

CITY OF GALVA, KANSAS
FINANCIAL STATEMENT
FOR THE YEAR ENDED
DECEMBER 31, 2017

**CITY OF GALVA, KANSAS
CITY OF THE THIRD CLASS
For The Year Ended December 31, 2017**

H. W. Ford, Mayor

CITY COUNCIL

Evan Stout

G. David Andes

Myrna Walline

George Andreas

Stuart Vogts

CITY OFFICERS

Lori Tector, Clerk

Harry Weelborg, Attorney

Treva J. Norstrom, Treasurer

Hadley Sizemore, Police Judge

CITY OF GALVA, KANSAS
For the Year Ended December 31, 2017

TABLE OF CONTENTS

	<u>Page Numbers</u>
Independent Auditor's Report.....	1 – 2
 <u>FINANCIAL SECTION</u> 	
Statement 1 Summary Statement of Receipts, Expenditures and Unencumbered Cash – Regulatory Basis	3
Notes to Financial Statement	4 – 8
 <u>REGULATORY – REQUIRED SUPPLEMENTARY INFORMATION</u> 	
Schedule 1 Summary of Expenditures – Actual and Budget – Regulatory Basis	9
Schedule 2 Schedule of Receipts and Expenditures – Actual and Budget – Regulatory Basis	
 <u>General Fund</u> 	
2-1 General Fund	10 – 12
 <u>Special Purpose Fund</u> 	
2-2 Special Highway Fund	13
 <u>Bond and Interest Fund</u> 	
2-3 Bond and Interest Fund	14
 <u>Capital Project Fund</u> 	
2-4 Capital Improvement Fund	15
 <u>Business Funds</u> 	
2-5 Electric Fund	16
2-6 Sewer Fund	17
2-7 Water Fund	18
Schedule 3 Agency Funds – Schedule of Receipts and Disbursements – Regulatory Basis	19

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Galva, Kansas 67443

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

Management's Responsibility for the Financial Statement

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

Auditor's Responsibility

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

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Galva, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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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 of Galva, Kansas 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 of Galva, Kansas as of December 31, 2017, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

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 disbursements-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the 2017 basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 of Galva, Kansas as of and for the year ended December 31, 2016 (not presented herein), and have issued our report thereon dated April 17, 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.

Swindoll, Janzen, Hawk & Loyd, LLC

Swindoll, Janzen, Hawk & Loyd, LLC
McPherson, Kansas

March 28, 2018

CITY OF GALVA, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH**Regulatory Basis**

For the Year Ended December 31, 2017

	<u>Beginning Unencumbered Cash Balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance</u>
GENERAL FUND:						
General Fund	\$ 580,676	\$ 517,474	\$ 462,156	\$ 635,995	\$ -	\$ 635,995
SPECIAL PURPOSE FUND:						
Special Highway Fund	31,446	23,367	16,931	37,883	-	37,883
BOND AND INTEREST FUND:						
Bond and Interest Fund	32,886	68,309	60,601	40,594	-	40,594
CAPITAL PROJECTS FUND:						
Capital Improvement Fund	170,278	25,000	-	195,278	-	195,278
BUSINESS FUNDS:						
Electric Fund	435,512	628,339	605,769	458,082	-	458,082
Sewer Fund	28,154	72,362	15,711	84,805	-	84,805
Water Fund	168,790	86,991	68,306	187,475	-	187,475
Total Business Funds	632,456	787,692	689,787	730,362	-	730,362
Total Reporting Entity (Excluding Agency Funds)	\$ 1,447,742	\$ 1,421,843	\$ 1,229,474	\$ 1,640,110	\$ -	\$ 1,640,110
COMPOSITION OF CASH:						
Checking Accounts - Farmers State Bank						\$ 1,221,164
Certificates of Deposit - Farmers State Bank						420,000
Total Cash						1,641,164
Less Agency Funds per Schedule 3						(1,054)
Total Reporting Entity (Excluding Agency Funds)						\$ 1,640,110

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

CITY OF GALVA, KANSAS
NOTES TO FINANCIAL STATEMENT
For the Year Ended December 31, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Municipal Financial Reporting Entity

The City of Galva is a municipal corporation governed by an elected mayor and an elected five-member council. The regulatory financial statement presents the City of Galva. The City has no related municipal entities.

(b) Regulatory Basis Fund Types

General Fund – the chief operating 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 – funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund, etc.).

Trust Fund – funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency Fund – funds used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e. payroll clearing fund, county treasurer tax collection accounts, etc.).

(c) Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The *Kansas Municipal Audit and Accounting Guide (KMAAG)* regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

(d) Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the General Fund, Special Purpose Funds (unless specifically exempted by statute), Bond and Interest Funds and Business Funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- 1) Preparation of the budget for the succeeding calendar year on or before August 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 2017.

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 statements 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 municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budget expenditure authority lapses at year end.

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

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

No statutory violations noted in 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 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.

3. DEPOSITS AND INVESTMENTS (CONT.)

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2017.

At December 31, 2017, the City's carrying amount of deposits was \$1,641,164 and the bank balance was \$1,683,746. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by federal depository insurance and the remaining \$1,433,746 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

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

4. 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	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
Capital Lease: Bucket Truck	3.75%	08-08-14	\$ 93,614	12-15-22	\$ 72,770	\$ -	\$ 11,022	\$ 61,748	\$ 2,541
General Obligation Bond: Series 2011	4.00%	03-07-11	470,000	09-01-21	265,000	-	50,000	215,000	10,600
Total Contractual Indebtedness					\$ 337,770	\$ -	\$ 61,022	\$ 276,748	\$ 13,141

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

	Year					Total
	2018	2019	2020	2021	2022	
Principal:						
Capital Lease: Bucket Truck	\$ 11,443	\$ 11,879	\$ 12,332	\$ 12,803	\$ 13,291	\$ 61,748
General Obligation Bond: Series 2011	50,000	55,000	55,000	55,000	-	215,000
Total Principal	61,443	66,879	67,332	67,803	13,291	276,748
Interest:						
Capital Lease: Bucket Truck	2,120	1,684	1,230	760	272	6,066
General Obligation Bond: Series 2011	8,600	6,600	4,400	2,200	-	21,800
Total Interest	10,720	8,284	5,630	2,960	272	27,866
Total Principal and Interest	\$ 72,163	\$ 75,163	\$ 72,962	\$ 70,763	\$ 13,563	\$ 304,614

5. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Regulatory Authority	Amount
General	Capital Improvement	K.S.A. 12-1,118	\$ 25,000

6. 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 and 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 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 \$19,373 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 \$205,362. 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 these 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.

7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Employee Benefits

Vacation – Vacation leave shall be accrued from the employee's date of employment as stipulated hereinafter. All vacation leave must be used by the end of the year and shall not carry over to the following year. No vacation leave shall be taken until a new employee has completed the probationary period.

Vacations apply only to full-time regular employees. Vacations will be allowed for full-time employees in the following manner:

<u>Years of Service</u>	<u>Per Year</u>
0 to 5 years of service	10 working days
5 to 9 years of service	15 working days
10 plus years of service	20 working days

Sick leave – All full-time and part-time employees shall be entitled to sick leave with pay for absences resulting from personal illness, injuries, accidents or other physical incapacities, occurring either on or off the job.

<u>Years of Completed Service</u>	<u>Annual Sick Leave Benefits</u>
Upon completion of probationary period-	
90 days but less than 1 year	5 days
After 1 year	10 days

Sick leave may be accumulated up to a total of 50 days. An employee terminating his or her employment with the City, whether with or without notice, or whether terminated for cause, shall not be paid for any unused sick leave.

8. OTHER RELATIONSHIPS

McPherson Area Solid Waste Utility

The City along with McPherson County and seven other cities located within McPherson County entered into an interlocal agreement, authorized by State Statute, to form the McPherson Area Solid Waste Utility (the Utility) effective July 17, 1991. The purpose of the Utility is to assist its Members in planning, technical and financial matters for comprehensive solid waste management and accomplish the desired objectives of an effective county-wide solid waste management program, including the operation of a cooperative solid waste management program and the operation of a cooperative solid waste processing and disposal system for the benefit of its Members.

Management of the Utility is carried out by an appointed three member Board of Directors. The City of McPherson appoints one member to the Board of Directors, McPherson County appoints a second Director and the third Director is appointed collectively by the other seven Members of the Utility.

The agreement and the Utility may be terminated by written consent of at least two-thirds of the Members, provided that prior to such termination all contractual obligations and indebtedness of the Utility have been paid in full or sufficient resources have been escrowed for the payment of such obligations in full when due. Upon such termination, the Board of Directors shall liquidate the Utility and distribute the assets in a manner that, in its discretion, it deems appropriate. Accordingly, any ongoing financial interest or access to the Utility's resources is indeterminable until such action is taken by its Board of Directors. In addition, no Member shall be permitted to withdraw for twenty years or such sooner time as provision is made for the payment or discharge of the debt incurred by the County or assumed by the Utility. Any withdrawing Member shall not be entitled to distribution of any real or personal property of the Utility by reason of its withdrawal.

The Board of Directors shall determine the methods of obtaining financing for the Utility. The County provided the initial financing for the acquisition of land to be used as a site for disposal of refuse, constructing structures and acquiring equipment necessary for the sanitary disposal of refuse in McPherson County. Effective January 1, 1992, the fiscal accounting and operations of the Utility were transferred from McPherson County to management of the Utility.

Financial information of the McPherson Area Solid Waste Utility is not included in this report. Complete financial statements may be obtained from the administrative offices of the entity at 1431 17th Ave, McPherson, Kansas 67460.

9. CLAIMS AND JUDGMENTS

The City participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. As of the date of this report, the grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

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 have been no significant reductions 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.

10. SUBSEQUENT EVENTS

In 2017, the City was approved for a \$2,303,000 Federal assistance loan for water and waste disposal systems. On December 4, 2017 the City approved for the sale of general obligation temporary notes, series 2018 for \$2,303,000. The City anticipates the project will be completed in 2018.

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

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

CITY OF GALVA, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

(Budgeted Funds Only)

For the Year Ended December 31, 2017

	<u>Certified Budget</u>	<u>Adjustment for for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Over (Under)</u>
GENERAL FUND:					
General Fund	\$ 1,042,530	\$ -	\$ 1,042,530	\$ 462,156	\$ (580,374)
SPECIAL PURPOSE FUND:					
Special Highway Fund	66,294	-	66,294	16,931	(49,363)
BOND AND INTEREST FUND:					
Bond and Interest Fund	100,108	-	100,108	60,601	(39,507)
CAPITAL PROJECT FUND:					
Capital Improvement Fund	245,278	-	245,278	-	(245,278)
BUSINESS FUNDS:					
Electric Fund	1,068,218	-	1,068,218	605,769	(462,449)
Sewer Fund	157,347	-	157,347	15,711	(141,636)
Water Fund	224,983	-	224,983	68,306	(156,677)

CITY OF GALVA, KANSAS

GENERAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		<u>2017</u>		
	<u>2016</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance -</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Taxes -				
Ad valorem property tax	\$ 223,575	\$ 256,358	\$ 260,841	\$ (4,483)
Delinquent tax	3,424	3,648	200	3,448
Motor vehicle tax	33,409	34,162	32,146	2,016
Recreational vehicle tax	858	1,048	763	285
16/20M vehicle tax	634	1,031	364	667
Commercial vehicle tax	263	405	484	(79)
Watercraft tax	-	-	266	(266)
Local sales tax	116,107	120,243	115,000	5,243
Total Taxes	378,270	416,895	410,064	6,831
Intergovernmental Revenues -				
Economic development	1,865	1,962	1,500	462
Licenses and Permits -				
Building permits, licenses, dog tags	1,537	1,432	1,855	(423)
Utility franchise fees	12,458	9,376	9,500	(124)
Total Licenses and Permits	13,995	10,808	11,355	(547)
Charges for Services -				
Sanitation services	62,505	61,754	60,000	1,754
Other -				
Donations	5,670	2,450	100	2,350
Interest received	950	1,945	1,000	945
Miscellaneous	7,783	12,123	1,000	11,123
Reimbursements	-	-	500	(500)
Rent	10,754	9,537	9,000	537
Total Other	25,157	26,055	11,600	14,455
Total Receipts	481,792	517,474	\$ 494,519	\$ 22,955

CITY OF GALVA, KANSAS

GENERAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	2016 Actual	2017		Variance - Over (Under)
		Actual	Budget	
Expenditures				
Administrative -				
Personal services	\$ 104,706	\$ 113,724	\$ 110,000	\$ 3,724
Contractual services	149,810	134,859	150,000	(15,141)
Commodities	34,362	34,022	38,000	(3,978)
Capital outlay	31,832	3,010	1,000	2,010
Cash forward	-	-	522,830	(522,830)
Economic development	-	1,532	5,000	(3,468)
Transfer to Capital Improvement Fund	25,000	25,000	50,000	(25,000)
Total Administrative	345,710	312,147	876,830	(564,683)
Police -				
Personal services	60,279	60,698	65,000	(4,302)
Contractual services	3,641	2,685	2,200	485
Commodities	2,505	3,540	3,000	540
Total Police	66,425	66,923	70,200	(3,277)
Street -				
Commodities	-	22,192	-	22,192
Capital outlay	62,184	26,339	60,000	(33,661)
Total Street	62,184	48,531	60,000	(11,469)
Recreation Committee -				
Personal services	12,918	12,918	12,000	918
Contractual services	83	743	1,000	(257)
Commodities	9,823	6,881	20,000	(13,119)
Capital outlay	-	13,706	500	13,206
Appropriation	-	-	500	(500)
Total Recreation Committee	22,824	34,248	34,000	248

CITY OF GALVA, KANSAS

GENERAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	2016 Actual	2017		Variance - Over (Under)
		Actual	Budget	
Expenditures (cont.)				
Governing Body -				
Contractual services	\$ 170	\$ 91	\$ 500	\$ (409)
Commodities	403	216	1,000	(784)
Total Governing Body	573	307	1,500	(1,193)
Total Expenditures	497,716	462,156	\$ 1,042,530	\$ (580,374)
Receipts Over (Under) Expenditures	(15,924)	55,318		
Unencumbered Cash, Beginning	596,601	580,677		
Unencumbered Cash, Ending	\$ 580,677	\$ 635,995		

CITY OF GALVA, KANSAS

SPECIAL PURPOSE FUND

SPECIAL HIGHWAY 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)

		2017		Variance -
	2016			Over
	Actual	Actual	Budget	(Under)
Receipts				
State of Kansas gas tax	\$ 23,582	\$ 23,367	\$ 23,310	\$ 57
Miscellaneous	300	-	-	-
Total Receipts	23,882	23,367	\$ 23,310	\$ 57
Expenditures				
Commodities	18,359	16,931	\$ 4,000	\$ 12,931
Capital outlay	-	-	20,000	(20,000)
Cash forward	-	-	42,294	(42,294)
Total Expenditures	18,359	16,931	\$ 66,294	\$ (49,363)
Receipts Over (Under) Expenditures	5,523	6,436		
Unencumbered Cash, Beginning	25,924	31,447		
Unencumbered Cash, Ending	\$ 31,447	\$ 37,883		

CITY OF GALVA, KANSAS

BOND AND INTEREST FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		<u>2017</u>		
	<u>2016</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance -</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Ad valorem property tax	\$ 54,922	\$ 58,416	\$ 59,433	\$ (1,017)
Delinquent tax	900	891	200	691
Motor vehicle tax	8,207	8,392	7,897	495
Recreational vehicle tax	211	258	187	71
16/20M vehicle tax	156	253	90	163
Commercial vehicle tax	65	99	119	(20)
Watercraft tax	-	-	65	(65)
Total Receipts	<u>64,461</u>	<u>68,309</u>	<u>\$ 67,991</u>	<u>\$ 318</u>
Expenditures				
Principal	45,000	50,000	\$ 50,000	\$ -
Interest	12,401	10,601	10,600	1
Cash basis reserve	-	-	39,508	(39,508)
Total Expenditures	<u>57,401</u>	<u>60,601</u>	<u>\$ 100,108</u>	<u>\$ (39,507)</u>
Receipts Over (Under) Expenditures	7,060	7,708		
Unencumbered Cash, Beginning	<u>25,826</u>	<u>32,886</u>		
Unencumbered Cash, Ending	<u>\$ 32,886</u>	<u>\$ 40,594</u>		

CITY OF GALVA, KANSAS

CAPITAL PROJECT FUNDCAPITAL IMPROVEMENT FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		<u>2017</u>		<u>Variance -</u>
	<u>2016</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Receipts				
Transfer from General Fund	<u>\$ 25,000</u>	<u>\$ 25,000</u>	<u>\$ 50,000</u>	<u>\$ (25,000)</u>
Expenditures				
Cash forward	-	-	\$ 145,278	\$ (145,278)
Waterwell	-	-	100,000	(100,000)
Total Expenditures	-	-	<u>\$ 245,278</u>	<u>\$ (245,278)</u>
Receipts Over (Under) Expenditures	25,000	25,000		
Unencumbered Cash, Beginning	<u>145,278</u>	<u>170,278</u>		
Unencumbered Cash, Ending	<u>\$ 170,278</u>	<u>\$ 195,278</u>		

CITY OF GALVA, KANSAS

BUSINESS FUNDELECTRIC FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		<u>2017</u>		<u>Variance -</u>
	<u>2016</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Receipts				
Sales to customers	\$ 664,067	\$ 621,597	\$ 600,000	\$ 21,597
Penalties	3,647	4,337	1,500	2,837
Installation charges	1,700	2,100	2,500	(400)
Reimbursements	280	305	200	105
Total Receipts	<u>669,694</u>	<u>628,339</u>	<u>\$ 604,200</u>	<u>\$ 24,139</u>
Expenditures				
Personal services	152,915	137,130	\$ 200,000	\$ (62,870)
Contractual services	437,298	442,776	420,000	22,776
Commodities	12,637	12,300	18,000	(5,700)
Capital outlay	74,150	-	10,000	(10,000)
Cash forward	-	-	406,655	(406,655)
Bucket truck lease purchase	13,563	13,563	13,563	-
Total Expenditures	<u>690,563</u>	<u>605,769</u>	<u>\$ 1,068,218</u>	<u>\$ (462,449)</u>
Receipts Over (Under) Expenditures	(20,869)	22,570		
Unencumbered Cash, Beginning	<u>456,381</u>	<u>435,512</u>		
Unencumbered Cash, Ending	<u>\$ 435,512</u>	<u>\$ 458,082</u>		

CITY OF GALVA, KANSAS

BUSINESS FUNDSEWER FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	2016 Actual	2017		Variance - Over (Under)
		Actual	Budget	
Receipts				
Sales to customers	\$ 32,633	\$ 71,562	\$ 120,000	\$ (48,438)
Sewer tap	-	800	1,000	(200)
Reimbursements	400	-	500	(500)
Total Receipts	33,033	72,362	\$ 121,500	\$ (49,138)
Expenditures				
Personal services	9,180	1,530	\$ -	\$ 1,530
Contractual services	17,217	7,950	24,000	(16,050)
Commodities	13,229	6,231	7,400	(1,169)
Capital outlay	2,500	-	10,000	(10,000)
Cash forward	-	-	113,447	(113,447)
City truck	-	-	2,500	(2,500)
Total Expenditures	42,126	15,711	\$ 157,347	\$ (141,636)
Receipts Over (Under) Expenditures	(9,093)	56,651		
Unencumbered Cash, Beginning	37,247	28,154		
Unencumbered Cash, Ending	\$ 28,154	\$ 84,805		

CITY OF GALVA, KANSAS

BUSINESS FUNDWATER FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2017

(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

		<u>2017</u>		
	<u>2016</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts				
Sales to customers	\$ 75,624	\$ 80,363	\$ 75,000	\$ 5,363
Installation charges	2,400	3,500	2,000	1,500
Miscellaneous	-	3,128	500	2,628
	<u>78,024</u>	<u>86,991</u>	<u>\$ 77,500</u>	<u>\$ 9,491</u>
Total Receipts				
Expenditures				
Personal services	18,011	15,407	\$ 22,000	\$ (6,593)
Contractual services	18,784	21,476	20,000	1,476
Commodities	16,922	31,423	32,000	(577)
Capital outlay	2,500	-	50,000	(50,000)
Cash forward	-	-	50,983	(50,983)
Waterwell	-	-	50,000	(50,000)
	<u>56,217</u>	<u>68,306</u>	<u>\$ 224,983</u>	<u>\$ (156,677)</u>
Total Expenditures				
Receipts Over (Under) Expenditures	21,807	18,685		
Unencumbered Cash, Beginning	<u>146,983</u>	<u>168,790</u>		
Unencumbered Cash, Ending	<u>\$ 168,790</u>	<u>\$ 187,475</u>		

CITY OF GALVA, KANSAS

AGENCY FUNDSSCHEDULE OF RECEIPTS AND DISBURSEMENTSRegulatory 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>
Payroll Clearing Fund	\$ -	\$ 341,406	\$ 341,406	\$ -
Recreation Committee Fund	6,833	6,258	12,037	1,054
Sales Tax Fund	-	14,151	14,151	-
Total	<u>\$ 6,833</u>	<u>\$ 361,815</u>	<u>\$ 367,594</u>	<u>\$ 1,054</u>