements in the current year. This principally consisted of expenses reclassified into different functions from the prior year. These reclassifications had no net effect on the City's net position or changes there in for the current year.

CITY OF BALDWIN CITY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2016

NOTE 2 – Deposits and Investments

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.

Investments. 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.

K.S.A. 12-1225(h) authorizes Library boards to invest or reinvest gifts and donations and any dividends, interest, rent or income derived from the gifts in the manner the board deems will best serve the interest of the Library. The Baldwin City Library had the following investments from gifts and donations at December 31, 2016, the Library had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>
Bank of America stock	<u>\$ 25,731</u>

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, except during designated "peak periods" when required coverage is 50%. The City has no designated "peak periods."

At December 31, 2016, the City's carrying amount of deposits was \$7,739,534 and the bank balance was \$7,854,743. The bank balance was held by two banks resulting in a concentration of credit risk. Of the bank balance, \$500,000 was covered by federal depository insurance, \$750,000 was secured by letters of credit in the City's name, \$5,604,743 was collateralized with securities held by the pledging financial institutions' agents in the City's name and the remaining balance of \$1,000,000 was unsecured, which is a violation of K.S.A. 9-1402 and 9-1405.

At December 31, 2016, the Library's carrying amount of deposits was \$311,392 and the bank balance was \$312,153. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and the balance of \$62,153 was unsecured at December 31, 2016, which is a violation of K.S.A. 9-1042.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

NOTE 3 - Retirement 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 or by writing to KPERs (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

CITY OF BALDWIN CITY, KANSAS

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2016

NOTE 3 - Retirement Plan (Continued)

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. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. 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, KPERS 3 and KP&F 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 1.00% 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 9.18% for KPERS and 20.42% for KP&F for the fiscal year ended December 31, 2016. Contributions to the pension plan from the City were \$148,217 for KPERS and \$108,839 for KP&F 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 \$1,339,526 and \$1,008,628 for KP&F. 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 of 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 publically available on the KPERS website at www.kpers.org or can be obtained as described above.

NOTE 4 - Capital Projects

Capital project authorizations, with approved change orders, compared with expenditures from inception, are as follows:

	Project Authorization	Expenditures to Date
Public Utility Building	<u>\$ 3,200,000</u>	<u>\$ 24,047</u>

NOTE 5 - Restatement

During the year the City determined that meter deposits payable was incorrectly stated at December 31, 2015. The effects of the adjustment to correct the accounts are reported on pages 26 and 28 of these financial statements as prior period adjustments.

CITY OF BALDWIN CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2016

NOTE 6 - Long-Term Debt

During the year ended December 31, 2016, the following changes occurred in long term liabilities:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Outstanding</u>	<u>Interest Paid</u>
Paid by taxes					
General obligation bonds	\$ 5,035,000	\$ -	\$ 340,000	\$ 4,695,000	\$ 127,332
Capital leases	144,708	-	51,846	92,862	2,301
Paid by utility revenues					
General obligation bonds	12,850,000	-	1,115,000	11,735,000	283,891
Revolving loans	31,001	-	31,001	-	786
Capital leases	<u>308,678</u>	<u>-</u>	<u>101,550</u>	<u>207,128</u>	<u>4,654</u>
Total	<u>\$ 18,369,386</u>	<u>\$ -</u>	<u>\$ 1,639,397</u>	<u>\$ 16,729,990</u>	<u>\$ 418,964</u>

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 funds if they are expected to be repaid from proprietary fund regulatory receipts. In addition, general obligation bonds have been issued to refund other general obligation bonds.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

	<u>Date of Issuance</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Current Amount</u>
Paid by taxes					
Refunding, Series 2013	03/19/13	09/01/33	2.00 - 3.50%	\$ 3,829,693	\$ 3,395,000
Refunding and Improvement, Series 2015-A	06/18/15	09/01/35	2.00 - 3.50%	1,455,000	1,300,000
Paid by utility revenues					
Refunding, Series 2012	06/15/12	08/01/24	0.50 - 2.20%	1,125,000	770,000
Refunding, Series 2013	03/19/13	09/01/33	2.00 - 3.50%	3,335,308	2,480,000
Refunding, Series 2014	08/01/14	11/01/26	2.00 - 2.75%	5,890,000	4,850,000
Refunding and Improvement, Series 2015-A	06/18/15	09/01/35	2.00 - 3.50%	645,000	625,000
Improvement, Series 2015-B	12/10/15	09/01/35	2.50 - 3.50%	3,155,000	<u>3,010,000</u>
Total General Obligation Bonds					<u>\$ 16,430,000</u>

CITY OF BALDWIN CITY, KANSAS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2016

NOTE 6 - Long-Term Debt (Continued)

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

<u>Year Ending</u> <u>December 31,</u>	Paid By <u>Taxes</u>	Paid By <u>Utility Revenue</u>	<u>Total</u>
2017	\$ 459,175	\$ 1,388,258	\$ 1,847,433
2018	462,275	1,430,768	1,893,043
2019	470,175	1,441,928	1,912,103
2020	477,775	1,362,003	1,839,778
2021	470,075	1,343,178	1,813,253
2022 - 2026	1,891,650	4,385,418	6,277,068
2027 - 2031	1,129,875	1,492,813	2,622,688
2032 - 2035	<u>310,575</u>	<u>1,016,538</u>	<u>1,327,113</u>
Total principal and interest	5,671,575	13,860,904	19,532,479
Less: interest	<u>976,575</u>	<u>2,125,904</u>	<u>3,102,479</u>
Total principal	<u>\$ 4,695,000</u>	<u>\$ 11,735,000</u>	<u>\$ 16,430,000</u>

Subsequent Event. On February 10, 2017, the City issued General Obligation Temporary Notes, Series 2017-A, in the amount of \$2,900,000. The notes mature on March 1, 2019, and bear an interest rate of 1.15%. Proceeds of the notes will be used for the purpose of paying the cost of public utility building improvements.

Capital Leases. The City has entered into lease agreements for the acquisition of equipment in the current and prior years. These lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term).

The future minimum lease obligations as of December 31, 2016 are as follows:

<u>Year Ending</u> <u>December 31,</u>	Paid By <u>Taxes</u>	Paid By <u>Utility Revenue</u>	<u>Total</u>
2017	\$ 45,803	\$ 106,202	\$ 152,005
2018	45,804	105,880	151,684
2019	<u>3,707</u>	<u>-</u>	<u>3,707</u>
Total principal and interest	95,314	212,082	307,396
Less: interest	<u>2,452</u>	<u>4,954</u>	<u>7,406</u>
Total principal	<u>\$ 92,862</u>	<u>\$ 207,128</u>	<u>\$ 299,990</u>

Revolving Loan. On August 25, 2016, the City entered into a loan agreement with the Kansas Department of Health and Environment for a Public Water Supply Loan up to the amount of \$1,577,930 with an interest rate of 1.47% and service fee rate of 0.35%. There have been no draws on the loan as of December 31, 2016. An amortization schedule for the loan is not yet available since the loan has not been finalized. The purpose of the loan is to fund the replacement of approximately 8,700 linear feet of water mains throughout the City.

CITY OF BALDWIN CITY, KANSAS
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2016

NOTE 6 - 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 bond and interest fund. Special assessments paid prior to the issuance of bonds are recorded as regulatory receipts in the appropriate project. Special assessments received after the issuance of bonds are recorded as regulatory receipts in the bond and interest fund. The special assessment debt is a contingent liability of the City to the extent of property owner defaults, which have historically been immaterial.

NOTE 7 - 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; injuries to employees; and natural disasters. The City carries commercial insurance for these risks of loss, including related lost regulatory receipts. No significant reductions in insurance coverage from that of the prior year have occurred. Settlements have not exceeded insurance coverage for each of the last three years.

NOTE 8 - Interfund Transfers

A reconciliation of transfers by fund type for 2016 follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
Cemetery	General	\$ 12,936	City ordinance
Electric System	General	381,631	K.S.A. 12-825d
Water System	General	151,255	K.S.A. 12-825d
Wastewater Utility	General	76,560	K.S.A. 12-825d
Refuse	General	21,843	K.S.A. 12-825d
Special Highway	General	50,000	K.S.A. 68-950
General	Bond and Interest	50,000	Bond ordinance
Quality of Life Sales Tax	Bond and Interest	39,925	Bond ordinance
Special Highway	Bond and Interest	28,903	Bond ordinance
Capital Improvement Sales Tax	Bond and Interest	210,000	Bond ordinance
General	Capital Improvement Reserve	100,000	K.S.A. 12-1,118
General	General Reserve	56,426	K.S.A. 12-1,117
Cemetery	Cemetery Reserve	10,000	K.S.A. 12-1,117
General	Public Utility Building	30,000	Bond ordinance
		<u>\$ 1,219,480</u>	

NOTE 9 - Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation earned but unused at termination is paid to the employees at their current rate of pay up to a maximum of 30 days. Employees who resign in good standing are entitled to ten percent of their unused sick leave and employees who retire in good standing are entitled to twenty percent of their sick leave. The sick leave is calculated at the maximum entitlement even though not all employees are eligible for retirement in the coming year. The liability for compensated absences at December 31, 2016 is \$198,221.

This page intentionally left blank.

CITY OF BALDWIN CITY, KANSAS

Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance Positive [Negative]</u>
General Funds:					
General	\$ 3,087,585	\$ -	\$ 3,087,585	\$ 2,495,687	\$ 591,898
Special Purpose Funds:					
Library Fund	136,811	-	136,811	132,400	4,411
Special Parks and Recreation Fund	15,100	-	15,100	-	15,100
Special Highway Fund	383,666	-	383,666	224,116	159,550
Swimming Pool Sales Tax Revenue Fund	94,952	-	94,952	-	94,952
General Reserve Fund	339,276	-	339,276	58,880	280,396
Cemetery Reserve Fund	115,659	-	115,659	22,294	93,365
Cemetery Fund	88,184	-	88,184	84,488	3,696
Bond and Interest Funds:					
Bond and Interest Fund	514,469	-	514,469	513,145	1,324
Capital Project Funds:					
Quality of Life Sales Tax Fund	265,079	-	265,079	126,739	138,340
Capital Improvement Sales Tax Fund	602,155	-	602,155	230,000	372,155
Business Funds:					
Electric System Fund	5,711,316	-	5,711,316	4,066,913	1,644,403
Water System Fund	2,636,351	-	2,636,351	1,690,125	946,226
Wastewater Utility Fund	1,172,322	-	1,172,322	1,007,259	165,063
Refuse Utility Fund	287,828	-	287,828	251,686	36,142

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

CITY OF BALDWIN CITY, KANSAS

General Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 910,917	\$ 1,011,768	\$ 1,011,388	\$ 380
Intergovernmental	704,170	740,465	737,289	3,176
Franchise fees	61,321	55,540	94,864	[39,324]
Licenses, permits and fees	20,835	27,155	28,801	[1,646]
Fines, forfeitures and penalties	45,526	47,101	65,200	[18,099]
Use of money and property	5,205	1,928	3,772	[1,844]
Transfer in	674,570	694,226	644,225	50,001
Miscellaneous	193,069	42,297	15,075	27,222
Total Receipts	<u>2,615,613</u>	<u>2,620,480</u>	<u>\$ 2,600,614</u>	<u>\$ 19,866</u>
Expenditures				
General administration				
Personal services	96,333	103,712	\$ 127,079	\$ 23,367
Contractual services	122,743	140,727	241,965	101,238
Commodities	16,962	17,156	23,160	6,004
Capital outlay	15,902	6,005	15,000	8,995
	<u>251,940</u>	<u>267,600</u>	<u>407,204</u>	<u>139,604</u>
Planning				
Personal services	102,039	107,950	132,238	24,288
Contractual services	21,069	13,052	59,791	46,739
Commodities	3,450	1,433	4,100	2,667
Capital outlay	-	467	1,500	1,033
	<u>126,558</u>	<u>122,902</u>	<u>197,629</u>	<u>74,727</u>
Public works				
Personal services	221,341	232,303	192,544	[39,759]
Contractual services	58,822	42,965	47,316	4,351
Commodities	153,709	72,699	93,777	21,078
Capital outlay	131,028	8,468	111,000	102,532
	<u>564,900</u>	<u>356,435</u>	<u>444,637</u>	<u>88,202</u>
Culture and recreation				
Personal services	46,170	51,974	97,656	45,682
Contractual services	14,628	7,651	11,280	3,629
Commodities	18,233	13,154	39,331	26,177
Capital outlay	11,875	27,551	14,000	[13,551]
	<u>90,906</u>	<u>100,330</u>	<u>162,267</u>	<u>61,937</u>

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

CITY OF BALDWIN CITY, KANSAS

General Fund, (continued)
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

Expenditures (Continued)	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Fire Department				
Personal services	\$ 46,249	\$ 39,915	\$ 89,757	\$ 49,842
Contractual services	38,858	37,224	40,124	2,900
Commodities	13,269	7,653	17,456	9,803
Capital outlay	5,838	7,487	15,400	7,913
	<u>104,214</u>	<u>92,279</u>	<u>162,737</u>	<u>70,458</u>
Police Department				
Personal services	836,892	911,914	939,353	27,439
Contractual services	110,201	89,061	98,535	9,474
Commodities	55,117	47,552	52,354	4,802
Capital outlay	8,048	9,266	11,000	1,734
	<u>1,010,258</u>	<u>1,057,793</u>	<u>1,101,242</u>	<u>43,449</u>
Municipal Court				
Personal services	42,489	50,578	-	[50,578]
Contractual services	31,245	28,144	69,095	40,951
Commodities	453	222	13,000	12,778
	<u>74,187</u>	<u>78,944</u>	<u>82,095</u>	<u>3,151</u>
Economic Development				
Personal services	-	217	-	[217]
Contractual services	52,735	48,172	53,680	5,508
Capital outlay	39,256	19,618	120,583	100,965
	<u>91,991</u>	<u>68,007</u>	<u>174,263</u>	<u>106,256</u>
Pool				
Personal services	-	-	40,972	40,972
Contractual services	69,624	70,768	37,153	[33,615]
Commodities	4,977	7,963	1,122	[6,841]
Capital outlay	-	1,410	-	[1,410]
	<u>74,601</u>	<u>80,141</u>	<u>79,247</u>	<u>[894]</u>
Information Technology				
Contractual services	4,962	527	62,338	61,811
Commodities	145	273	7,500	7,227
Capital outlay	55,058	34,030	-	[34,030]
	<u>60,165</u>	<u>34,830</u>	<u>69,838</u>	<u>35,008</u>
Transfer out	<u>138,426</u>	<u>236,426</u>	<u>206,426</u>	<u>[30,000]</u>
	<u>138,426</u>	<u>236,426</u>	<u>206,426</u>	<u>[30,000]</u>
Total Expenditures	<u>2,588,146</u>	<u>2,495,687</u>	<u>\$ 3,087,585</u>	<u>\$ 591,898</u>
Receipts Over [Under] Expenditures	27,467	124,793		
Unencumbered Cash, Beginning	<u>577,349</u>	<u>604,816</u>		
Unencumbered Cash, Ending	<u>\$ 604,816</u>	<u>\$ 729,609</u>		

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

CITY OF BALDWIN CITY, KANSAS

Library Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year	Current Year		Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Positive [Negative]
Receipts				
Taxes	\$ 130,577	\$ 132,350	\$ 136,810	\$ [4,460]
Use of money and property	<u>-</u>	<u>50</u>	<u>-</u>	<u>50</u>
Total Receipts	<u>130,577</u>	<u>132,400</u>	<u>\$ 136,810</u>	<u>\$ [4,410]</u>
Expenditures				
Culture and Recreation:				
Personal services	109,303	104,100	\$ 95,216	\$ [8,884]
Contractual services	8,837	9,054	16,440	7,386
Appropriation To Library Board	<u>12,437</u>	<u>19,246</u>	<u>25,155</u>	<u>5,909</u>
Total Expenditures	<u>130,577</u>	<u>132,400</u>	<u>\$ 136,811</u>	<u>\$ 4,411</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

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

CITY OF BALDWIN CITY, KANSAS

Special Parks and Recreation Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis

For the Year Ended December 31, 2016

(With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Receipts				
Intergovernmental	\$ 13,527	\$ 15,348	\$ 14,292	\$ 1,056
Use of money and property	-	147	-	147
Park fees	<u>1,750</u>	<u>1,050</u>	<u>500</u>	<u>550</u>
Total Receipts	<u>15,277</u>	<u>16,545</u>	<u>\$ 14,792</u>	<u>\$ 1,753</u>
Expenditures				
Culture and Recreation:				
Contractual services	-	-	\$ 15,100	\$ 15,100
Transfer out	<u>2,633</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>2,633</u>	<u>-</u>	<u>\$ 15,100</u>	<u>\$ 15,100</u>
Receipts Over [Under] Expenditures	12,644	16,545		
Unencumbered Cash, Beginning	<u>43,349</u>	<u>55,993</u>		
Unencumbered Cash, Ending	<u>\$ 55,993</u>	<u>\$ 72,538</u>		

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

SCHEDULE 2 - 4

CITY OF BALDWIN CITY, KANSAS

Special Highway Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Receipts				
Intergovernmental	\$ 131,902	\$ 133,837	\$ 128,420	\$ 5,417
Use of money and property	-	508	-	508
Total Receipts	<u>131,902</u>	<u>134,345</u>	<u>\$ 128,420</u>	<u>\$ 5,925</u>
Expenditures				
Public works				
Contractual services	229,244	145,213	\$ 339,763	\$ 194,550
Commodities	-	-	15,000	15,000
Transfer out	<u>28,903</u>	<u>78,903</u>	<u>28,903</u>	<u>[50,000]</u>
Total Expenditures	<u>258,147</u>	<u>224,116</u>	<u>\$ 383,666</u>	<u>\$ 159,550</u>
Receipts Over [Under] Expenditures	[126,245]	[89,771]		
Unencumbered Cash, Beginning	<u>340,312</u>	<u>214,067</u>		
Unencumbered Cash, Ending	<u>\$ 214,067</u>	<u>\$ 124,296</u>		

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

CITY OF BALDWIN CITY, KANSAS

Swimming Pool Sales Tax Revenue Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Use of money and property	\$ -	\$ 214	\$ -	\$ 214
Total Receipts	<u>-</u>	<u>214</u>	<u>-</u>	<u>214</u>
Expenditures				
Culture and Recreation:				
Contractual services	<u>-</u>	<u>-</u>	\$ 94,952	\$ 94,952
Total Expenditures	<u>-</u>	<u>-</u>	<u>\$ 94,952</u>	<u>\$ 94,952</u>
Receipts Over [Under] Expenditures	-	214		
Unencumbered Cash, Beginning	<u>94,952</u>	<u>94,952</u>		
Unencumbered Cash, Ending	<u>\$ 94,952</u>	<u>\$ 95,166</u>		

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

CITY OF BALDWIN CITY, KANSAS

General Reserve Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Receipts				
Transfer in	\$ 88,426	\$ 56,426	\$ 56,426	\$ -
Use of money and property	-	628	-	628
Total Receipts	<u>88,426</u>	<u>57,054</u>	<u>\$ 56,426</u>	<u>\$ 628</u>
Expenditures				
Contractual services	-	-	\$ 225,850	\$ 225,850
Capital outlay	76,334	58,880	113,426	54,546
Total Expenditures	<u>76,334</u>	<u>58,880</u>	<u>\$ 339,276</u>	<u>\$ 280,396</u>
Receipts Over [Under] Expenditures	12,092	[1,826]		
Unencumbered Cash, Beginning	<u>282,850</u>	<u>294,942</u>		
Unencumbered Cash, Ending	<u>\$ 294,942</u>	<u>\$ 293,116</u>		

CITY OF BALDWIN CITY, KANSAS

Cemetery Reserve Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfer in	\$ -	\$ 10,000	\$ 10,000	\$ -
Use of money and property	-	292	-	292
Total Receipts	-	10,292	\$ 10,000	\$ 292
Expenditures				
Contractual services	-	5,375	\$ 115,659	\$ 110,284
Capital outlay	-	16,919	-	[16,919]
Total Expenditures	-	22,294	\$ 115,659	\$ 93,365
Receipts Over [Under] Expenditures	-	[12,002]		
Unencumbered Cash, Beginning	<u>135,659</u>	<u>135,659</u>		
Unencumbered Cash, Ending	<u>\$ 135,659</u>	<u>\$ 123,657</u>		

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

CITY OF BALDWIN CITY, KANSAS

Cemetery Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 60,068	\$ 68,324	\$ 65,667	\$ 2,657
Use of money and property	-	52	-	52
Miscellaneous	<u>17,208</u>	<u>12,962</u>	<u>12,000</u>	<u>962</u>
Total Receipts	<u>77,276</u>	<u>81,338</u>	<u>\$ 77,667</u>	<u>\$ 3,671</u>
Expenditures				
Personal services	47,839	54,749	\$ 48,843	\$ [5,906]
Contractual services	7,199	3,692	11,037	7,345
Commodities	593	1,261	1,800	539
Capital outlay	15,679	1,850	3,068	1,218
Miscellaneous	-	-	500	500
Transfer out	4,377	22,936	12,936	[10,000]
Budget authority	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
Total Expenditures	<u>75,687</u>	<u>84,488</u>	<u>\$ 88,184</u>	<u>\$ 3,696</u>
Receipts Over [Under] Expenditures	1,589	[3,150]		
Unencumbered Cash, Beginning	<u>18,764</u>	<u>20,353</u>		
Unencumbered Cash, Ending	<u>\$ 20,353</u>	<u>\$ 17,203</u>		

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

CITY OF BALDWIN CITY, KANSAS

Bond and Interest Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes	\$ 149,933	\$ 180,222	\$ 185,593	\$ [5,371]
Use of money and property	-	94	-	94
Bond proceeds	1,488,689	-	-	-
Transfer in	<u>359,428</u>	<u>328,828</u>	<u>328,828</u>	<u>-</u>
Total Receipts	<u>1,998,050</u>	<u>509,144</u>	<u>\$ 514,421</u>	<u>\$ [5,277]</u>
Expenditures				
Debt service:				
Principal	1,750,000	383,726	\$ 385,153	\$ 1,427
Interest	<u>248,071</u>	<u>129,419</u>	<u>129,316</u>	<u>[103]</u>
Total Expenditures	<u>1,998,071</u>	<u>513,145</u>	<u>\$ 514,469</u>	<u>\$ 1,324</u>
Receipts Over [Under] Expenditures	[21]	[4,001]		
Unencumbered Cash, Beginning	<u>5,254</u>	<u>5,233</u>		
Unencumbered Cash, Ending	<u>\$ 5,233</u>	<u>\$ 1,232</u>		

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

CITY OF BALDWIN CITY, KANSAS

Capital Project Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Year Ended December 31, 2016 and 2015

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Transfers in	\$ -	\$ 100,000
Miscellaneous	-	24,000
Use of money and property	-	191
Total Receipts	<u>-</u>	<u>124,191</u>
Expenditures		
Public works		
Contractual services	61,731	31,428
Capital outlay	479,565	-
Total Expenditures	<u>541,296</u>	<u>31,428</u>
Receipts Over [Under] Expenditures	[541,296]	92,763
Unencumbered Cash, Beginning	<u>547,689</u>	<u>6,393</u>
Unencumbered Cash, Ending	<u>\$ 6,393</u>	<u>\$ 99,156</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Quality of Life Sales Tax Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales tax revenue	\$ 101,645	\$ 101,492	\$ 100,183	\$ 1,309
Use of money and property	-	298	-	298
Reimbursements	10,000	-	-	-
Total Receipts	<u>111,645</u>	<u>101,790</u>	<u>\$ 100,183</u>	<u>\$ 1,607</u>
Expenditures				
Contractual services	-	-	\$ 140,154	140,154
Capital outlay	63,038	86,814	85,000	[1,814]
Transfers out	70,525	39,925	39,925	-
Total Expenditures	<u>133,563</u>	<u>126,739</u>	<u>\$ 265,079</u>	<u>\$ 138,340</u>
Receipts Over [Under] Expenditures	[21,918]	[24,949]		
Unencumbered Cash, Beginning	<u>193,625</u>	<u>171,707</u>		
Unencumbered Cash, Ending	<u>\$ 171,707</u>	<u>\$ 146,758</u>		

CITY OF BALDWIN CITY, KANSAS

Capital Improvement Sales Tax Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year Actual	Current Year		Variance Positive [Negative]
		Actual	Budget	
Receipts				
Sales tax revenue	\$ 203,287	\$ 202,984	\$ 200,366	\$ 2,618
Use of money and property	-	296	-	296
Total Receipts	<u>203,287</u>	<u>203,280</u>	<u>\$ 200,366</u>	<u>\$ 2,914</u>
Expenditures				
Contractual services	-	-	\$ 372,155	\$ 372,155
Capital outlay	-	20,000	20,000	-
Transfers out	<u>240,000</u>	<u>210,000</u>	<u>210,000</u>	<u>-</u>
Total Expenditures	<u>240,000</u>	<u>230,000</u>	<u>\$ 602,155</u>	<u>\$ 372,155</u>
Receipts Over [Under] Expenditures	[36,713]	[26,720]		
Unencumbered Cash, Beginning	<u>169,988</u>	<u>133,275</u>		
Unencumbered Cash, Ending	<u>\$ 133,275</u>	<u>\$ 106,555</u>		

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

CITY OF BALDWIN CITY, KANSAS

Public Utility Building Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Year Ended December 31, 2016 and 2015

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ -	\$ 4
Transfers in	<u>-</u>	<u>30,000</u>
Total Receipts	<u>-</u>	<u>30,004</u>
 Expenditures		
Contractual services	<u>-</u>	<u>24,047</u>
Total Expenditures	<u>-</u>	<u>24,047</u>
 Receipts Over [Under] Expenditures	-	5,957
 Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
 Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 5,957</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Electric System Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales to consumers	\$ 4,271,384	\$ 4,056,275	\$ 4,462,340	\$ [406,065]
Reimbursed expenses	24,522	43,344	-	43,344
Bond proceeds	657,236	-	-	-
Franchise fees	-	32,441	-	32,441
Miscellaneous	201,761	-	-	-
Use of money and property	4,795	4,154	7,103	[2,949]
Total Receipts	<u>5,159,698</u>	<u>4,136,214</u>	<u>\$ 4,469,443</u>	<u>\$ [333,229]</u>
Expenditures				
Personal services	713,222	721,349	\$ 777,200	\$ 55,851
Contractual services	2,140,670	1,804,633	3,324,738	1,520,105
Commodities	96,188	60,614	325,661	265,047
Capital outlay	400,617	293,407	110,000	[183,407]
Debt service:				
Principal	480,000	641,079	641,079	-
Interest	165,188	147,007	147,007	-
Bond issuance costs	6,381	-	-	-
Miscellaneous	211	17,193	4,000	[13,193]
Transfers out	1,035,990	381,631	381,631	-
Total Expenditures	<u>5,038,467</u>	<u>4,066,913</u>	<u>\$ 5,711,316</u>	<u>\$ 1,644,403</u>
Receipts Over [Under] Expenditures	<u>121,231</u>	<u>69,301</u>		
Unencumbered Cash, Beginning	1,536,601	1,672,880		
Prior Period Adjustment	<u>15,048</u>	<u>[86,702]</u>		
Unencumbered Cash, Beginning, Restated	<u>1,551,649</u>	<u>1,586,178</u>		
Unencumbered Cash, Ending	<u>\$ 1,672,880</u>	<u>\$ 1,655,479</u>		

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

CITY OF BALDWIN CITY, KANSAS

Electric Project Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Year Ended December 31, 2016 and 2015

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Use of money and property	\$ -	\$ 1,051
Transfer in	<u>633,000</u>	<u>-</u>
Total Receipts	<u>633,000</u>	<u>1,051</u>
Expenditures		
Capital outlay	<u>114,360</u>	<u>693,467</u>
Total Expenditures	<u>114,360</u>	<u>693,467</u>
Receipts Over [Under] Expenditures	518,640	[692,416]
Unencumbered Cash, Beginning	<u>342,145</u>	<u>860,785</u>
Unencumbered Cash, Ending	<u>\$ 860,785</u>	<u>\$ 168,369</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Water System Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales to consumers	\$ 1,383,103	\$ 1,414,636	\$ 1,608,845	\$ [194,209]
Franchise fees	-	9,820	-	9,820
Miscellaneous	124,238	20,270	-	20,270
Use of money and property	<u>4,134</u>	<u>2,084</u>	<u>2,671</u>	<u>[587]</u>
Total Receipts	<u>1,511,475</u>	<u>1,446,810</u>	<u>\$ 1,611,516</u>	<u>\$ [164,706]</u>
Expenditures				
Personal services	493,800	534,911	\$ 546,507	\$ 11,596
Contractual services	641,832	669,982	1,530,964	860,982
Commodities	34,611	25,904	129,874	103,970
Capital outlay	251,479	138,169	130,000	[8,169]
Debt service:				
Principal	90,000	130,232	130,153	[79]
Interest	14,335	15,480	15,598	118
Miscellaneous	6,177	24,192	2,000	[22,192]
Transfers out	<u>158,951</u>	<u>151,255</u>	<u>151,255</u>	<u>-</u>
Total Expenditures	<u>1,691,185</u>	<u>1,690,125</u>	<u>\$ 2,636,351</u>	<u>\$ 946,226</u>
Receipts Over [Under] Expenditures	<u>[179,710]</u>	<u>[243,315]</u>		
Unencumbered Cash, Beginning	1,172,758	998,198		
Prior Period Adjustment	<u>5,150</u>	<u>[27,285]</u>		
Unencumbered Cash, Beginning, Restated	<u>1,177,908</u>	<u>970,913</u>		
Unencumbered Cash, Ending	<u>\$ 998,198</u>	<u>\$ 727,598</u>		

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

CITY OF BALDWIN CITY, KANSAS

Water Project Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Year Ended December 31, 2016 and 2015

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Connection fees	\$ 4,950	\$ 3,849
Use of money and property	-	408
Reimbursements	<u>-</u>	<u>16,500</u>
Total Receipts	<u>4,950</u>	<u>20,757</u>
Expenditures		
Capital projects	<u>170,201</u>	<u>100,237</u>
Total Expenditures	<u>170,201</u>	<u>100,237</u>
Receipts Over [Under] Expenditures	[165,251]	[79,480]
Unencumbered Cash, Beginning	<u>378,446</u>	<u>213,195</u>
Unencumbered Cash, Ending	<u>\$ 213,195</u>	<u>\$ 133,715</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Sewer Project Fund
 Schedule of Receipts and Expenditures - Actual *
 Regulatory Basis
 For the Year Ended December 31, 2016 and 2015

	Prior Year <u>Actual</u>	Current Year <u>Actual</u>
Receipts		
Connection fees	\$ 9,900	\$ 5,500
Use of money and property	-	6,795
Bond proceeds	<u>3,268,682</u>	<u>-</u>
Total Receipts	<u>3,278,582</u>	<u>12,295</u>
Expenditures		
Bond issuance costs	75,525	-
Capital outlay	140,010	173,184
Transfers out	<u>100,000</u>	<u>-</u>
Total Expenditures	<u>315,535</u>	<u>173,184</u>
Receipts Over [Under] Expenditures	2,963,047	[160,889]
Unencumbered Cash, Beginning	<u>107,800</u>	<u>3,070,847</u>
Unencumbered Cash, Ending	<u>\$ 3,070,847</u>	<u>\$ 2,909,958</u>

* This fund is not required to be budgeted.

CITY OF BALDWIN CITY, KANSAS

Wastewater Utility Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales to consumers	\$ 809,569	\$ 905,335	\$ 886,132	\$ 19,203
Franchise fees	-	7,288	-	7,288
Miscellaneous	4,051	12,891	9,047	3,844
Transfer in	100,000	-	-	-
Use of money and property	352	423	1,363	[940]
Total Receipts	<u>913,972</u>	<u>925,937</u>	<u>\$ 896,542</u>	<u>\$ 29,395</u>
Expenditures				
Personal services	315,963	329,440	\$ 333,351	\$ 3,911
Contractual services	137,393	132,082	333,161	201,079
Commodities	15,793	20,694	23,742	3,048
Capital outlay	7,759	16,337	15,000	[1,337]
Debt service:				
Principal	324,908	372,639	331,001	[41,638]
Interest	57,778	59,506	59,506	-
Transfers out	53,767	76,561	76,561	-
Total Expenditures	<u>913,361</u>	<u>1,007,259</u>	<u>\$ 1,172,322</u>	<u>\$ 165,063</u>
Receipts Over [Under] Expenditures	611	[81,322]		
Unencumbered Cash, Beginning	<u>203,970</u>	<u>204,581</u>		
Unencumbered Cash, Ending	<u>\$ 204,581</u>	<u>\$ 123,259</u>		

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

CITY OF BALDWIN CITY, KANSAS

Refuse Utility Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2016
 (With Comparative Actual Amounts for the Year Ended December 31, 2015)

	Prior Year <u>Actual</u>	Current Year		Variance Positive [Negative]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Sales to consumers	\$ 234,828	\$ 243,420	\$ 241,772	\$ 1,648
Franchise fees	-	1,739	-	1,739
Use of money and property	-	91	-	91
Total Receipts	<u>234,828</u>	<u>245,250</u>	<u>\$ 241,772</u>	<u>\$ 3,478</u>
Expenditures				
Personal services	7,465	8,014	\$ 8,632	\$ 618
Contractual services	201,893	221,021	256,843	35,822
Capital outlay	795	808	510	[298]
Transfers out	<u>21,852</u>	<u>21,843</u>	<u>21,843</u>	-
Total Expenditures	<u>232,005</u>	<u>251,686</u>	<u>\$ 287,828</u>	<u>\$ 36,142</u>
Receipts Over [Under] Expenditures	2,823	[6,436]		
Unencumbered Cash, Beginning	<u>31,870</u>	<u>34,693</u>		
Unencumbered Cash, Ending	<u>\$ 34,693</u>	<u>\$ 28,257</u>		

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

CITY OF BALDWIN CITY, KANSAS

Schedule of Receipts and Expenditures - Actual
 Regulatory Basis
 Related Municipal Entity - Baldwin City Library
 For the Year Ended December 31, 2016

Receipts	
City appropriations	\$ 19,246
Charges for services	6,955
Grants and donations	23,844
Use of money and property	<u>7,762</u>
Total Receipts	<u>57,807</u>
Expenditures	
Culture and recreation	<u>52,734</u>
Total Expenditures	<u>52,734</u>
Receipts Over [Under] Expenditures	5,073
Unencumbered Cash, Beginning	<u>332,050</u>
Unencumbered Cash, Ending	<u><u>\$ 337,123</u></u>

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