

City and County Budget 2008 Forms and Instructions

All cities and counties use the **City and County Budget Forms**. This budget determines your tax levies and provides financial information to the public. It is used extensively by the Legislature, state agencies, and federal agencies to determine local tax effort and expenditure categories. If you have suggestions concerning the design of the budget forms, please write or call our office.

All statutory fund levy limits are suspended by K.S.A. 79-5040. The only levy limits that apply are those that are set by resolution or ordinance. If you have such a resolution or ordinance setting a rate levy limit, include a copy and footnote the Certificate page.

We encourage preparing the budget on computer because it increases efficiency. We provide Excel budget templates that are available on internet website <http://da.ks.gov/ar/muniserv/>. If assistance is needed, call Mark Handshy at 785-296-4799.

If you want to submit your budget on the Excel spreadsheet, contact the County Clerk for specific procedures; the counties have various computer systems so they will have to provide instructions. At a minimum, you will have to submit (1) two copies of the printed Certificate form, signed by the Governing Body members, (2) two copies of the newspaper publication of the Notice of Hearing, (3) two copies of the resolution or published ordinance to exceed the computed limit (if applicable), and (4) e-mail the file to the county clerk and Accounts and Report's (A & R) website.

Table of Contents

- * Notice of Budget Hearing
- * Certificate
- * Computation to Determine Limit for 2008 Budget
- * Allocation of MVT & RVT and 16/20M Vehicle Taxes and Schedule of Transfers
- * Statement of Indebtedness
- * Statement of Conditional Lease, Lease-Purchase and Certificate of Participation
 - Individual Fund Page - Fund with a Tax Levy (long form)
 - Individual Fund Page - Fund with a Tax Levy (short form)
 - Individual Fund Page - Fund with no Tax Levy (long form)
 - Individual Fund Page - Fund with no Tax Levy (short form)
 - Amendment Instructions and Notice of Hearing
- * These forms plus a fund page for each fund must be included in the certified budget.

Calendar

This budget must be prepared so that it can be filed with the County Clerk by August 25. The following calendar shows the last date the various steps must be completed to meet this deadline:

August 5	Publish Notice of Budget Hearing
August 15	Hold Budget Hearing
August 25	Certify Budget to County Clerk

There must be at least ten days between the publication and the hearing. If publication is made at least ten days prior to a regular meeting date, the budget hearing can be part of a regular meeting.

General Instructions

Prior to preparing the budget obtain the following information:

County Treasurer's estimates of revenue
County Treasurer's annual report of distributions
County Clerk's budget information

Counties and cities vary a great deal in size and complexity. These forms will meet the needs of most, but they may be lengthened if necessary. Alternate forms and computer printouts are acceptable. However, they must follow the same format as these to comply with statutory requirements. All forms must be on 8 1/2" x 11" paper.

Use rounded dollars on all forms in all columns. Thus, individual amounts may need to be adjusted a few dollars to add to the correct totals.

Consolidated Method

As in the past years, we recommend that special districts that do not have authority to levy taxes directly (including most of the fire districts and cemetery districts) submit their requests for ad valorem taxes to their parent municipality that makes the tax levy on behalf of such special districts. To use the consolidated method, prepare a computation to determine limit for 2008 budget and fund page for every fund and coordinate with the clerk of the parent municipality for the needed tax levy.

Note: If a special district levies more than the computation to determine limit for 2008 budget, the special district must adopt a resolution and attach a copy to the city or county budget.

If you use this method it should be planned early so that all parties have time to implement their part of budget preparation. The benefits are (1) cut down on some of the formal budget procedures, (2) expedite the budget processes of the County Clerks, and (3) reduce the number of separate budgets.

List the consolidated funds after the total for the city or county on the Certificate and Budget Summary.

Fund Pages

The fund page serves as a financial statement for each fund, showing all receipts and expenditures as well as the beginning and ending balances. A fund is an independent fiscal and accounting entity under governmental accounting principles. Prepare a separate fund page for each fund maintained in the accounting records.

The fund pages have three years in parallel columns: Prior Year Actual, Current Year Estimate and Proposed Budget Year. Preparing the first draft for all fund pages is the first step in completing the budget document. The fund pages can be prepared as soon as the prior year accounts are closed. The financial information for the prior year is used to complete column 1 of the fund page for next year's budget. Fund pages should be drafted for each fund by July 1.

Fund Pages Vary in Complexity

Two Fund Pages for Funds with a Tax Levy are in the budget form distributed by A & R. Two forms are provided to allow flexibility in the amount of detail that is shown for a fund. Choose the form that has enough lines for the detail desired. Use A & R computer spreadsheets or design a spreadsheet using the same basic format if more lines are needed.

Complete Fund Pages in Stages

Normally the fund pages are completed in three stages. In stage 1, complete the Prior Year Actual column for all fund pages. In stage 2, complete the Current Year Estimate column for all fund pages. In stage 3, complete the Proposed Budget Year column for all fund pages.

Fund Pages For Funds With A Tax Levy

Stage 1 - Complete the Prior Year Actual Column for All Fund Pages With a Tax Levy

The Prior Year Actual column in each fund page is a financial statement for that fund for the year just completed. The following information is needed for that financial statement: 1) Unencumbered Cash Balance January 1, 2) receipts, 3) expenditures, and 4) Unencumbered Cash Balance December 31. Each of these items is discussed below.

- Step 1. Fund Name. Enter the name of the fund in “_____ Fund” field.
- Step 2. Enter Unencumbered Cash Balance January 1. This is the beginning cash balance as shown in the accounting records for the fund less encumbrances and accounts payable outstanding.

Note: Beginning Balance in Prior Year Actual column should agree with Beginning Balance in Current Year Estimate column on the fund page in the current year budget. If there is a difference, determine why the balance has changed.

- Step 3. Enter the receipt categories and amounts. Generally, receipts should be categorized into the same classifications that appear in the budget document that was prepared in the previous year. The amounts are derived from the accounting records by using a budget worksheet, computer printout, or annual audit report

Step 4. Calculate and enter Total Receipts. This is the sum of all receipt amounts.

Note: Do not include Unencumbered Cash Balance January 1 in Total Receipts.

Step 5. Calculate and enter Resources Available. This is the sum of Total Receipts and Unencumbered Cash Balance January 1.

Step 6. Enter the expenditure categories and amounts. Generally, expenditures should be categorized into the same classifications that appear in the budget document that was prepared in the previous year. The amounts are derived from the accounting records by using a budget worksheet, computer printout, or annual audit report.

Note: Outstanding encumbrances should be included in the expenditure amounts.

Step 7. Calculate and enter Total Expenditures. This is the sum of all expenditure amounts.

Step 8. Calculate and enter Unencumbered Cash Balance December 31. This is computed by subtracting Total Expenditures from Resources Available. Compare the computed balance to the cash balance in the accounting records to determine that the balance is correct. The balance should equal the cash balance less encumbrances and accounts payable.

Stage 2 - Complete the Current Year Estimate Column for All Fund Pages With a Tax Levy

The same type of information entered in the Prior Year Actual column for all fund pages must also be entered in the Current Year Estimate column. However, there is a big difference between the information in these columns. The Prior Year Actual column contains *actual* receipts and expenditures while the Current Year Estimate column contains *estimated* receipts and expenditures for the *current* year budget.

Step 1. Enter Unencumbered Cash Balance January 1. This is the beginning cash balance as shown in the accounting records for the fund less encumbrances and accounts payable outstanding.

Note: Copy Unencumbered Cash Balance December 31 from the Prior Year Actual 2006 column.

Step 2. Calculate and enter the receipt amounts. Normally, the receipts for the Current Year Estimate column will come directly from the budget prepared the prior year. Use the related fund page from the budget prepared the prior year and copy amounts directly from the Proposed Budget Year column. However, review amounts to determine if the estimate needs to be changed based on actual receipts received in the current year. If a better estimate is available, use it.

Note: Ad Valorem Tax is in the right column at the bottom of the fund page entitled Amount of Ad Valorem Tax in the current year budget. This amount should be shown on the ad valorem tax line on the fund page in the Current Year Estimate column.

- Step 3. Calculate and enter Total Receipts. This is the sum of all receipt amounts.
- Note: Do not include Unencumbered Cash Balance January 1 in Total Receipts.*
- Step 4. Calculate and enter Resources Available. This is the sum of Total Receipts and Unencumbered Cash Balance January 1.
- Step 5. Enter the expenditure amounts. Normally, the expenditures for the Current Year Estimate column will come directly from the budget prepared the prior year. Use the related fund page from the budget prepared the prior year and copy amounts directly from the Proposed Budget Year column. However, you can revise the estimates as long as the total expenditures for the fund do not exceed the amount originally published in the prior year or the resources available, whichever is less. Expenditures may exceed the amount originally published only if the budget of that fund is amended.
- Step 6. Calculate and enter Total Expenditures. This is the sum of all expenditure amounts.
- Step 7. Calculate and enter Unencumbered Cash Balance December 31. This is computed by subtracting Total Expenditures from Resources Available. A negative Unencumbered Cash Balance December 31 is not allowed; decrease expenditures to eliminate any negative amount.

Stage 3 - Complete the Proposed Budget Year Column for All Fund Pages With a Tax Levy

The same type of information entered in the first two columns for all fund pages must also be entered in the Proposed Budget Year column. The amounts entered in this column are receipt and expenditure estimates for the *Proposed Budget Year*.

- Step 1. Enter Unencumbered Cash Balance January 1. This is the amount calculated for Unencumbered Cash Balance December 31 in the Current Year Estimate column. This is the estimated cash available at the beginning of the budget year.

- Step 2. Enter the receipt estimates.

The estimates for motor vehicle tax, recreational vehicle tax, and 16/20M vehicle tax will be included in the County Treasurers Budget Information and will be available about July 1.

The estimate for county and city revenue sharing and special city and county highway funds are included in the League's Budget Tips Bulletin received in June.

The special city and county highway funds must be used for maintaining streets or roads. The Department of Transportation distributes quarterly on January 15, April 15, July 15, and October 15. K.S.A. 79-3425c

The city connecting link estimate is determined by an amount per lane mile maintained. These funds must be used to maintain a connecting link with a State

highway. The Department of Transportation distributes quarterly on January 1, April 1, July 1, and October 1. K.S.A. 68-416

The rental vehicle excise tax is, as the name implies, an excise tax on rental vehicles. The Department of Revenue distributes on June 30 and November 30. Use the prior year receipts as a basis to determine the estimate for the proposed year.

K.S.A. 79-5117

Transient guest tax is a tax on lodging facilities. The Department of Revenue distributes quarterly on January 30, April 30, July 30, and October 30. Use the prior year receipts as a basis to determine the estimate for the proposed year. K.S.A. 12-1698

The other receipts are from local sources. Use the prior year receipts and adjust for any known changes as a basis to determine the estimate for the proposed year.

Step 3. Calculate and enter Total Receipts. This is the sum of all receipt amounts.

Note: Do not include Unencumbered Cash Balance January 1 in Total Receipts.

Step 4. Calculate and enter Resources Available. This is the sum of Total Receipts and Unencumbered Cash Balance January 1.

Step 5. Enter the proposed expenditures. The expenditure estimates should be based on the prior year's actual and current year estimates with adjustments for any known changes. The total of all expenditures should be entered in the line for total expenditures.

Step 6. Calculate and enter Non-appropriated Balance that is allowed by K.S.A. 79-2927. This is a budgeted carryover from the Proposed Budget Year to the following budget year. The limit is 5 percent of the Total Expenditures plus the Non-appropriated Balance. To determine the limit, divide Total Expenditures by .95 and subtract Total Expenditures from the result.

Step 7. Calculate and enter Total Expenditures and Non-Appropriated Balance. This is the sum of the two amounts for Total Expenditures and Non-appropriated Balance.

Step 8. Calculate and enter Tax Required. This is computed by subtracting Resources Available from Total Expenditures and Non-Appropriated Balance.

Step 9. Calculate and enter the Delinquency Computation if a delinquency rate is used. The delinquency rate is found on the County Clerk's Budget Information.

Step 10. Compute Amount of 2007 Ad Valorem Tax by adding Tax Required and Delinquency Amount.

Fund Pages For Funds With No Tax Levy

Two forms for funds with no tax levy are in the budget forms distributed by A & R. There is a one page fund form and a half page fund form. Choose the form that has adequate lines for the amount of detail necessary for the fund.

Stage 1 - Complete the Prior Year Actual Column for All Fund Pages

The Prior Year Actual column in each fund page is a financial statement for that fund for the prior year just completed. The following information is needed for that financial statement: 1) Unencumbered Cash Balance January 1; 2) cash receipts; 3) expenditures; and 4) Unencumbered Cash Balance December 31. Each of these items is discussed below.

Step 1. Fund Name. Enter the name of the fund in “_____ Fund” field.

Step 2. Enter Unencumbered Cash Balance January 1. This is the beginning cash balance as shown in the accounting records for the fund less encumbrances and accounts payable outstanding.

Note: Beginning Balance in Prior Year Actual column should agree with Beginning Balance in Current Year Estimate column on the fund page in the current year budget. If there is a difference, determine why the balance has changed.

Step 3. Enter the receipt categories and amounts. Generally, receipts should be categorized into the same classifications that appear in the budget document that was prepared in the previous year. The amounts are derived from the accounting records by using a budget worksheet, computer printout, or annual audit report

Step 4. Calculate and enter Total Receipts. This is the sum of all receipt amounts.

Note: Do not include Unencumbered Cash Balance January 1 in Total Receipts.

Step 5. Calculate and enter Resources Available. This is the sum of Total Receipts and Unencumbered Cash Balance January 1.

Step 6. Enter the expenditure categories and amounts. Generally, expenditures should be categorized into the same classifications that appear in the budget document that was prepared in the previous year. The amounts are derived from the accounting records by using a budget worksheet, computer printout, or annual audit report.

Note: Outstanding encumbrances should be included in the expenditure amounts.

Step 7. Calculate and enter Total Expenditures. This is the sum of all expenditure amounts.

Step 8. Calculate and enter Unencumbered Cash Balance December 31. This is computed by subtracting Total Expenditures from Resources Available. Compare the computed balance to the cash balance in the accounting records to determine that the balance is correct. The balance should equal the cash balance less encumbrances and accounts payable.

Stage 2 - Complete the Current Year Estimate Column for All Fund Pages

The same type of information entered in the Prior Year Actual column for all fund pages must also be entered in the Current Year Estimate column. However, there is a big difference between the information in these columns. The Prior Year Actual column contains *actual* receipts and expenditures while the current year estimate column contains *estimated* receipts and expenditures for the *current* year budget.

Step 1. Enter Unencumbered Cash Balance January 1. This is the beginning cash balance as shown in the accounting records for the fund less encumbrances and accounts payable outstanding.

Note: Copy Unencumbered Cash Balance December 31 from the Prior Year Actual 2006 column.

Step 2. Calculate and enter the receipt amounts. Normally, the receipts for the current year estimate column will come directly from the budget prepared the prior year. Use the related fund page from the budget prepared the prior year and copy amounts directly from the Proposed Budget Year column. However, review amounts to determine if the estimate needs to be changed based on actual receipts received in the current year. If a better estimate is available, use it.

Step 3. Calculate and enter Total Receipts. This is the sum of all receipt amounts.

Note: Do not include Unencumbered Cash Balance January 1 in Total Receipts.

Step 4. Calculate and enter Resources Available. This is the sum of Total Receipts and Unencumbered Cash Balance January 1.

Step 5. Enter the expenditure amounts. Normally, the expenditures for the current year estimate column will come directly from the budget prepared the prior year. Use the related fund page from the budget prepared the prior year and copy amounts directly from the Proposed Budget Year column. However, you can revise the estimates as long as the total expenditures for the fund do not exceed the amount originally published in the prior year or the resources available, whichever is less. Expenditures may exceed the amount originally published only if the budget of that fund is amended.

Step 6. Calculate and enter Total Expenditures. This is the sum of all expenditure amounts.

Step 7. Calculate and enter Unencumbered Cash Balance December 31. This is computed by subtracting Total Expenditures from Resources Available. A negative Unencumbered Cash Balance December 31 is not allowed; decrease expenditures to eliminate any negative amount.

Stage 3 - Complete the Proposed Budget Year Column for All Fund Pages

The same type of information entered in the first two columns for all fund pages must also be entered in the Proposed Budget Year column. The amounts entered in this column are receipt and expenditure estimates for the *Proposed Budget Year*.

- Step 1. Enter Unencumbered Cash Balance January 1. This is the amount calculated for Unencumbered Cash Balance December 31 in the Current Year Estimate column. This is the estimated cash available at the beginning of the budget year.
- Step 2. Enter the Cash Receipts Estimates.
- Step 3. Calculate and enter the Total Receipts. This is the sum of all receipt amounts.
- Note: Do not include Unencumbered Cash Balance January 1 in Total Receipts.*
- Step 4. Calculate and enter Resources Available. This is the sum of Total Receipts and Unencumbered Cash Balance January 1.
- Step 5. Enter the proposed expenditures. The expenditure estimates should be based on the prior year's actual and current year estimates with adjustments for any known changes.
- Step 6. Calculate and enter the Total Expenditures. This is computed by adding all expenditure amounts.
- Step 7. Calculate and enter Unencumbered Cash Balance December 31. This is computed by subtracting the Total Expenditures from Resources Available. There is no limit on the ending balance. However, it is usually a good idea to budget most of the resources available. A negative Unencumbered Cash Balance December 31 is not allowed; decrease expenditures to eliminate any negative amount.

Computation to Determine Limit for 2008 Budget

The Computation to Determine Limit for 2008 Budget shows the maximum tax levy that can be made without adopting an ordinance or resolution to exceed the limit. K.S.A. 79-5040 suspends all statutory fund levy limits. K.S.A. 79-2925b requires that an ordinance or resolution must be passed if the tax levies in the 2008 budget exceed the tax levy in the 2007 budget with certain adjustments.

- Step 1. Enter Total Tax Levy Amount in 2007 Budget. The Certificate of the current budget year shows this amount.
- Step 2. Enter Debt Service Levy in 2007 Budget. Debt service payments include bond and interest, temporary note, and no-fund warrant levy amounts from the current budget year. This adjustment is allowed as long as debt service payments are budgeted in a fund with a tax levy.
- Step 3. Calculate and enter Tax Levy Excluding Debt Service. This is the amount on line 1 less the amount on line 2.
- Step 4. Enter New Improvements on line 4. The value of new improvements is on the County Clerk's Budget Information.

- Step 5. Calculate and enter Increase in Personal Property for 2007. On line 5a enter the 2007 personal property valuation from the County Clerk's Budget Information. On line 5b enter the 2006 personal property valuation from the County Clerk's Budget Information. Calculate the increase in personal property by subtracting 5b from 5a. If the result is negative, enter a zero.
- Step 6. Calculate and enter Valuation of Annexed Territory for 2007. Enter the valuation of real estate, state assessed, and new improvements on lines 6a to 6c. This information is obtained from the County Clerk's Budget Information. Add the values on lines 6a and 6b, and subtract from them the value on line 6c. Enter this amount on line 6d.
- Note: The new improvement value is subtracted from the total because all new improvements are included in the new improvement value entered on line 4.*
- Step 7. Enter Valuation of Property that has Changed in Use during 2007 from the County Clerk's Budget Information. This should include only real estate valuation.
- Step 8. Calculate and enter Total Valuation Adjustment. This is the sum of the values on lines 4, 5c, 6d, and 7a.
- Step 9. Enter Total Estimated Valuation July 1, 2007. The County Clerk's Budget Information includes the total.
- Step 10. Calculate and enter Total Valuation less Valuation Adjustment. Subtract the value on line 9 less the value on line 8.
- Step 11. Calculate and enter Factor for Increase. This is the value on line 8 divided by the value on line 10.
- Step 12. Calculate and enter Amount of Increase. This is the value on line 3 multiplied times the value on line 11.
- Step 13. Calculate and enter Maximum Tax Levy without Ordinance or Resolution. This is the sum of the values on line 3 and line 12.
- Step 14. Enter the debt service levy for this 2008 budget after the budget has been completed.
- Step 15. Calculate the Maximum Tax Levy, including debt service, without ordinance or resolution. This is the maximum amount that can be levied unless the governing body adopts an ordinance or resolution.

**Allocation of Motor (MVT), Recreational (RVT) & 16/20M Vehicle Taxes
and Schedule of Transfers**

This form is used to allocate the motor, recreational, and 16/20M vehicle taxes to the funds with a tax levy as required by the law. These three taxes must be allocated to each fund with a tax levy in proportion to the tax levies in the current year budget. K.S.A. 79-5110

Allocation of Motor (MVT), Recreational (RVT) & 16/20M Vehicle Taxes determines the amount of these three revenue sources to be used in the funds with a tax levy. These allocations are used on the Fund Pages for each fund with a tax levy. All three sources must be allocated on the basis of the ratio that the individual tax levy amount bears to the total tax levy amount in the current year budget.

Step 1. Enter in 2007 Budgeted Fund Names and Actual Amount of 2006 Tax Levy columns, the names of the funds and the amounts of the tax levy for each of the funds with a tax levy in the current year budget. This information can be taken from Certificate of the current year budget.

Note: The County Clerk's actual tax levy amount may be slightly different but there should be no material differences unless the County Clerk notified you of changes last fall.

Step 2. Calculate and enter Total for the Actual Amount of 2006 Tax Levy column. Verify that the amount agrees with the current year budget total for all tax levies.

Step 3. Enter the revenue estimates from the County Treasurer's Budget Information for the motor, recreational and 16/20M vehicle taxes on the Total line of the respective columns.

Step 4. Calculate and enter the factors on the lines provided at the bottom of the form. The factors are calculated by dividing each estimate by the total levies for all funds.

Step 5. Calculate and enter the allocations on the appropriate lines. The fund allocation for the budget year is calculated by multiplying the factor by the fund's Actual Amount of 2006 Tax Levy.

Step 6. Verify that the fund allocations equal the total amount entered on Total line. Rounding may result in a small difference that must be adjusted.

Schedule of Transfers should be completed for all transfers between funds. Be sure that all transfers are authorized and traceable from transferring fund to receiving fund.

Following is a list of common transfers:

- Sales Tax Revenue Transfers to County Road and Bridge Fund. Permits counties to transfer local sales tax revenue from the general fund to the road and bridge fund. K.S.A. 12-196
- Sales Tax Revenue Pledged for Special Purposes. Permits cities and counties to pledge revenue from local sales tax (in certain instances) which may result in transfers from the general fund to other funds. K.S.A. 12-197
- City Utility Fund Transfers. Permits cities to transfer "surplus" money from a utility fund to any other fund. Also permits transfers to a related depreciation reserve fund. K.S.A. 12-825d
- Transfers to City Equipment Reserve Fund. Permits cities to transfer money from any fund that could purchase the equipment to an equipment reserve fund. K.S.A. 12-1,117

- Transfers to City Capital Improvement Fund. Permits cities to transfer money from any fund that could make the improvement to a multi-year capital improvement fund. K.S.A. 12-1,118
- Transfers to County Equipment Reserve Fund. Permits counties to transfer money from any fund that could purchase the equipment to an equipment reserve fund. K.S.A. 19-119
- Transfers to County Capital Improvement Fund. Permits counties to transfer money from any fund that could make the improvement to a multi-year capital improvement fund. K.S.A. 19-120
- Transfers to Equipment Reserve or Capital Improvement Fund for Road, Bridge or Street Purposes. Permits cities or counties to transfer money from a road, bridge or street fund to a related equipment reserve or capital improvement fund. The transfer is limited to 25% of the budget. K.S.A. 68-141g
- Transfers to Special Highway Improvement Fund. Permits cities or counties to transfer money from the fund that budgets for roads, bridges or streets to a special highway improvement fund. The transfer is limited to 25% of the budget. K.S.A. 68-590

Statement of Indebtedness

The Statement of Indebtedness is used to record all existing indebtedness of the taxing subdivision and any anticipated issues with payments due in the budget year. There are three possible types of debt: general obligation bonds, revenue bonds, and other. The “other” category includes no-fund warrants, temporary notes, state revolving fund loans, firemen’s relief loans, and other debt.

General obligation principal and interest can be paid from a bond and interest tax levy or any other source. Revenue bond principal and interest can only be paid from the revenue source cited in the revenue bond ordinance. Other debt issues have to be analyzed individually to determine which fund should be used.

- Step 1. Enter under Type of Debt column the proper heading: general obligation, revenue bonds and other. Enter the title of each issue under the heading. Use Statement of Indebtedness in the current year budget for existing issues followed by any new or proposed issues.
- Step 2. Enter Issue Date, Interest Rate %, and Amount Issued from Statement of Indebtedness in the current year budget or the bond records for new issues. Use an estimate for proposed issues.
- Step 3. Enter Amount Outstanding^{1/1/2007}. The amortization schedule (payment schedule) will show this information. Proposed issues will show a zero.
- Step 4. Enter Date Due – Interest and Principal. Copy from Statement of Indebtedness in the current year budget for issues outstanding as the beginning of the year, the bond records for new issues, and estimate dates for proposed issues. Usually interest is paid twice a year and principal once a year. Show the month and day the principal and interest are scheduled.

- Step 5. Enter Amount Due 2007. The current year amounts can be copied from current year budget Statement of Indebtedness or the bond records. Proposed issues will not have payments in the current year.
- Step 6. Enter Amount Due 2008. The amortization schedule (payment schedule) will show the amounts for issues outstanding at the beginning of the year. For proposed issues the amount due will be an estimate. To ensure adequate funds are available to make any required payments, do not underestimate possible payment requirements.
- Step 7. Calculate and enter total by type of debt and total for all debt for the following columns: Amount Outstanding 1/1/2007, Amount Due 2007, and Amount Due 2008.

Statement of Conditional Lease-Purchase and Certificate of Participation

The Statement of Conditional Lease-Purchase and Certificate of Participation is used to record lease-purchase transactions under K.S.A. 10-1116b. Lease-purchase transactions are installment purchases with ownership transferring to the taxing subdivision at the completion of the agreement. Transactions where there is no intent to purchase should not be shown.

All required information is from Statement of Conditional Lease-Purchase and Certificate of Participation in the current year budget or from the lease purchase contract(s).

- Step 1. Enter the description of the purchase in Item Purchased column. List the description in general terms such as copier, computer, etc.
- Step 2. Enter Contract Date. Show the date the contract was executed.
- Step 3. Enter Term of Contract (Months). Show the length of the contract stated in months.
- Step 4. Enter Interest Rate %. Show the effective interest rate.
- Step 5. Enter in Total Amount Financed (Beginning Principal). Show the total amount of the lease purchase.
- Step 6. Enter in the Principal Balance On 1/1/2007. Show the amount outstanding as of January 1 of the current year. The amortization schedule shows principal balance.
- Step 7. Enter the Payments Due 2007 and Payments Due 2008. This is the sum of the monthly, quarterly, or semi-annual payments.
- Step 8. Calculate and enter totals for the following columns: Principal Balance on 1/1/2007, Payments Due 2007, and Payments Due 2008

Notice of Budget Hearing and Budget Summary

The Notice of Budget Hearing and Budget Summary is published in the newspaper as required by statute. This form must be correct. The Notice of Budget Hearing and Budget Summary must be published at least ten days before the hearing. The expenditures and the amounts of 2007 ad valorem tax for the Proposed Budget Year set the limits. The certified amounts cannot exceed the published amounts in any fund.

- Step 1. Enter in the appropriate blanks at the top of the form, the name of the city or county; time, date, and location of hearing; and location where the budget will be available prior to the hearing.
- Step 2. List the names of the funds with a tax levy first in Fund column. Follow with the funds with no tax levy.
- Step 3. From the fund pages, enter the following: Total Expenditures for 2006 Prior Year Actual, 2007 Current Year Estimate, 2008 Proposed Budget Year and Amount of 2007 Ad Valorem Tax in the 2008 Proposed Budget column.
- Step 4. Enter Total Tax Levied, Actual Tax Rate*, and Assessed Valuation in the 2006 Prior Year Actual column and Outstanding Indebtedness, January 1, 2005. This information is taken from the current year budget, Budget Summary, 2006 Budget or Estimate column and the County Clerk's Budget information.

Note: All columns move to the left when transferring numbers from one year's budget to the next.
- Step 5. Enter Total Tax Levied, Actual Tax Rate*, and Assessed Valuation in the 2007 Current Year column and Outstanding Indebtedness, January 1, 2006. This information is taken from the current year budget, Budget Summary, 2007 Proposed Budget column and the County Clerk's Budget information.
- Step 6. Enter Assessed Valuation for July 1, 2007. This is on the County Clerk's Budget Information.
- Step 7. Calculate and enter Estimated Tax Rate for the 2008 Proposed Budget Year column. This is Amount of 2007 ad valorem tax divided by the Assessed Valuation. Move the decimal three places to the right and enter the rate in Estimated Tax Rate column. The General fund tax rate in the example is 73,316 divided by 3,983,188 which results in .01841, then move the decimal to get 18.41 mills.
- Step 8. Calculate and enter totals for all columns on the "Totals" line.
- Step 9. Calculate and enter in the transfer amount for Less: Transfers. This is the sum of all transfers between budgeted funds. Transfers to non-budgeted funds, such as the Equipment Reserve Fund, should not be included.
- Step 10. Calculate and enter Net Expenditures. This is Total Expenditures minus Less: Transfers.

- Step 11. Enter the Outstanding Indebtedness, January 1 in the Proposed Budget 2008 column from the Statement of Indebtedness and Statement of Conditional Lease-Purchase and Certificate of Participation Forms.
- Step 12. Verify all amounts on the budget summary are correct. Compare all amounts to the budget summary in the current year budget and verify amounts that are materially different.
- Step 13. Sign the form and arrange for publication.

Note: The expenditure amount for 2008 and the amount of 2007 ad valorem tax must be correct. If the amount of 2007 ad valorem tax is too low, the only way to increase it is to republish the entire budget and schedule a new hearing. If the expenditure amount for 2008 is too low, a budget amendment can be used to increase it. If either the expenditure amount or the amount of 2007 ad valorem tax is too high, it can be reduced by action of the governing body with no additional publication.

If there is a mistake on the 2006 or 2007 columns, totals or the indebtedness, this is only published for information and no corrective action will be necessary

Certificate

The Certificate is used to certify to the County Clerk that this is the adopted budget. The Certificate must be signed by at least one of the governing body members. The County Clerk will use this page to compute the tax levy rates using the final assessed valuation prior to November 1.

- Step 1. Enter the name of the taxing subdivision and county on the lines provided.
- Step 2. Enter fund names in Fund column in the same order as the Budget Summary.
- Step 3. Enter K.S.A. Each fund with a tax levy should have an authorizing statute. The statutory reference can be copied from the Certificate in the current year budget or obtained from the authorized fund listing in these instructions. If a charter ordinance or resolution authorizes the fund, enter the ordinance or resolution number and attach a copy of the charter.
- Step 4. Enter the page number for each page shown. Also enter the page number on each page.
- Step 5. Enter the Total Expenditures and Amount of 2007 Ad Valorem Tax for the Proposed Budget 2008 column for each fund from the related fund page.
- Step 6. Calculate and enter Totals for Expenditures and Amount of 2007 Ad Valorem Tax columns.

Note: The fund expenditure and amount of 2007 ad valorem tax amounts on this form can never exceed the amounts published.
- Step 7. Verify that the total levies do not exceed the amount entered on line 15 of the Computation to Determine Limit for 2008 Budget. The governing body must adopt an ordinance or resolution if the levies exceed this amount. A copy of the ordinance or resolution should be attached to the budget.

Note: All city ordinances must be published. The published ordinance must be included with the certified budget.
- Step 8. If an ordinance or resolution was adopted to set a levy limit for any fund, list the ordinance or resolution at the bottom of the Certificate. A copy of the ordinance or resolution should be attached to the budget.
- Step 9. Enter the preparer's name and employer in the Assisted by: section if the budget is prepared by someone who is not an employee or officer of the city or county.
- Step 10. The governing body should sign the Certificate form after the budget is adopted,.

Budget Law Exemptions

The following funds are not required to have a budget for the year 2008, however, this does not mean they are not in the budget. For such funds, report the actual receipts, expenditures and the Unencumbered Cash Balances for the year 2006. If a tax levy is authorized, fill in the applicable receipt items and the Amount of 2007 Ad Valorem Tax in the 2008 budget column. Some budget preparers may choose to complete all columns to clarify the intent of the governing body.

<u>Name of Fund</u>	<u>Authorized by K.S.A.</u>
Airport Revolving	79-2925
Capital Projects	12-6a16
City Multi-Year Capital Improvement	12-1,118
City Municipal Equipment Reserve	12-1,117
County Equipment Reserve	19-119
County Home Improvement	19-2120
County Multi-year Capital Improvement	19-120
County Treasurers Motor Vehicle	8-145
Federal Grants	12-1663
Gifts or Donations	79-2925
Grasshopper Control (tax levy authorized)	19-2412
Hospital Special Improvement	13-14b12
Meter Deposits - Include with Operating Fund offset by a corresponding expenditure	No Statute Applies
Nonexpendable Trusts (Bequest, etc.)	79-2925
Prosecuting Attorney Training	28-170
Reappraisal (tax levy authorized)	79-1482
Revitalization District	12-2615
Risk Management Reserve	79-1608
Special Assessment Equalization (county)	79-1808
Special Assessment (tax levy authorized)	68-1135
Special Bridge (tax levy authorized)	19-15,136
Special Highway Improvement	68-590
Special Improvement (tax levy authorized)	79-1950b, 13-10,140, 12-6a13
Special Law Enforcement Trust	65-4156
Special Liability Expense (tax levy auth)	75-6110
Special Recreation Facilities (county)	79-2925
Special Recreation Facilities Reserve	79-2925
Special Refuse Disposal	19-2662
Special Road and Bridge (tax levy auth)	68-559a
Special Road and Bridge Building	68-141g
Special Services	12-1674
State Grants	12-16,111
Utility or Proprietary Reserve Accounts	12-825d
Workmen's Compensation Trust (county)	44-505b

County Authorized Funds Listing

<u>Fund</u>	<u>K.S.A.</u>
Airport	3-121, 3-307, 3-310, 3-316
Alcohol & Drug	65-4060
Appraisal	19-436
Appraisal, Reappraisal	79-1482
Arts	19-26,100
Bond & Interest	10-113
Building	12-1737, 19-120, 19-1572c, 19-1573, 19-1579, 19-15,116, 19-15,124, 19-15,125
Building, 4-H Clubs	19-1561
Cemetery	15-1015, 19-3105, 19-3106, 19-3107
Child Care Center	12-4801
Civil Defense	19-236a
Conservation District	2-1907b
Depository Bank Failure	19-2636
Drainage Maintenance & Repair	24-302
Economic Development	19-4102
Elderly Services	12-1680
Elderly, Home	19-2106, 19-2106a, 19-2106b, 19-2106e, 19-2107, 19- 2122, and 79-1946
Election	19-3435a, 25-2201a, 39-417
Election, Voting Machine	25-120, 25-1315, 25-4407
Emergency Expense	19-236
Emergency Medical Services	65-6113, 65-6115
Employee Benefits	12-16,102
Employee Benefits-KP & F	74-4967
Employee Benefits-KPERS	74-4920
Employee Benefits-Social Security	40-2305
Employee Benefits-Unempl Ins	44-710e
Employee Benefits-Workers Comp	44-505c
Enforce County Resolutions	19-101d
Extension Council	2-610, 2-625, 12-620
Fair & 4-H Clubs	2-129, 2-131a-d, 2-132, 2-142, 2-145a, 2-301, 19-1561
Flood Control	19-3305, 82a-308
General	79-1946
Geological Survey	76-326a
Golf Course	19-27,156
Grasshopper Control	19-2412
Handicapped Services	19-2698
Health	65-204, 65-205
Health & Sanitation	65-208
Historical, Memorial	73-402, 73-406, 73-407, 73-427
Historical Museum	12-1684, 12-1688, 19-2651
Hospital	19-4606
Hospital, Indigent	39-416
JV Facility & Services	19-3903, 19-3905, 38-507, 38-513, 38-523, 38-533, 38- 536, 38-546, 38-548, 38-554, 38-555

County Authorized Funds Listing (Continued)

<u>Fund</u>	<u>K.S.A.</u>
Law Enforcement	12-11a01, 19-4421, 19-4443, 19-4485
Law Enforcement, NFW	19-4420
Liability Expense	75-6110
Library	12-1234, 12-1257, 12-1220, 12-1230
Library, Building	79-4001
Lighting, Highway	68-166
Mental Health & Retardation	19-4004, 19-4007, 19-4011, 65-211, 65-212, 65-215
Noxious Weed	2-1318
Out-District Tuition	13-13a26, 71-301
Parks	19-2803
Parks & City Lake	19-2833a
Parks & Recreation	19-2801, 19-2855, 19-2871
Parks, Zoo	19-28,112
Prisoner Maintenance	19-1930
Road & Bridge	68-559a, 68-582, 68-596, 68-709, 68-1103, 68-1135, 68-5,100, 68-5,101, 79-1946
Salary	28-716
Soil Drifting	2-2008
Solid Waste	65-204
Stream Maintenance	82a-308
Weather Modification	82a-1425
WSU Development	76-3a07

City Authorized Funds Listing

<u>Fund</u>	<u>K.S.A.</u>
Airport	3-113, 3-114, 3-121
Bond & Interest	10-113, 12-1775
Building	12-1,118, 12-1737, 12-6a13, 79-1950a, 79-1950b
Building, Memorial	73-407
Cemetery	12-1405, 12-1407, 12-1414, 13-14c08, 14-1007b, 14-1052, 15-1015, 17-1344, 17-1365, 80-908
Child Care Center	12-4801
Connecting Link	68-582
Elderly Services	12-1680
Elderly Home	12-4906
Emergency Equipment	12-110b
Emergency Medical Services	65-6113
Employee Benefits	12-16,102
Employee Benefits-City Pension	13-14,100
Employee Benefits-City Retirement	13-14,107
Employee Benefits-KP & F	74-4967
Employee Benefits-KPERS	74-4920
Empl. Ben.-Police & Fire Pension	13-14a02, 13-14a05, 14-10a02, 14-10a05
Employee Benefits-Social Security	40-2305
Employee Benefits-Unempl Ins	44-710e
Employee Benefits-Workers Comp	44-505c
Fair	2-131c, 2-142
Flood Control	12-646a, 13-10,141, 14-713, 19-3307
General	12-101a
Health	65-208
Historical, Collections	12-1661
Historical, Memorial	73-406, 73-407
Historical, Museum	12-1661, 12-1684, 12-1688
Hospital	12-183, 13-14b12, 14-602, 14-640d, 14-696, 14-6,110
Industrial Development	12-1617h
Law Enforcement	12-11a03, 12-11a09, 19-4421, 19-4443, 19-4485
Library	12-1220, 12-1230, 12-1247, 79-4001
Library, Building	12-1254
No-Fund Warrant	79-2938, 79-2939
Noxious Weed	2-1318
Park, Maintenance	12-1303, 14-538
Park, Road Maintenance	15-913
Parking	13-1379
Public Transit	12-803b, 12-2535, 13-3108
Recreation Commission	12-1927
Refuse	12-2120
Refuse Collection	12-2104
Sewage Service	12-630a, 12-631x, 13-1018j
Street	14-535, 15-712
Street Lighting	15-733, 68-582
Tort Liability & Judgments	75-6110, 79-1951

Final Checklist

Certificate

1. Are all funds shown?
2. Is there an authorizing statute for each tax levy fund?
3. Is there a page number entered in the Page No. column for all funds?

Statement of Indebtedness

1. Is the debt properly classified?
2. Are temporary notes and proposed issues shown on this form?
3. If there is no indebtedness, write NONE, and include this form with your budget or show NONE on the Certificate.

Statement of Conditional Lease, Lease-Purchase and Certificate of Participation

1. Are all lease-purchases shown on this form?
2. If there are no lease-purchases, write NONE, and include this form with your budget.

General

1. Is the budget assembled in page order sequence?
2. Do the Total Expenditures and Amount of 2007 Ad Valorem Tax from the individual funds' forms agree with the Budget Summary and Certificate?
3. Does this budget include tax levies for all political or governmental subdivisions for which you are responsible?
4. Is the correct statutory authority shown for each tax-levy fund?
5. Did you check each statute for detailed provisions such as, eligibility, election requirements, protests and tax rates?
6. Are all amounts expressed in rounded dollars?
4. Are all pages of the budget numbered?
5. Are all required ordinances and resolutions attached?
6. If an ordinance was used to exceed the computed limit on page 2, is the published copy included? If a resolution was used to exceed the computed limit on page 2, is a signed copy included?
7. Is a copy of the Published Budget Summary and Notice of Hearing included?

For the County Clerk

Date and sign the Attest blank in the lower left-hand corner after the Final Levy Rates have been computed. The copy of the budget sent to the Director of Accounts and Reports must include the Final Levy Rates and Final Assessed Valuation on the Certificate.

You may reduce the Amount of 2007 Ad Valorem Tax to comply with the maximum levy computation unless a resolution or ordinance been adopted. However, you are not authorized to change any balances, receipts or expenditures on the fund pages.