

CITY OF WALTON, KANSAS

Financial Statement

For the Year Ended December 31, 2017

City of Walton, Kansas  
For the Year Ended December 31, 2017

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# Knudsen Monroe & Company LLC

## INDEPENDENT AUDITOR'S REPORT

City Council  
City of Walton  
Walton, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Walton, Kansas (City), as of and for the year ended December 31, 2017 and the related notes to the financial statement.

### ***Management's Responsibility for the Financial Statement***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that 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 City'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 City'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 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, 2017, 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, 2017, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

### ***Other Matters***

#### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the 2017 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds, and the schedule of regulatory basis receipts and expenditures-related municipal entity (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the 2017 basic financial statement, but 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 2017 basic financial statement. The 2017 information has been subjected to the auditing procedures applied in the audit of the 2017 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 2017 basic financial statement or to the 2017 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 2017 basic financial statement as a whole, on the basis of accounting described in Note 1.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City as of and for the year ended December 31, 2016 (not presented herein), and have issued our report thereon dated May 25, 2017, which contained an unmodified opinion on the basic financial statement. The 2016 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://www.admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2016 actual column (2016 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget for the year ended December 31, 2017 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2016 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 2016 basic financial statement. The 2016 comparative information was subjected to the auditing procedures applied in the audit of the 2016 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 2016 basic financial statement or to the 2016 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 2016 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2016, on the basis of accounting described in Note 1.

*Krudsen, Monroe & Company, LLC*

Certified Public Accountants

May 31, 2018

## City of Walton, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH  
Regulatory Basis  
For the Year ended December 31, 2017

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>General Fund</b>	\$ 6,538	184,359	164,328	26,569	3,623	30,192
<b>Special Purpose Funds</b>						
Library	1,843	2,246	3,992	97	-	97
Special Street and Highway	41,273	22,251	30,943	32,581	-	32,581
Total special purpose funds	43,116	24,497	34,935	32,678	-	32,678
<b>Bond and Interest Fund</b>						
Bond and Interest	-	7,310	5,139	2,171	-	2,171
<b>Capital Project Funds</b>						
Capital Improvement	4,847	-	-	4,847	-	4,847
Equipment Reserve	11,181	5,000	8,260	7,921	-	7,921
Total capital project funds	16,028	5,000	8,260	12,768	-	12,768
<b>Business Funds</b>						
Water Operating	25,116	94,869	77,750	42,235	3,140	45,375
Gas Operating	17,087	85,460	82,466	20,081	13,267	33,348
Sewer Operating	10,770	32,509	16,972	26,307	-	26,307
Storm Water Operating	34,218	4,955	10,872	28,301	-	28,301
Gas Depreciation	3,200	-	-	3,200	-	3,200
Total business funds	90,391	217,793	188,060	120,124	16,407	136,531
Total primary government	156,073	438,959	400,722	194,310	20,030	214,340
<b>Related Municipal Entity</b>						
Walton Community Library	6,164	8,214	6,628	7,750	-	7,750
<b>Total Reporting Entity</b> (Excluding Agency Funds)	\$ 162,237	447,173	407,350	202,060	20,030	222,090
<b>Composition of Cash</b>						
Cash on hand						\$ 100
Walton State Bank						
Checking						192,889
Savings						22,601
Related Municipal Entity						7,750
Total Cash						223,340
Less Agency Funds per Schedule 3						1,250
<b>Total reporting entity (Excluding Agency Funds)</b>						\$ 222,090

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

City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Municipal Financial Reporting Entity

The City of Walton is a municipal corporation governed by an elected five-member council. This financial statement presents the City of Walton (City) and its related municipal entity. The related municipal entity is included because it was established to benefit the City and/or its constituents.

Walton Community Library –The City of Walton Community Library board operates the City’s public library. The City makes appropriations to the library to assist in funding capital expenditures and operating expenses. The governing body of the component unit is appointed by the City council.

Regulatory Basis Fund Types

General fund – used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund – 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.

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

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

Business fund – used to account in whole or in part for fees charged to users of the goods and services (i.e., water fund, gas fund, etc.).

Agency fund – used to report assets held by the municipal reporting entity in a purely custodial capacity.

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.

City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

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 fund, and Business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

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. There were no such budget amendments for this year.

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

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, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project funds, Agency funds and certain Special Purpose funds as noted in the presentation of the appropriate Schedules 2 and 3.

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

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.



City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

No statutory violations were noted for the year ended December 31, 2017.

3. DEPOSITS AND INVESTMENTS

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 policy that would further limit interest rate risk.

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

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 not designated peak periods. All deposits were legally secured at December 31, 2017.

At December 31, 2017, the City's carrying amount of deposits was \$223,340 and the bank balance was 231,018. The bank balance was held by one bank resulting in a concentration of credit risk. All bank deposits were covered by federal depository insurance at December 31, 2017.

4. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General Fund	Equipment Reserve Fund	K.S.A. 12-1,117	\$ 5,000
General Fund	Special Street & Highway Fund	K.S.A. 12-1,119	5,000
Gas Operating Fund	Special Street & Highway Fund	K.S.A. 12-825d	10,000
			<u>\$ 20,000</u>

City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

5. LONG-TERM DEBT

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

Issue	Interest Rates	Date of Issue	Amount of Issue	Maturity Date	Balance 12/31/16	Additions	Retired	Balance 12/31/17	Interest Paid
<b>General Obligation Bonds</b>									
Series 2016-Refunding	2.5-4.0%	12/01/16	\$ 242,000	10/15/38	\$ 242,000	-	-	242,000	5,139
<b>Capital Lease Obligations</b>									
1998 JCB217 Backhoe	4.50%	12/22/14	26,950	12/22/18	14,081	-	6,881	7,200	494
Total contractual indebtedness					<u>\$ 256,081</u>	<u>-</u>	<u>6,881</u>	<u>249,200</u>	<u>5,633</u>

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

	Year ending December 31									
	2018	2019	2020	2021	2022	2023 -2027	2028 -2032	2033 -2037	2038	Total
<b>Principal</b>										
General Obligation Bonds	\$ 2,000	10,000	10,000	10,000	10,000	50,000	60,000	75,000	15,000	242,000
Capital lease obligations	7,200	-	-	-	-	-	-	-	-	7,200
Total principal	<u>\$ 9,200</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>50,000</u>	<u>60,000</u>	<u>75,000</u>	<u>15,000</u>	<u>249,200</u>
<b>Interest</b>										
General Obligation Bonds	\$ 7,442	7,363	7,012	6,713	6,412	27,862	20,963	10,275	525	94,567
Capital lease obligations	176	-	-	-	-	-	-	-	-	176
Total interest	<u>\$ 7,618</u>	<u>7,363</u>	<u>7,012</u>	<u>6,713</u>	<u>6,412</u>	<u>27,862</u>	<u>20,963</u>	<u>10,275</u>	<u>525</u>	<u>94,743</u>

6. OTHER LONG TERM OBLIGATIONS FROM OPERATIONS

Other Employee Benefits

Full-time employees are entitled to paid vacation according to the following schedule:

Years of Continuous Employment	0-3 years	3-10 years	10+ years
Days earned per year	5	10	15
Maximum days of accumulation	15	30	45

Upon termination, an employee shall be compensated for all earned but unused vacation at their final rate of pay, subject to the maximum hours of accumulation. Unused vacation time has not been recorded as a liability in the accompanying financial statement.

7. DEFINED BENEFIT PENSION PLAN

Plan Description

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

City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

7. DEFINED BENEFIT PENSION 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. 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 employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium from the period of January 1, 2017 through September 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 8.46% for the fiscal year ended December 31, 2017. Contributions to the pension plan from the City were \$4,106 for the year ended December 31, 2017.

Net Pension Liability

At December 31, 2017, the City's proportionate share of the collective net pension liability reported by KPERS was \$45,988. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

8. RELATED PARTY TRANSACTIONS

The City contracted maintenance services with D&M Construction, a company for which a City employee is the owner. The contracted amount during the year ended December 31, 2017 was \$7,025.

9. 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 has purchased commercial insurance for these potential risks. There has been no significant reduction in insurance coverage from 2016 to 2017 and there were no settlements that exceeded insurance coverage in the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2017

10. DATE OF MANAGEMENT REVIEW

Management has performed an analysis of the activities and transactions subsequent to December 31, 2017, to determine the need for any adjustments to and/or disclosures within the audited financial statements. Management has performed their analysis through May 31, 2018, which is the date the financial statement was available to be issued.

CITY OF WALTON  
REGULATORY – REQUIRED  
SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2017

## City of Walton, Kansas

## SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis  
(Budgeted Funds Only)

For the Year Ended December 31, 2017

Funds	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
<b>General Fund</b>	<u>\$ 233,400</u>	<u>-</u>	<u>233,400</u>	<u>164,328</u>	<u>(69,072)</u>
<b>Special Purpose Funds</b>					
Library	5,500	-	5,500	3,992	(1,508)
Special street and highway	<u>71,500</u>	<u>-</u>	<u>71,500</u>	<u>30,943</u>	<u>(40,557)</u>
Total Special Purpose Funds	<u>77,000</u>	<u>-</u>	<u>77,000</u>	<u>34,935</u>	<u>(42,065)</u>
<b>Bond and Interest Fund</b>	<u>24,873</u>	<u>-</u>	<u>24,873</u>	<u>5,139</u>	<u>(19,734)</u>
<b>Business Funds</b>					
Water operating	87,500	-	87,500	77,750	(9,750)
Gas operating	189,000	-	189,000	82,466	(106,534)
Sewer operating	38,000	-	38,000	16,972	(21,028)
Storm water operating	<u>37,000</u>	<u>-</u>	<u>37,000</u>	<u>10,872</u>	<u>(26,128)</u>
Total Business Funds	<u>351,500</u>	<u>-</u>	<u>351,500</u>	<u>188,060</u>	<u>(163,440)</u>
<b>Expenditures subject to current budget</b>	<u>\$ 686,773</u>	<u>-</u>	<u>686,773</u>	<u>392,462</u>	<u>(294,311)</u>

## City of Walton, Kansas

**General Fund**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2017

(With comparative actual totals for the prior year ended December 31, 2016)

		Current Year		
	Prior Year	Actual	Budget	Variance - Over (Under)
<b>RECEIPTS</b>				
Taxes				
Ad valorem property tax	\$ 54,840	56,260	59,746	(3,486)
Delinquent property tax	-	5,562	3,500	2,062
Vehicle tax	12,284	11,377	11,921	(544)
Local sales tax	42,033	41,304	42,000	(696)
Fines and fees	30,305	20,894	26,000	(5,106)
Franchise tax	15,493	24,262	22,000	2,262
Charges for Services				
Refuse	20,082	19,313	18,000	1,313
Permits	772	1,915	800	1,115
Late fees	2,883	1,815	5,000	(3,185)
Interest	223	236	300	(64)
Reimbursements	1,187	334	1,500	(1,166)
Other Income	627	1,087	1,200	(113)
Total receipts	180,729	184,359	191,967	(7,608)
<b>EXPENDITURES, Page 12</b>	231,731	164,328		
Receipts over (under) expenditures	(51,002)	20,031		
UNENCUMBERED CASH, beginning	57,540	6,538		
UNENCUMBERED CASH, ending	\$ 6,538	26,569		

## City of Walton, Kansas

**General Fund**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2017

(With comparative actual totals for the prior year ended December 31, 2016)

		Current Year		
	Prior Year	Actual	Budget	Variance - Over (Under)
<b>EXPENDITURES</b>				
Personnel services	\$ 48,264	41,713	47,000	(5,287)
Contractual	46,335	28,794	40,000	(11,206)
Commodities	22,162	22,996	16,000	6,996
Capital outlay	12,149	9,137	11,000	(1,863)
Street lights	5,687	8,278	5,000	3,278
Refuse	17,606	17,844	18,000	(156)
Streets	1,313	171	4,000	(3,829)
Animal control/parks	618	712	1,400	(688)
Continuing education and dues	2,090	1,921	2,500	(579)
Library	-	-	500	(500)
Law enforcement	24,598	19,698	26,000	(6,302)
Municipal Court	2,826	2,249	1,000	1,249
Other	783	815	1,000	(185)
Transfer to				
Equipment Reserve fund	17,300	5,000	30,000	(25,000)
Special Street and Highway fund	30,000	5,000	30,000	(25,000)
Total expenditures	\$ 231,731	164,328	233,400	(69,072)



## City of Walton, Kansas

**Special Purpose Funds****SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET**

Regulatory Basis

For the Year Ended December 31, 2017

(With comparative actual totals for the prior year ended December 31, 2016)

		Current Year		
	Prior Year	Actual	Budget	Variance - Over (Under)
<b><u>LIBRARY FUND</u></b>				
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 1,994	1,719	1,827	(108)
Delinquent tax	-	95	70	25
Vehicle tax	-	405	444	(39)
Other receipts	-	27	-	27
Total receipts	1,994	2,246	2,341	(95)
<b>EXPENDITURES</b>				
Appropriations to Library Board	5,000	3,992	5,500	(1,508)
Total expenditures	5,000	3,992	5,500	(1,508)
Receipts over (under) expenditures	(3,006)	(1,746)		
UNENCUMBERED CASH, beginning	4,849	1,843		
UNENCUMBERED CASH, ending	\$ 1,843	97		
<b><u>SPECIAL STREET &amp; HIGHWAY FUND</u></b>				
<b>RECEIPTS</b>				
State payments	\$ 6,355	7,251	6,000	1,251
Transfer from				
General fund	30,000	5,000	30,000	(25,000)
Gas Operating fund	1,000	10,000	30,000	(20,000)
Total receipts	37,355	22,251	66,000	(43,749)
<b>EXPENDITURES</b>				
Personnel services	-	154	1,000	(846)
Contractual services	-	30,470	68,000	(37,530)
Commodities	-	319	2,500	(2,181)
Total expenditures	-	30,943	71,500	(40,557)
Receipts over (under) expenditures	37,355	(8,692)		
UNENCUMBERED CASH, beginning	3,918	41,273		
UNENCUMBERED CASH, ending	\$ 41,273	32,581		

## City of Walton, Kansas

**Bond and Interest Fund**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2017

(With comparative actual totals for the prior year ended December 31, 2016)

		Current Year		
	Prior Year	Actual	Budget	Variance - Over (Under)
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 4,964	5,977	6,353	(376)
Delinquent tax	0	305	100	205
Vehicle tax	516	1,028	1,101	(73)
Transfer from Sewer fund	11,905	-	14,000	(14,000)
Total receipts	17,385	7,310	21,554	(14,244)
<b>EXPENDITURES</b>				
Bond principal	5,800	-	6,100	(6,100)
Interest	12,307	5,139	10,773	(5,634)
Other	-	-	8,000	(8,000)
Total expenditures	18,107	5,139	24,873	(19,734)
Receipts over (under) expenditures	(722)	2,171		
UNENCUMBERED CASH, beginning	722	-		
UNENCUMBERED CASH, ending	\$ -	2,171		

## City of Walton, Kansas

**Capital Project Funds****SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL**

Regulatory Basis

For the Year Ended December 31, 2017

(With comparative actual totals for the prior year ended December 31, 2016)

	<u>2016</u>	<u>2017</u>
<b><u>CAPITAL IMPROVEMENT FUND</u></b>		
<b>RECEIPTS</b>	\$ -	-
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	<u>4,847</u>	<u>4,847</u>
UNENCUMBERED CASH, ending	<u>\$ 4,847</u>	<u>4,847</u>
<b><u>EQUIPMENT RESERVE FUND</u></b>		
<b>RECEIPTS</b>		
Proceeds from sale of equipment	\$ 1,140	-
Transfer from General Fund	<u>17,300</u>	<u>5,000</u>
Total receipts	18,440	5,000
<b>EXPENDITURES</b>		
Capital outlay	<u>29,594</u>	<u>8,260</u>
Receipts over (under) expenditures	(11,154)	(3,260)
UNENCUMBERED CASH, beginning	<u>22,335</u>	<u>11,181</u>
UNENCUMBERED CASH, ending	<u>\$ 11,181</u>	<u>7,921</u>

## City of Walton, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2017

(With comparative actual totals for the prior year ended December 31, 2016)

		Current Year		
	Prior Year	Actual	Budget	Variance - Over (Under)
<b><u>WATER OPERATING FUND</u></b>				
<b>RECEIPTS</b>				
Sales to consumers	\$ 75,542	94,869	95,000	(131)
<b>EXPENDITURES</b>				
Personnel services	18,049	16,635	17,500	(865)
Contractual services	14,482	7,796	10,000	(2,204)
Commodities and other	2,507	2,748	2,000	748
Capital outlay	7,238	4,120	5,000	(880)
Water purchases	43,724	46,451	53,000	(6,549)
Total expenditures	86,000	77,750	87,500	(9,750)
Receipts over (under) expenditures	(10,458)	17,119		
UNENCUMBERED CASH, beginning	35,574	25,116		
UNENCUMBERED CASH, ending	\$ 25,116	42,235		

## City of Walton, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2017

(With comparative actual totals for the prior year ended December 31, 2016)

		Current Year		
	Prior Year	Actual	Budget	Variance - Over Over (Under)
<b><u>GAS OPERATING FUND</u></b>				
<b>RECEIPTS</b>				
Sales to consumers	\$ 84,359	85,237	200,000	(114,763)
Reimbursements	271	223	-	223
Total receipts	84,630	85,460	200,000	(114,540)
<b>EXPENDITURES</b>				
Personnel services	19,226	16,842	25,000	(8,158)
Contractual services	5,508	4,782	5,000	(218)
Commodities and other	2,127	3,995	4,000	(5)
Capital outlay	3,149	77	2,000	(1,923)
Gas purchases	46,973	38,770	115,000	(76,230)
Franchise fee to city	-	8,000	8,000	-
Transfer to				
Special Street and Highway fund	1,000	10,000	30,000	(20,000)
Total expenditures	77,983	82,466	189,000	(106,534)
Receipts over (under) expenditures	6,647	2,994		
UNENCUMBERED CASH, beginning	10,440	17,087		
UNENCUMBERED CASH, ending	\$ 17,087	20,081		

## City of Walton, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2017

(With comparative actual totals for the prior year ended December 31, 2016)

		Current Year		
	Prior Year	Actual	Budget	Variance - Over (Under)
<b><u>SEWER OPERATING FUND</u></b>				
<b>RECEIPTS</b>				
Sales to consumers	\$ 33,046	32,509	37,000	(4,491)
<b>EXPENDITURES</b>				
Personnel services	11,964	12,999	13,000	(1)
Contractual services	2,008	1,859	1,000	859
Commodities and other	767	838	2,000	(1,162)
Capital outlay	4,104	1,276	8,000	(6,724)
Transfer to Bond and Interest fund	11,905	-	14,000	(14,000)
Total expenditures	30,748	16,972	38,000	(21,028)
Receipts over (under) expenditures	2,298	15,537		
UNENCUMBERED CASH, beginning	8,472	10,770		
UNENCUMBERED CASH, ending	\$ 10,770	26,307		
<b><u>STORM WATER UTILITY FUND</u></b>				
<b>RECEIPTS</b>				
Fees	\$ 4,931	4,955	5,000	(45)
<b>EXPENDITURES</b>				
Contract labor	477	9,801	-	9,801
Commodities and other	1,705	1,071	37,000	(35,929)
Total expenditures	2,182	10,872	37,000	(26,128)
Receipts over (under) expenditures	2,749	(5,917)		
UNENCUMBERED CASH, beginning	31,469	34,218		
UNENCUMBERED CASH, ending	\$ 34,218	28,301		

## City of Walton, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2017

(With comparative actual totals for the prior year ended December 31, 2016)

	2016 <u>Actual</u>	2017 <u>Actual</u>
<b><u>GAS DEPRECIATION FUND</u></b>		
<b>RECEIPTS</b>	\$ -	-
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	<u>3,200</u>	<u>3,200</u>
UNENCUMBERED CASH, ending	<u><u>\$ 3,200</u></u>	<u><u>3,200</u></u>

## City of Walton, Kansas

**Agency Fund**

## SCHEDULE OF RECEIPTS AND DISBURSEMENTS

Regulatory Basis

For the Year Ended December 31, 2017

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Meter Deposit Fund	\$ <u>1,200</u>	<u>500</u>	<u>450</u>	<u>1,250</u>



## City of Walton, Kansas

**Related Municipal Entity**

## SCHEDULE OF RECEIPTS AND EXPENDITURES

Regulatory Basis

For Years ended December 31, 2017 and 2016

**WALTON COMMUNITY LIBRARY****RECEIPTS**

	<u>2016</u>	<u>2017</u>
Appropriations from City Library fund	\$ 6,500	3,992
SCKLS	3,756	3,814
Donations	0	336
State aid	<u>75</u>	<u>72</u>
Total receipts	<u>10,331</u>	<u>8,214</u>

**EXPENDITURES**

Salaries and employee benefits	1,676	520
Books, periodicals, materials	2,218	2,696
Other	<u>4,716</u>	<u>3,412</u>
Total expenditures	<u>8,610</u>	<u>6,628</u>
Receipts over (under) expenditures	1,721	1,586
UNENCUMBERED CASH, beginning	<u>4,443</u>	<u>6,164</u>
UNENCUMBERED CASH, ending	<u>\$ 6,164</u>	<u>7,750</u>