CITY OF WALTON, KANSAS

Financial Statement

For the Year Ended December 31, 2021

City of Walton, Kansas

For the Year Ended December 31, 2021

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Knudsen Monroe & Company LLC

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INDEPENDENT AUDITOR'S REPORT

City Council
City of Walton
Walton, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Walton, Kansas, Kansas (City), and its related municipal entity, as of and for the year ended December 31, 2021, and the related disclosures to the financial statement.

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 and Unmodified Opinions section of our report, the accompanying 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, 2021, 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 accompanying 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, 2021, 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.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed 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.

Responsibilities of Management for the Audit of 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.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the 2021 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-actual-related municipal entity, and schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for purposes of additional analysis and are not a required part of the 2021 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 2021 basic financial statement. The 2021 information has been subjected to the auditing procedures applied in the audit of the 2021 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 2021 basic financial statement or to the 2021 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 accompanying supplementary information is fairly stated in all material respects, in relation to the 2021 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, 2020 (not presented

herein), and have issued our report thereon dated June 17, 2021, which contained an unmodified opinion on the basic financial statement. The 2020 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 https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services. The 2020 actual column (2020 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget and the schedule of receipts and expenditures-related municipal entity for the year ended December 31, 2021 (Schedules 2 and 3 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the 2021 basic financial statement. Such 2020 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 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 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 2020 basic financial statement or to the 2020 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 2020 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, 2020, on the basis of accounting described in Note 1.

Knudsen, Monroe & Company, LLC

Certified Public Accountants
Newton, Kansas
May 31, 2022

City of Walton, Kansas

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For the Year Ended December 31, 2021

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	$ 153	190,885	183,316	7,722	6,736	14,458
Special Purpose Funds						
Library	409	5,620	5,842	187	-	187
Special Street and Highway	58,536	6,635	418	64,753	-	64,753
Equipment Reserve	16,000	-	-	16,000	-	16,000
Bond and Interest Fund	1,090	18,609	16,711	2,988	-	2,988
Capital Project Fund						
Capital Improvement	-	20,199	-	20,199	-	20,199
Business Funds						
Water Operating	57,187	96,275	94,984	58,478	3,202	61,680
Gas Operating	27,560	92,026	93,374	26,212	10,831	37,043
Sewer Operating	14,675	26,580	32,933	8,322	307	8,629
Storm Water Operating	29,415	767	16,122	14,060	-	14,060
Gas Depreciation	3,200	-	-	3,200	-	3,200
Feb 2021 Gas Crisis	-	367,986	235,515	132,471	-	132,471
Related Municipal Entity						
Walton Community Library	5,532	5,842	4,621	6,753	-	6,753
Total Reporting Entity						
(Excluding Agency Funds)	$ 213,757	831,424	683,836	361,345	21,076	382,421

Composition of Cash	
Cash on hand	$ 100
Walton State Bank	
Checking	377,165
Savings	50
Related Municipal Entity	6,753
Total Cash	384,068
Less Agency Funds per Schedule 4	1,647
Total Reporting Entity (Excluding Agency Funds)	$ 382,421

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

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 regulatory 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 provides funding for the library through special purpose and general fund appropriations to assist in funding capital expenditures and operating expenses. The governing body of the related municipal entity 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 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 City 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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of 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. 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, Equipment Reserve Fund, Business Reserve Funds, and Agency Funds.

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 the KMAAG regulatory basis of accounting.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

Management is not aware of any statutory violation incurred in the year ended December 31, 2021.

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 policies that would further limit interest rate risk.

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

Concentration of Credit Risk

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

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2021.

At December 31, 2021, the City's carrying amount of deposits, including related municipal entities, was $383,968 and the bank balance was $398,871. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $250,910 was covered by federal depository insurance and the remaining $147,961 was collateralized with securities held by the pledging financial institution's agents in the City's name.

4. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
Sewer Operating	Bond and Interest	K.S.A. 12-825d	$ 18,500
Storm Water Operating	Capital Improvement	K.S.A. 12-1,118	16,000

5. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2021, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions /Payments	Balance End of Year	Interest Paid
General Obligation Bonds									
Series 2016-Refunding	2.5-4.0%	12/01/16	$ 242,000	10/15/38	$ 220,000	-	10,000	210,000	6,711
State of Kansas Loan									
City Utility Low-Interest	0.25%	03/22/21	215,000	01/01/31	-	215,000	21,368	193,632	403
Capital Lease Payable									
First Bank	3.50%	12/04/19	43,216	12/04/23	32,602	-	4,865	27,737	1,135
Total contractual indebtedness					$ 252,602	215,000	36,233	431,369	8,249

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								
	2022	2023	2024	2025	2026	2027 -2031	2032 -2036	2037 -2038	Total
Principal									
General Obligation Bonds	$ 10,000	10,000	10,000	10,000	10,000	55,000	75,000	30,000	210,000
State of Kansas Loan	10,644	21,327	21,380	21,434	21,487	97,360			193,632
Capital Lease Payable	4,869	22,868	-	-	-	-	-	-	27,737
Total principal	25,513	54,195	31,380	31,434	31,487	152,360	75,000	30,000	431,369
Interest									
General Obligation Bonds	6,412	6,113	5,813	5,562	5,312	22,538	12,713	1,575	66,038
State of Kansas Loan	242	444	391	337	284	610			2,308
Capital Lease Payable	1,131	935	-	-	-	-	-	-	2,066
Total interest	7,785	7,492	6,204	5,899	5,596	23,148	12,713	1,575	70,412
Total principal and interest	$ 33,298	61,687	37,584	37,333	37,083	175,508	87,713	31,575	501,781

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Death and Disability Other Post-Employment Benefits

As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% through June 30, 2021, with a 0% moratorium for the period July 1, 2021 through June 30, 2022.

Compensated Absences

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

Years of Continuous Employment	0-3	3-10	10+
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. Full-time employees earn five days of sick leave per year after their first year of continuous employment. Sick leave does not accumulate, and is not compensated upon termination. Unused vacation and sick 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 or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions

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

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium for the period July 1, 2021 through June 30, 2022 for the Death and Disability Program) and the statutory contribution rate was 8.87% for the fiscal year ended December 31, 2021. Contributions to the pension plan from the City were $6,526 for the year ended December 31, 2021.

Net Pension Liability

At December 31, 2021, the City's proportionate share of the collective net pension liability reported by KPERS was $46,558. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. 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 or can be obtained as described above.

8. RELATED PARTIES

The City Treasurer is the spouse of one of the City's Council members.

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 been unable to obtain workers' compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for its participating members.

The City pays an annual premium to KMIT for workers' compensation coverage. The agreement to participate provides that KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT management.

The City continues to carry commercial insurance for all other risks of loss. There were no significant reductions in coverage during the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal 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.

10. CORONAVIRUS PANDEMIC

In January 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the City's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, and workforce. Given the evolution of the COVID-19 outbreak and the global responses to curb its spread, the City is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity on future years.

As a result of the COVID-19 outbreak, numerous Federal and State grants have been made available to the City to assist with the risks and help offset incurred costs of the City.

11. DATE OF MANAGEMENT REVIEW

Management has performed an analysis of the activities and transactions subsequent to December 31, 2021, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through May 31, 2022, which is the date at which the financial statement was available to be issued.

CITY OF WALTON

REGULATORY – REQUIRED

SUPPLEMENTARY INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2021

SCHEDULE 1

City of Walton, Kansas

SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
GENERAL FUND	$ 167,210	16,372	183,582	183,316	(266)
SPECIAL PURPOSE FUNDS					
Library	5,900	-	5,900	5,842	(58)
Special Street and Highway	93,142	-	93,142	418	(92,724)
BOND AND INTEREST FUND	16,713	-	16,713	16,711	(2)
BUSINESS FUNDS					
Water Operating	105,364	-	105,364	94,984	(10,380)
Gas Operating	127,117	-	127,117	93,374	(33,743)
Sewer Operating	45,486	-	45,486	32,933	(12,553)
Storm Water Operating	24,438	-	24,438	16,122	(8,316)

SCHEDULE 2

City of Walton, Kansas

General Fund

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
RECEIPTS				
Ad valorem property tax	$ 65,194	66,557	70,277	(3,720)
Delinquent property tax	1,896	5,672	1,500	4,172
Vehicle tax	11,418	12,846	10,891	1,955
Local sales tax	43,254	47,090	38,500	8,590
Fines and fees	5,375	5,284	500	4,784
Franchise tax	16,527	16,077	25,000	(8,923)
Charges for services				
Refuse	18,097	14,591	20,000	(5,409)
Permits	963	57	100	(43)
Late fees	484	1,768	1,000	768
Transfer from Equipment Reserve	4,259	-	-	-
Interest	261	197	200	(3)
Reimbursements	260	312	-	312
Walton 150 celebration donations	-	16,372	-	16,372
Other income	4,883	4,062	1,000	3,062
Total receipts	172,871	190,885	168,968	21,917
EXPENDITURES, Page 13	172,718	183,316		
Receipts over (under) expenditures	153	7,569		
UNENCUMBERED CASH, beginning	-	153		
UNENCUMBERED CASH, ending	$ 153	7,722		

City of Walton, Kansas

General Fund

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
EXPENDITURES				
Personnel services	$ 65,885	61,519	46,000	15,519
Contractual	29,663	39,219	30,000	9,219
Commodities	32,804	18,830	37,000	(18,170)
Capital outlay	2,709	1,787	5,000	(3,213)
Street lights	7,945	8,115	8,000	115
Refuse	19,707	19,326	20,000	(674)
Streets	715	-	500	(500)
Animal control/parks	1,363	1,762	500	1,262
Continuing education and dues	2,325	1,756	-	1,756
Law enforcement	6,812	13,299	12,500	799
Municipal court	-	752	500	252
Walton 150 celebration	-	11,912	-	11,912
Other	2,790	5,039	2,210	2,829
Transfer to				
Special Street and Highway	-	-	2,000	(2,000)
Equipment Reserve	-	-	3,000	(3,000)
	172,718	183,316	167,210	16,106
Adjustment for budget credits	-	-	16,372	(16,372)
Total expenditures	$ 172,718	183,316	183,582	(266)

City of Walton, Kansas

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
LIBRARY				
RECEIPTS				
Ad valorem property tax	$ 4,460	4,382	4,626	(244)
Delinquent tax	118	358	-	358
Vehicle tax	807	880	745	135
Other receipts	21	-	-	-
Total receipts	5,406	5,620	5,371	249
EXPENDITURES				
Appropriations to Library Board	5,500	5,842	5,900	(58)
Receipts over (under) expenditures	(94)	(222)		
UNENCUMBERED CASH, beginning	503	409		
UNENCUMBERED CASH, ending	$ 409	187		

City of Walton, Kansas

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SPECIAL STREET AND HIGHWAY				
RECEIPTS				
State payments	$ 6,034	6,635	5,310	1,325
Transfer from				
General	-	-	2,000	(2,000)
Gas Operating	-	-	10,000	(10,000)
Total receipts	6,034	6,635	17,310	(10,675)
EXPENDITURES				
Contractual services	13,951	-	93,142	(93,142)
Commodities	6,389	418	-	418
Total expenditures	20,340	418	93,142	(92,724)
Receipts over (under) expenditures	(14,306)	6,217		
UNENCUMBERED CASH, beginning	72,842	58,536		
UNENCUMBERED CASH, ending	$ 58,536	64,753		

City of Walton, Kansas

Special Purpose Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020	2021
EQUIPMENT RESERVE		
RECEIPTS		
Proceeds from sale of equipment	$ -	-
EXPENDITURES		
Transfer to General	4,259	-
Receipts over (under) expenditures	(4,259)	-
UNENCUMBERED CASH, beginning	20,259	16,000
UNENCUMBERED CASH, ending	$ 16,000	16,000

City of Walton, Kansas

Bond and Interest Fund

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
RECEIPTS				
Delinquent tax	$ 44	109	-	109
Transfer from Sewer Operating	16,200	18,500	18,500	-
Total receipts	16,244	18,609	18,500	109
EXPENDITURES				
Bond principal	10,000	10,000	10,000	-
Bond interest	7,012	6,711	6,713	(2)
Total expenditures	17,012	16,711	16,713	(2)
Receipts over (under) expenditures	(768)	1,898		
UNENCUMBERED CASH, beginning	1,858	1,090		
UNENCUMBERED CASH, ending	$ 1,090	2,988		

City of Walton, Kansas

Capital Project Fund

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020	2021
CAPITAL IMPROVEMENT		
RECEIPTS		
Sales to consumers	$ -	4,199
Transfer from Storm Water Operating	-	16,000
Total receipts	-	20,199
EXPENDITURES		
Contractual services	4,847	-
Receipts over (under) expenditures	(4,847)	20,199
UNENCUMBERED CASH, beginning	4,847	-
UNENCUMBERED CASH, ending	$ -	20,199

SCHEDULE 2

City of Walton, Kansas

Business Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
WATER OPERATING				
RECEIPTS				
Sales to consumers	$ 93,567	78,496	100,000	(21,504)
Federal grant - ARPA	-	17,779	-	17,779
Total cash receipts	93,567	96,275	100,000	(3,725)
EXPENDITURES				
Personnel services	45,157	24,395	30,000	(5,605)
Contractual services	11,008	10,238	10,000	238
Commodities and other	5,533	4,675	10,000	(5,325)
Capital outlay	1,509	7,077	5,364	1,713
Miscellaneous	-	251	-	251
Water purchases	43,537	48,348	50,000	(1,652)
Total expenditures	106,744	94,984	105,364	(10,380)
Receipts over (under) expenditures	(13,177)	1,291		
UNENCUMBERED CASH, beginning	70,364	57,187		
UNENCUMBERED CASH, ending	$ 57,187	58,478		

City of Walton, Kansas

Business Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
GAS OPERATING				
RECEIPTS				
Sales to consumers	$ 81,870	92,026	125,000	(32,974)
Reimbursements	-	-	200	(200)
Total receipts	81,870	92,026	125,200	(33,174)
EXPENDITURES				
Personnel services	9,028	15,034	30,000	(14,966)
Contractual services	9,282	19,628	15,000	4,628
Commodities and other	8,851	(1,524)	10,000	(11,524)
Capital outlay	151	1,947	4,117	(2,170)
Gas purchases	38,915	58,289	50,000	8,289
Franchise fee to City	-	-	8,000	(8,000)
Transfer to Special Street and Highway	-	-	10,000	(10,000)
Total expenditures	66,227	93,374	127,117	(33,743)
Receipts over (under) expenditures	15,643	(1,348)		
UNENCUMBERED CASH, beginning	11,917	27,560		
UNENCUMBERED CASH, ending	$ 27,560	26,212		

City of Walton, Kansas

Business Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
SEWER OPERATING				
RECEIPTS				
Sales to consumers	$ 32,189	26,580	35,000	(8,420)
EXPENDITURES				
Personnel services	16,874	9,021	15,000	(5,979)
Contractual services	6,207	4,550	8,986	(4,436)
Commodities and other	1,240	292	-	292
Capital outlay	1,679	570	3,000	(2,430)
Transfer to Bond and Interest	16,200	18,500	18,500	-
Total expenditures	42,200	32,933	45,486	(12,553)
Receipts over (under) expenditures	(10,011)	(6,353)		
UNENCUMBERED CASH, beginning	24,686	14,675		
UNENCUMBERED CASH, ending	$ 14,675	8,322		
STORM WATER OPERATING				
RECEIPTS				
Ad valorem property tax	$ 865	865	-	865
Fees	4,877	(98)	-	(98)
Total receipts	5,742	767	-	767
EXPENDITURES				
Contract labor	10,653	-	3,900	(3,900)
Commodities and other	12	122	4,538	(4,416)
Transfer to Capital Improvement	-	16,000	16,000	-
Total expenditures	10,665	16,122	24,438	(8,316)
Receipts over (under) expenditures	(4,923)	(15,355)		
UNENCUMBERED CASH, beginning	34,338	29,415		
UNENCUMBERED CASH, ending	$ 29,415	14,060		

SCHEDULE 2

City of Walton, Kansas

Business Funds

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020	2021
GAS DEPRECIATION		
RECEIPTS	$ -	-
EXPENDITURES	-	-
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	3,200	3,200
UNENCUMBERED CASH, ending	$ 3,200	3,200
FEB 2021 GAS CRISIS		
RECEIPTS		
Loan proceeds	$ -	215,000
Utility payments	-	152,986
Total receipts	-	367,986
EXPENDITURES		
Commodities	-	213,744
Principal	-	21,368
Interest	-	403
Total expenditures	-	235,515
Receipts over (under) expenditures	-	132,471
UNENCUMBERED CASH, beginning	-	-
UNENCUMBERED CASH, ending	$ -	132,471

City of Walton, Kansas

Related Municipal Entity

SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL

Regulatory Basis

For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	2020	2021
WALTON COMMUNITY LIBRARY		
RECEIPTS		
Appropriations from City	$ 5,500	5,842
SCKLS	1,090	-
Donations	112	-
State aid	66	-
Total receipts	6,768	5,842
EXPENDITURES		
Salaries and employee benefits	1,445	312
Books, periodicals, materials	5,924	1,593
Other	3,114	2,716
Total expenditures	10,483	4,621
Receipts over (under) expenditures	(3,715)	1,221
UNENCUMBERED CASH, beginning	9,247	5,532
UNENCUMBERED CASH, ending	$ 5,532	6,753

SCHEDULE 4

City of Walton, Kansas

Agency Funds

SUMMARY OF RECEIPTS AND DISBURSEMENTS

Regulatory Basis

For the Year Ended December 31, 2021

Funds	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
METER DEPOSIT	$ 1,750	350	650	1,450
MEMORIALS	-	50	-	50
SALES TAX	-	11,874	11,727	147
Total	$ 1,750	12,274	12,377	1,647