WET WALNUT CREEK WATERSHED
JOINT DISTRICT NO. 58
LaCrosse, KS

AGREED UPON PROCEDURES AND COMPILATION REPORT

Year Ended December 31, 2024

GOHEEN & SLAVIK CPAs, LLC
Certified Public Accountants
Downs, Kansas

WET WALNUT CREEK WATERSHED
JOINT DISTRICT NO. 58

2024

TABLE OF CONTENTS

	Page Number
Independent Accountants' Report on Applying Agreed-Upon Procedures	1
Accountants' Compilation Report	7
Summary Statement of Receipts, Expenditures, & Unencumbered Cash -Regulatory Basis	8

GOHEEN & SLAVIK

CPAS, LLC
CHERYL GOHEEN, CPA & AMY SLAVIK, CPA
901 Morgan Avenue, Downs, KS 67437
785-454-9977
FAX: 785-346-2887

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Wet Walnut Creek Watershed Joint District No. 58
LaCrosse, KS 67548

We have performed the procedures enumerated below solely to assist you with respect to determining the District's compliance with the procedures outlined in the Kansas Municipal Audit and Accounting Guide (KMAAG), Appendix K, for the year ended December 31, 2024. The Wet Walnut Creek Watershed Joint District No. 58's management is responsible for compliance with these procedures, as well as the Summary Statement of Receipts, Expenditures, & Unencumbered Cash-Regulatory Basis for the year then ended.

The Board of Supervisors of the Wet Walnut Creek Watershed Joint District No. 58 has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of determining the District's compliance with the procedures outlined in the Kansas Municipal Audit and Accounting Guide (KMAAG), Appendix K. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Our procedures and associated findings are as follows:

1. We have tied the District's ending cash balance to the year-end bank reconciliation and any other documents evidencing year-end cash.

   FINDINGS: No discrepancies were noted.

2. We tied the year-end cash balances as shown on the Summary Statement of Receipts, Expenditures, & Unencumbered Cash to: (1) demand deposits at the District's official depository, (2) time deposits at the District's official depository, and (3) investments in U.S. Treasury bills; and other cash/investment accounts.

   FINDINGS: No discrepancies were noted. Cash balances were as follows:

Bank	General Ledger Account Balances as of December 31, 2024
Farmers Bank & Trust	
Checking Account	$ 44,563
Savings Account	15,102
Certificate of Deposit #3101502	59,738
Certificate of Deposit #41261	114,933

Certificate of Deposit #48097	59,194
Bison State Bank	
Savings Account	46,487
Certificate of Deposit #1579	54,000
Certificate of Deposit #2185	25,000
SJN Bank of Kansas	
Savings Account	82,677
Certificate of Deposit #16214	186,114
Certificate of Deposit #16068	68,144
Peoples Bank & Trust Certificate of Deposit #10042	90,000
First National Bank Certificate of Deposit #12066	25,000
First State Bank – Ness City	
Certificate of Deposit #23122	34,000
Certificate of Deposit #21813	73,619
Certificate of Deposit #23669	40,000
Certificate of Deposit #23400	55,495
First State Bank – Ransom	
Certificate of Deposit #4607	100,000
Certificate of Deposit #3647	7,518
Certificate of Deposit #3187	70,599
Certificate of Deposit #3273	67,245
Certificate of Deposit #4612	113,538
Certificate of Deposit #4643	55,210
First State Bank – Healy	
Certificate of Deposit #50833	50,000
Certificate of Deposit #50834	50,000
Certificate of Deposit #50835	50,000
Certificate of Deposit #50830	53,926
Certificate of Deposit #50831	56,496
Certificate of Deposit #50832	84,945
Certificate of Deposit #50836	115,509
Petty Cash	150
	$ 1,949,202

3. Using the last bank statement of the year, we compared the total deposits in excess of FDIC insurance to securities pledged to secure the excess deposits, as evidenced by joint custody receipts.

   FINDINGS: Using the last bank statements of the year, we have compared total deposits in excess of FDIC insurance limit to securities pledged on the excess deposits, as evidenced by joint custody receipts. FDIC regulations state that time deposits and demand deposits are insured separately, each up to $250,000. Three banks were found to have deposits over the limit.

   At December 31, 2024, the district's SJN Bank of Kansas carrying amount of time deposits was $254,258. This balance was in excess of the $250,000 FDIC insured amount by $4,258. This bank balance was held by one bank, therefore resulting in a concentration of credit risk. As of December 31, 2024, the accounts at SJN Bank of Kansas were covered by a sufficient securities pledge.

At December 31, 2024, the district's First State Bank - Ransom carrying amount of time deposits was $414,110. This balance was in excess of the $250,000 FDIC insured amount by $164,110. This bank balance was held by one bank, therefore resulting in a concentration of credit risk. As of December 31, 2024, the accounts at First State Bank - Ransom were covered by a sufficient securities pledge.

At December 31, 2024, the district's First State Bank - Healy carrying amount of time deposits was $460,876. This balance was in excess of the $250,000 FDIC insured amount by $210,876. This bank balance was held by one bank, therefore resulting in a concentration of credit risk. As of December 31, 2024, the accounts at First State Bank - Healy were covered by a sufficient securities pledge.

Amounts carried in the Farmers Bank & Trust, Bison State Bank, Peoples Bank & Trust, First National Bank, and First State Bank – Ness City were under the FDIC limit, therefore no additional pledging necessary on these accounts.

4. For the last bank statement of the year, we compared the name of the depository institution to an entry in the official minutes that designated the institution as the District's official depository.

   FINDINGS: No discrepancies were noted.

5. For two months, we traced the interest income from the bank statement to the District's cash receipts records.

   FINDINGS: No discrepancies were noted.

6. For at least two separate months, we traced non-mail cash receipts from the receipt book to the bookkeeping records to determine the receipts were properly recorded. For those same two months, we traced bookkeeping entries for cash receipts to the bank statement to determine receipts were deposited intact and on a timely basis.

   FINDINGS: No discrepancies were noted.

7. For approximately ten percent of the District's non-payroll cash disbursements, we traced the disbursement from the bookkeeping records to the related invoice, as well as the bank statement and cancelled check.

   FINDINGS: No discrepancies were noted.

8. For at least one month, we compared the disbursements as recorded in the check register to an entry in the official minutes that approved the disbursements.

   FINDINGS: No discrepancies were noted.

9. We have examined evidence of encumbrances and accounts payable and determined that they have been properly stated in the financial statements as of the end of the year. Evidence of encumbrances would include unpaid purchase orders and contracts. Evidence of accounts payable would include unpaid invoices and receiving reports. The evidence is consistent with the related amount shown on the financial statement.

   FINDINGS: Encumbrances and accounts payable for the district were as follows:

General Fund:	
Utilities expense	$ 470
Travel expense	1,579
Other administrative expense	3,228
Payroll expense	6,592
	$ 11,869

10. We reviewed the District's credit card policy and internal controls, as applicable.

    FINDINGS: District does not have a written credit card policy. The procedure followed by the District is the Fund Transactions procedure for all disbursement transactions as follows: (1) the secretary will include all bills on the Claims worksheet and will be presented to the board of directors at the next scheduled meeting, (2) board of directors will review and approve, by majority, the payment of bills at the next scheduled meeting, (3) all checks need three signatures. The District Manager is in possession of such card. We have performed procedures to review the items in the disbursement procedures and do not find any discrepancies. Credit cards issued by Wet Walnut Creek Watershed Joint District No. 58 are in the name of the District. The district's procedures and internal controls are currently being followed.

11. For at least one month, we reviewed payroll records to determine that the correct deductions and employer contributions are being properly made. We also determined that the District was in compliance with the Fair Labor Standards Act.

    FINDINGS: It was discovered that Q1 and Q4 Wages were reported incorrectly on the Form 941s. Taxes were paid and wages were reported on the W-2s correctly, so no adjustment is necessary. It was also discovered that Kansas Unemployment wages are being reported incorrectly. Wages should be reported after the deduction for employee health insurance, HSA, & employee KPERS contributions. Variance was insignificant, no adjustment necessary. District was advised on how to correct moving forward. District was in compliance with the Fair Labor Standards Act.

12. For the last month of the year, we reviewed the payroll records for each employee to determine if a deduction of KPERS (Kansas Public Employees Retirement Service) was made.

    FINDINGS: No discrepancies were noted.

13. We compared the following items in the current year financial statements to the same items in the prior year financial statements to determine if there was a variance of more than 25% per fund: 1) total cash receipts, 2) total cash disbursements, 3) encumbrances and accounts payable, and 4) ending unencumbered cash balance.

    FINDINGS: Variances were checked for cause and the following funds revealed variances of more than 25%:

    General Fund: Total Cash Disbursements & Ending Unencumbered Cash Balance
    - Review & analysis of the fund revealed that Total Cash Disbursements were up 30.19% due to an increase in construction, professional fees, and payroll expenses.
    - Review and analysis of the fund revelated that Outstanding Encumbrances & A/P were down 81.47% due to a decrease in payroll, maintenance, and utilities expenses encumbered at year end.

    Structure Maintenance Fund: Total Cash Receipts
    - Review and analysis of the fund revealed that Total Cash Receipts were up 120.67% due to an increase in interest income.

14. For two months, we reviewed the District's month-end statement of cash receipts and cash disbursements to determine that the ending unencumbered cash balance is greater than or equal to zero.

    FINDINGS: No discrepancies were noted.

15. For at least two months, we reviewed the official minutes to determine that the minutes have been signed by the chairperson of the board of supervisors.

    FINDINGS: No discrepancies were noted.

16. We reviewed the District's surety (fidelity) bonds to determine that the District manager is covered by such a bond.

    FINDINGS: No discrepancies were noted.

We were engaged by the Board of Supervisors of the Wet Walnut Creek Watershed Joint District No. 58 to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion. Accordingly, we do not express such an opinion or conclusion, respectively, on the Summary Statement of Receipts, Expenditures, & Unencumbered Cash-Regulatory Basis. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Wet Walnut Creek Watershed Joint District No. 58 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the use of the Board of Directors of Wet Walnut Creek Watershed Joint District No. 58 and is not intended to be and should not be used by anyone other than those specified parties.

Goheen & Slavik CPAs, LLC

May 19, 2025
Downs, Kansas

Goheen & Slavik CPAs, LLC
Certified Public Accountants

GOHEEN & SLAVIK

CPAS, LLC
CHERYL GOHEEN, CPA & AMY SLAVIK, CPA
901 Morgan Avenue, Downs, KS 67437
785-454-9977
FAX: 785-346-2887

ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Wet Walnut Creek Watershed Joint District No. 58
LaCrosse, KS 67548

Management is responsible for the accompanying financial statements of the Wet Walnut Creek Watershed Joint District No. 58, which comprise the Summary Statement of Receipts, Expenditures, & Unencumbered Cash-Regulatory Basis as of December 31, 2024, in accordance with the regulatory basis accounting provisions permitted in the Kansas Municipal Audit and Accounting Guide (KMAAG), and for determining that the regulatory basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on this financial statement.

The financial statement is prepared in accordance with the regulatory basis of accounting provisions permitted in KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the above stated regulatory basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the District's cash receipts, cash disbursements, and cash balance. Accordingly, the financial statement is not designed for those who are not informed about such matters.

May 19, 2025
Downs, Kansas

Goheen & Slavik CPAs, LLC
Certified Public Accountants

WET WALNUT CREEK WATERSHED JOINT DISTRICT NO. 58
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2024

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General funds:							
General Fund	$ 747,848	-	436,541	498,337	$ 686,052	11,869	$ 697,921
Special Purpose Funds:							
Structure Maintenance Fund	$ 1,202,416	$ -	$ 48,865	$ -	$ 1,251,281	$ -	$ 1,251,281
Total Reporting Entity	$ 1,950,264	$ -	$ 485,406	$ 498,337	$ 1,937,333	$ 11,869	$ 1,949,202

Composition of Cash:	
Checking Account:	
Farmers Bank & Trust	$ 44,563
Savings Accounts:	
Farmers Bank & Trust	$ 15,102
Bison State Bank	$ 46,487
SJN Bank of Kansas	$ 82,677
Certificates of Deposits:	
First State Bank - Ness City	$ 203,114
First State Bank - Ransom	$ 414,110
First State Bank - Healy	$ 460,876
Peoples Bank & Trust	$ 90,000
Bison State Bank	$ 79,000
First National Bank	$ 25,000
SJN Bank of Kansas	$ 254,258
Farmers Bank & Trust	$ 233,865
Petty Cash	$ 150
Total Reporting Entity	$ 1,949,202

See accountant's compilation report.