

CITY OF WALTON, KANSAS

Financial Statement

For the Year Ended December 31, 2018

City of Walton, Kansas  
For the Year Ended December 31, 2018

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## INDEPENDENT AUDITOR'S REPORT

City Council  
City of Walton  
Walton, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Walton, Kansas (City), and its related municipal entity, as of and for the year ended December 31, 2018, 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 City's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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

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

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

### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not

present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2018, or changes in financial position and cash flows thereof for the year then ended.

### ***Unmodified Opinion on Regulatory Basis of Accounting***

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2018, 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 2018 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, and the schedule of regulatory basis receipts and expenditures-related municipal entity (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the 2018 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 2018 basic financial statement. The 2018 information has been subjected to the auditing procedures applied in the audit of the 2018 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 2018 basic financial statement or to the 2018 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 2018 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, 2017 (not presented herein), and have issued our report thereon dated May 31, 2018, which contained an unmodified opinion on the basic financial statement. The 2017 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 2017 actual column (2017 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, 2018 (Schedules 2 and 4 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 2017 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 2017 basic financial statement. The 2017 comparative information was 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 2017 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, 2017, on the basis of accounting described in Note 1.

*Krudsen, Monroe & Company, LLC*

Certified Public Accountants  
Newton, Kansas  
May 28, 2019

## City of Walton, Kansas

## SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

## Regulatory Basis

For the Year Ended December 31, 2018

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
<b>General Fund</b>	\$ 26,569	176,506	183,131	19,944	7,218	27,162
<b>Special Purpose Funds</b>						
Library	97	5,450	5,450	97	-	97
Special Street and Highway	32,581	7,446	-	40,027	-	40,027
Equipment Reserve	7,921	13,800	1,762	19,959	-	19,959
<b>Bond and Interest Fund</b>	2,171	8,587	9,443	1,315	-	1,315
<b>Capital Project Fund</b>						
Capital Improvement	4,847	-	-	4,847	-	4,847
<b>Business Funds</b>						
Water Operating	42,235	95,293	74,827	62,701	2,810	65,511
Gas Operating	20,081	88,707	96,435	12,353	20,214	32,567
Sewer Operating	26,307	32,394	27,500	31,201	81	31,282
Storm Water Operating	28,301	5,722	2,500	31,523	-	31,523
Gas Depreciation	3,200	-	-	3,200	-	3,200
<b>Related Municipal Entity</b>						
Walton Community Library	7,750	8,578	7,120	9,208	-	9,208
<b>Total Reporting Entity</b>						
(Excluding Agency Funds)	\$ 202,060	442,483	408,168	236,375	30,323	266,698
<b>Composition of Cash</b>						
Cash on hand						\$ 100
Walton State Bank						
Checking						237,245
Savings						22,635
Related Municipal Entity						9,208
Total Cash						269,188
Less Agency Funds per Schedule 3						2,490
<b>Total reporting entity (Excluding Agency Funds)</b>						\$ 266,698

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

City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2018

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 makes appropriations to the library to assist in funding capital expenditures and operating expenses. The governing body of the component unit is appointed by the City council.

Regulatory Basis Fund Types

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

Special Purpose Fund – used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

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

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

Business Fund – used to account 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.

City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information

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

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for Capital Project Funds, Agency Funds and certain Special Purpose Funds.

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.

City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2018

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Compliance with Kansas Statutes

No statutory violations were noted for the year ended December 31, 2018.

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, 2018.

At December 31, 2018, the City's carrying amount, including related municipal entities, was \$269,188 and the bank balance was \$264,242. 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 \$14,242 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
General	Special Street and Highway	K.S.A. 12-1,119	\$ 1,000
General	Equipment Reserve	K.S.A. 12-1,117	12,000
Sewer Operating	Bond and Interest	K.S.A. 12-825d	7,000
			<u>\$ 20,000</u>



City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2018

5. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2018 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
<b>General Obligation Bonds</b>									
Series 2016-Refunding	2.5-4.0%	12/01/16	\$ 242,000	10/15/38	\$ 242,000	-	2,000	240,000	7,443
<b>Capital Lease Payable</b>									
Walton State Bank	4.50%	12/22/14	26,950	12/22/18	7,200	-	7,200	-	175
<b>Total contractual indebtedness</b>					<b>\$ 249,200</b>	<b>-</b>	<b>9,200</b>	<b>240,000</b>	<b>7,618</b>

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								
	2019	2020	2021	2022	2023	2024 -2028	2029 -2033	2034 -2038	Total
<b>General Obligation Bonds</b>									
Principal	\$ 10,000	10,000	10,000	10,000	10,000	50,000	65,000	75,000	240,000
Interest	7,363	7,012	6,713	6,412	6,113	26,537	19,213	7,762	87,125
<b>Total principal and interest</b>	<b>\$ 17,363</b>	<b>17,012</b>	<b>16,713</b>	<b>16,412</b>	<b>16,113</b>	<b>76,537</b>	<b>84,213</b>	<b>82,762</b>	<b>327,125</b>

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% for the year ended December 31, 2018.

Compensated Absences

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

<u>Years of Continuous Employment</u>	<u>0-3 years</u>	<u>3-10 years</u>	<u>10+ years</u>
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 accrue, and is not compensated upon termination.

Unused vacation and sick time has not been recorded as a liability in the accompanying financial statement.

City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2018

7. DEFINED BENEFIT PENSION PLAN

Plan Description

The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 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 for the Death and Disability Program) and the statutory contribution rate was 8.39% for the fiscal year ended December 31, 2018. Contributions to the pension plan from the City were \$6,560 for the year ended December 31, 2018.

Net Pension Liability

At December 31, 2018, the City's proportionate share of the collective net pension liability reported by KPERS was \$48,476. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017, which was rolled forward to June 30, 2018. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

8. RELATED PARTY TRANSACTIONS

The City contracted maintenance services with D&M Construction, a company for which a City employee is the owner. The contracted amount during the year ended December 31, 2018 was \$1,338.

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

City of Walton, Kansas  
NOTES TO FINANCIAL STATEMENT  
December 31, 2018

9. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has purchased commercial insurance for these potential risks. There has been no significant reduction in insurance coverage from 2017 to 2018 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. DATE OF MANAGEMENT REVIEW

Management has performed an analysis of the activities and transactions subsequent to December 31, 2018, to determine the need for any adjustments to and/or disclosures within the audited financial statement. Management has performed their analysis through May 28, 2019, which is the date the financial statement was available to be issued.

CITY OF WALTON  
REGULATORY – REQUIRED  
SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2018

City of Walton, Kansas  
SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET  
Regulatory Basis  
For the Year Ended December 31, 2018

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
<b>GENERAL FUND</b>	\$ 203,300	-	203,300	183,131	(20,169)
<b>SPECIAL PURPOSE FUNDS</b>					
Library	5,500	-	5,500	5,450	(50)
Special Street and Highway	14,000	-	14,000	-	(14,000)
<b>BOND AND INTEREST FUND</b>	14,442	-	14,442	9,443	(4,999)
<b>BUSINESS FUNDS</b>					
Water Operating	92,300	-	92,300	74,827	(17,473)
Gas Operating	114,600	-	114,600	96,435	(18,165)
Sewer Operating	27,500	-	27,500	27,500	-
Storm Water Operating	2,500	-	2,500	2,500	-

## City of Walton, Kansas

**General Fund**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		
	Prior Year			Variance
	Actual	Actual	Budget	Over
				(Under)
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 56,170	64,295	67,203	(2,908)
Delinquent property tax	5,562	6,446	400	6,046
Vehicle tax	11,467	10,741	12,331	(1,590)
Local sales tax	41,304	41,049	42,000	(951)
Fines and fees	20,894	7,839	27,000	(19,161)
Franchise tax	24,262	24,829	23,000	1,829
Charges for services				
Refuse	19,313	17,904	20,000	(2,096)
Permits	1,915	653	800	(147)
Late fees	1,815	2,099	3,000	(901)
Interest	236	278	200	78
Reimbursements	334	302	1,500	(1,198)
Other income	1,087	71	1,200	(1,129)
Total receipts	184,359	176,506	198,634	(22,128)
<b>EXPENDITURES, Page 12</b>	164,328	183,131		
Receipts over (under) expenditures	20,031	(6,625)		
UNENCUMBERED CASH, beginning	6,538	26,569		
UNENCUMBERED CASH, ending	\$ 26,569	19,944		

## City of Walton, Kansas

**General Fund**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	Prior Year Actual	Current Year		Variance Over (Under)
		Actual	Budget	
<b>EXPENDITURES</b>				
Personnel services	\$ 41,713	45,208	50,000	(4,792)
Contractual	28,794	35,129	44,000	(8,871)
Commodities	22,996	21,002	26,000	(4,998)
Capital outlay	9,137	10,284	13,500	(3,216)
Street lights	8,278	8,628	6,000	2,628
Refuse	17,844	20,932	18,500	2,432
Streets	171	381	3,500	(3,119)
Animal control/parks	712	484	1,000	(516)
Continuing education and dues	1,921	1,979	-	1,979
Law enforcement	19,698	22,272	26,000	(3,728)
Municipal court	2,249	-	2,800	(2,800)
Other	815	3,832	1,000	2,832
Transfer to				
Special Street and Highway	5,000	1,000	1,000	-
Equipment Reserve	<u>5,000</u>	<u>12,000</u>	<u>10,000</u>	<u>2,000</u>
Total expenditures	<u>\$ 164,328</u>	<u>183,131</u>	<u>203,300</u>	<u>(20,169)</u>

City of Walton, Kansas

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

Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b><u>LIBRARY</u></b>				
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 1,718	4,942	5,174	(232)
Delinquent tax	95	179	50	129
Vehicle tax	406	329	377	(48)
Other receipts	<u>27</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	2,246	5,450	<u>5,601</u>	<u>(151)</u>
<b>EXPENDITURES</b>				
Appropriations to Library Board	<u>3,992</u>	<u>5,450</u>	<u>5,500</u>	<u>(50)</u>
Receipts over (under) expenditures	(1,746)	-		
UNENCUMBERED CASH, beginning	<u>1,843</u>	<u>97</u>		
UNENCUMBERED CASH, ending	<u>\$ 97</u>	<u>97</u>		



## City of Walton, Kansas

**Special Purpose Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b><u>SPECIAL STREET AND HIGHWAY</u></b>				
<b>RECEIPTS</b>				
State payments	\$ 7,251	6,446	6,000	446
Transfer from				
General	5,000	1,000	1,000	-
Gas Operating	10,000	-	1,000	(1,000)
Total receipts	<u>22,251</u>	<u>7,446</u>	<u>8,000</u>	<u>(554)</u>
<b>EXPENDITURES</b>				
Personnel services	154	-	-	-
Contractual services	30,470	-	14,000	(14,000)
Commodities	319	-	-	-
Total expenditures	<u>30,943</u>	<u>-</u>	<u>14,000</u>	<u>(14,000)</u>
Receipts over (under) expenditures	(8,692)	7,446		
UNENCUMBERED CASH, beginning	<u>41,273</u>	<u>32,581</u>		
UNENCUMBERED CASH, ending	<u>\$ 32,581</u>	<u>40,027</u>		

City of Walton, Kansas

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

Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>
<b><u>EQUIPMENT RESERVE</u></b>		
<b>RECEIPTS</b>		
Proceeds from sale of equipment	\$ -	1,800
Transfer from General	<u>5,000</u>	<u>12,000</u>
Total receipts	5,000	13,800
 <b>EXPENDITURES</b>		
Capital outlay	<u>8,260</u>	<u>1,762</u>
Receipts over (under) expenditures	(3,260)	12,038
UNENCUMBERED CASH, beginning	<u>11,181</u>	<u>7,921</u>
UNENCUMBERED CASH, ending	<u><u>\$ 7,921</u></u>	<u><u>19,959</u></u>

## City of Walton, Kansas

**Bond and Interest Fund**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		
	Prior Year			Variance
	Actual	Actual	Budget	Over Over (Under)
<b>RECEIPTS</b>				
Ad valorem property tax	\$ 5,972	19	-	19
Delinquent tax	305	426	10	416
Vehicle tax	1,033	1,142	1,311	(169)
Transfer from Sewer Operating	-	7,000	7,000	-
Total receipts	<u>7,310</u>	<u>8,587</u>	<u>8,321</u>	<u>266</u>
<b>EXPENDITURES</b>				
Bond principal	-	2,000	2,000	-
Interest	5,139	7,443	7,442	1
Other	-	-	5,000	(5,000)
Total expenditures	<u>5,139</u>	<u>9,443</u>	<u>14,442</u>	<u>(4,999)</u>
Receipts over (under) expenditures	2,171	(856)		
UNENCUMBERED CASH, beginning	-	2,171		
UNENCUMBERED CASH, ending	<u>\$ 2,171</u>	<u>1,315</u>		

City of Walton, Kansas

**Capital Project Fund**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL

Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	<u>2017</u>	<u>2018</u>
<b><u>CAPITAL IMPROVEMENT</u></b>		
<b>RECEIPTS</b>	\$ -	-
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	<u>4,847</u>	<u>4,847</u>
UNENCUMBERED CASH, ending	<u>\$ 4,847</u>	<u>4,847</u>

## City of Walton, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b><u>WATER OPERATING</u></b>				
<b>RECEIPTS</b>				
Sales to consumers	\$ 94,869	95,293	85,000	10,293
<b>EXPENDITURES</b>				
Personnel services	16,635	19,911	20,000	(89)
Contractual services	7,796	7,789	15,000	(7,211)
Commodities and other	2,748	3,816	3,000	816
Capital outlay	4,120	796	5,000	(4,204)
Water purchases	46,451	42,515	49,300	(6,785)
Total expenditures	77,750	74,827	92,300	(17,473)
Receipts over (under) expenditures	17,119	20,466		
UNENCUMBERED CASH, beginning	25,116	42,235		
UNENCUMBERED CASH, ending	\$ 42,235	62,701		

## City of Walton, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b><u>GAS OPERATING</u></b>				
<b>RECEIPTS</b>				
Sales to consumers	\$ 85,237	88,707	150,000	(61,293)
Reimbursements	223	-	300	(300)
Total receipts	<u>85,460</u>	<u>88,707</u>	<u>150,300</u>	<u>(61,593)</u>
<b>EXPENDITURES</b>				
Personnel services	16,842	22,650	21,000	1,650
Contractual services	4,782	5,129	4,500	629
Commodities and other	3,995	5,017	3,000	2,017
Capital outlay	77	7,423	2,100	5,323
Gas purchases	38,770	48,216	75,000	(26,784)
Franchise fee to City	8,000	8,000	8,000	-
Transfer to				
Special Street and Highway	<u>10,000</u>	<u>-</u>	<u>1,000</u>	<u>(1,000)</u>
Total expenditures	<u>82,466</u>	<u>96,435</u>	<u>114,600</u>	<u>(18,165)</u>
Receipts over (under) expenditures	2,994	(7,728)		
UNENCUMBERED CASH, beginning	<u>17,087</u>	<u>20,081</u>		
UNENCUMBERED CASH, ending	<u>\$ 20,081</u>	<u>12,353</u>		

## City of Walton, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

		Current Year		
	Prior Year Actual	Actual	Budget	Variance Over (Under)
<b><u>SEWER OPERATING</u></b>				
<b>RECEIPTS</b>				
Sales to consumers	\$ 32,509	32,394	35,500	(3,106)
<b>EXPENDITURES</b>				
Personnel services	12,999	13,849	13,500	349
Contractual services	1,859	3,812	2,000	1,812
Commodities and other	838	1,001	1,500	(499)
Capital outlay	1,276	1,838	3,500	(1,662)
Transfer to Bond and Interest	-	7,000	7,000	-
Total expenditures	16,972	27,500	27,500	-
Receipts over (under) expenditures	15,537	4,894		
UNENCUMBERED CASH, beginning	10,770	26,307		
UNENCUMBERED CASH, ending	\$ 26,307	31,201		
<b><u>STORM WATER OPERATING</u></b>				
<b>RECEIPTS</b>				
Fees	\$ 4,955	5,722	5,000	722
<b>EXPENDITURES</b>				
Contract labor	9,801	2,500	500	2,000
Commodities and other	1,071	-	2,000	(2,000)
Total expenditures	10,872	2,500	2,500	-
Receipts over (under) expenditures	(5,917)	3,222		
UNENCUMBERED CASH, beginning	34,218	28,301		
UNENCUMBERED CASH, ending	\$ 28,301	31,523		

## City of Walton, Kansas

**Business Funds**

## SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL

Regulatory Basis

For the Year Ended December 31, 2018

(With Comparative Actual Totals for the Prior Year Ended December 31, 2017)

	2017 Actual	2018 Actual
<b><u>GAS DEPRECIATION</u></b>		
<b>RECEIPTS</b>	\$ -	-
<b>EXPENDITURES</b>	-	-
Receipts over (under) expenditures	-	-
UNENCUMBERED CASH, beginning	3,200	3,200
UNENCUMBERED CASH, ending	<u>\$ 3,200</u>	<u>3,200</u>



## City of Walton, Kansas

**Agency Fund**

## SCHEDULE OF RECEIPTS AND DISBURSEMENTS

Regulatory Basis

For the Year Ended December 31, 2018

<u>Funds</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
<b>METER DEPOSIT</b>	\$ 1,250	50	150	1,150
<b>SALES TAX</b>	-	5,917	4,577	1,340
Total	<u>\$ 1,250</u>	<u>5,967</u>	<u>4,727</u>	<u>2,490</u>

City of Walton, Kansas  
**Related Municipal Entity**  
**SCHEDULE OF RECEIPTS AND EXPENDITURES**  
 Regulatory Basis  
 For the Years Ended December 31, 2018 and 2017

	<u>2017</u>	<u>2018</u>
<b><u>WALTON COMMUNITY LIBRARY</u></b>		
<b>RECEIPTS</b>		
Appropriations from City	\$ 3,992	4,781
SCKLS	3,814	3,691
Donations	336	37
State aid	<u>72</u>	<u>69</u>
Total receipts	<u>8,214</u>	<u>8,578</u>
 <b>EXPENDITURES</b>		
Salaries and employee benefits	520	1,653
Books, periodicals, materials	2,696	2,499
Other	<u>3,412</u>	<u>2,968</u>
Total expenditures	<u>6,628</u>	<u>7,120</u>
Receipts over (under) expenditures	1,586	1,458
UNENCUMBERED CASH, beginning	<u>6,164</u>	<u>7,750</u>
UNENCUMBERED CASH, ending	<u><u>\$ 7,750</u></u>	<u><u>9,208</u></u>