

OSAGE COUNTY, KANSAS

FINANCIAL STATEMENT

**FOR THE YEAR ENDED
DECEMBER 31, 2020**

OSAGE COUNTY, KANSAS
For the Year Ended December 31, 2020

BOARD OF COUNTY COMMISSIONERS

Fred Driver
Chairman

Gaylord Anderson

Kenneth J. Kuykendall

LIST OF PRINCIPAL OFFICIALS

Rhonda Beets
County Clerk
and Election

Lexie D. Fager
County Treasurer and
Special Auto

Linda Massey
Register of Deeds

Glen Tyson
Public Works
Director

Kim Lauffer
County Appraiser

Jack Hobbs
County Attorney

Chris Wells
Sheriff

Pat Walsh
County Counselor

Jackie Patterson
Health Administrator

OSAGE COUNTY, KANSAS

For the Year Ended December 31, 2020

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OSAGE COUNTY, KANSAS
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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Osage County
Lyndon, Kansas 66861

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Osage County, Kansas, a Municipality, as of and for the year ended December 31, 2020 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.

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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 Osage County, 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.

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 Osage County, Kansas as of December 31, 2020, or changes in its 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 Osage County, Kansas as of December 31, 2020, 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 2020 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 reconciliation of 2019 tax roll (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 2020 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 2020 basic financial statement. The 2020 information has been subjected to the auditing procedures applied in the audit of the 2020 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 basic financial statement or to the 2020 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 2020 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 Osage County, Kansas as of and for the year ended December 31, 2019 (not presented herein), and have issued our report thereon dated September 16, 2020, which contained an unmodified opinion on the basic financial statement. The 2019 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/oar/municipal-services>. The 2019 actual column (2019 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended December 31, 2020 (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 2019 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 2019 basic financial statement. The 2019 comparative information was subjected to the auditing procedures applied in the audit of the 2019 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 2019 basic financial statement or to the 2019 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 2019 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, 2019, on the basis of accounting described in Note 1.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprise Osage County, Kansas' basic financial statement. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statement of the Osage County, Kansas.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. Such information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or the 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 basic financial statement taken as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2021, on our consideration of the Osage County, Kansas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Osage County, Kansas' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Osage County, Kansas' internal control over financial reporting and compliance.

Swindoll, Janzen, Hawk & Loyd, LLC

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

September 28, 2021

OSAGE COUNTY, KANSAS

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

For the Year Ended December 31, 2020

Fund	Beginning Unencumbered Cash Balance 01/01/2020	Receipts	Expenditures	Ending Unencumbered Cash Balance 12/31/2020	Add Encumbrances and Accounts Payable	Ending Cash Balance 12/31/2020
GENERAL FUND:						
General Fund	\$ 3,607,783	\$ 6,011,178	\$ 5,514,615	\$ 4,104,346	\$ 431,753	\$ 4,536,099
SPECIAL PURPOSE FUNDS:						
Ambulance Fund	16,468	781,177	767,169	30,476	-	30,476
Appraiser's Cost Fund	37,993	311,915	294,377	55,531	2,127	57,658
Diversion Fees Fund	48,528	44,605	47,783	45,350	14,475	59,825
Election Fund	164,901	105,687	73,633	196,955	333	197,288
911 Cell Surcharge Fund	255,600	101,405	69,339	287,666	2,497	290,163
Employee Benefit Fund	(13,683)	1,942,400	2,333,529	(404,812)	195,314	(209,498)
Federal Owned Land Entitlement Fund	286,329	99,647	-	385,976	-	385,976
Health Fund	97,258	245,096	231,065	111,289	19,588	130,877
Noxious Weed Fund	12,707	241,051	243,325	10,433	3,130	13,563
Noxious Weed Capital Outlay Fund	10,229	-	-	10,229	-	10,229
Register of Deeds Technology Fund	36,008	8,172	(674)	44,854	-	44,854
County Clerk Technology Fund	9,754	5,893	-	15,647	-	15,647
County Treasurer Technology Fund	9,598	5,841	-	15,439	-	15,439
County Treasurer Auto Reimbursement Fund	72,822	131,018	81,051	122,789	73	122,862
Road and Bridge Fund	98,768	3,601,375	3,431,235	268,908	93,714	362,622
Road Machinery, Bridge Building and Equipment Fund	616,578	380,000	258,701	737,877	-	737,877
Lake Patrol Fund	25,824	92,707	51,700	66,831	-	66,831
Special Alcoholic Rehabilitation Fund	3,584	8,696	-	12,280	-	12,280
Special Bridge Fund (68-1135)	1,588,816	268,180	363,297	1,493,699	29,430	1,523,129
Special Levy - Waste Disposal Fund	642,701	775,588	835,013	583,276	48,757	632,033
Special Parks and Recreation Fund	3,270	1,087	1,200	3,157	-	3,157
Concealed Weapons Fund	18,577	878	405	19,050	-	19,050
EOC Grant Fund	-	10,976	10,976	-	242	242
SPARK Grant Fund	-	3,226,543	3,031,326	195,217	11,664	206,881
PHEP COVID-19 Grant Fund	-	10,865	10,865	-	-	-
Emergency Preparedness EMPG Grant Fund	26,181	18,366	18,366	26,181	-	26,181
TOTAL SPECIAL PURPOSE FUNDS	4,068,810	12,419,169	12,153,681	4,334,299	421,344	4,755,643

OSAGE COUNTY, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH

Regulatory Basis

For Year Ended December 31, 2020

<u>Fund</u>	<u>Beginning Unencumbered Cash Balance 01/01/2020</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Unencumbered Cash Balance 12/31/2020</u>	<u>Add Encumbrances and Accounts Payable</u>	<u>Ending Cash Balance 12/31/2020</u>
BOND AND INTEREST FUND:						
Bond and Interest Fund	\$ 28,335	\$ 265,792	\$ 264,953	\$ 29,174	\$ -	\$ 29,174
CAPITAL PROJECT FUND:						
Capital Project - Bridge Bonds Fund	43,776	-	-	43,776	-	43,776
TRUST FUNDS:						
Special Law Enforcement Trust Fund	10,952	1,562	12,514	-	10,651	10,651
Law Enforcement Equipment Fund	135	-	-	135	-	135
County Attorney's Training Fund	7,678	2,050	-	9,728	-	9,728
Registered Sex Offender Fund	18,300	4,000	1,359	20,941	-	20,941
Special Prosecutor's Trust Fund	26,040	-	25,308	732	-	732
TOTAL TRUST FUNDS	63,105	7,612	39,181	31,536	10,651	42,187
TOTAL REPORTING ENTITY (Excluding Agency Funds)	\$ 7,811,809	\$ 18,703,751	\$ 17,972,430	\$ 8,543,131	\$ 863,748	\$ 9,406,879
Composition of Cash:						
Cash on Hand						\$ 204,445
Checking Account - Citizens State Bank						13,650,890
Checking Account - Lyndon State Bank						998,409
Checking Account - Landmark National Bank						561,295
Checking Account - First National Bank						27,970
Checking Account - Kansas State Bank						28,575
Checking Account - First Security Bank						73,897
Checking Account - Bank of Osage City						36,918
Checking Account - Lyndon State Bank - Law Library						13,410
Checking Account - Lyndon State Bank - District Court						196,817
Certificates of Deposit						3,901,000
Total Cash						19,693,626
Less Agency Funds per Schedule 3						(10,286,747)
TOTAL REPORTING ENTITY (Excluding Agency Funds)						\$ 9,406,879

OSAGE COUNTY, KANSAS

NOTES TO FINANCIAL STATEMENT

For the Year Ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) *Municipal Financial Reporting Entity*

Osage County is a municipal corporation governed by an elected three-member commission. The regulatory financial statement presents the Osage County (the municipality) and does not include any 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 County 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 County 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) and Bond and Interest 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 of 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 budget amendments for the year 2020.

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 disbursements, 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 lapse 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 are 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

Inventory of personal property, and a comprehensive inventory for all departments, is now compiled in the software, however, the board did not view and check these inventory lists as required in K.S.A. 19-2687.

According to K.S.A. 9-1402 and 9-1405, public funds are to be adequately secured by a surety bond or pledging security interest in securities at all times. At December 31, 2020, deposits were not adequately secured by \$143,108 as required by statute.

Not all quarterly financial summary publications, (summary of expenditures from each fund and the cash balance of each fund) were published timely as required by K.S.A. 19-228.

Cash-basis violations occurred in the Employee Benefit Fund of \$404,812 and the following Agency Funds: the School Districts of \$574; the Townships of \$45,573; Fish and Game Licenses of \$310; and the Cash Items of \$20,114, contrary to K.S.A. 10-1113.

Budget violations occurred in the County Treasurer Auto Reimbursement Fund of \$81,051, contrary to K.S.A. 79-2935.

3. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the County. The statute requires banks eligible to hold the County's funds have a main or branch bank in the County, 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 County has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the County'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 County has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the County 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 County's deposits may not be returned to it. State statutes require the County'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, 2020.

At December 31, 2020, the County's carrying amount of deposits was \$19,278,955 and the bank balance was \$19,735,518. The bank balance was held by seven banks resulting in a concentration of credit risk. Of the bank balance, \$1,750,000 was covered by federal depository insurance, and the remaining \$17,985,518 (except for one bank that was not adequately secured by \$143,108) was collateralized with securities held by the pledging financial institutions' agents in the County's name and a letter of credit.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the County 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 County for the year ended December 31, 2020, were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions of Principal	Balance End of Year	Interest Paid
General Obligation Bonds Series 2012B	2.00% to 2.50%	12-03-12	\$ 4,260,000	09-01-32	\$ 3,020,000	\$ -	\$ 200,000	\$ 2,820,000	\$ 64,953
Capital Leases:									
Sheriff 2017 Dodge Chargers (2) and Ford Interceptors (2)	2.47%	05-15-17	55,134	02-01-20	18,700	-	18,700	-	461
2013 Caterpillar Grader	3.40%	11-19-18	217,000	02-01-21	143,193	-	70,387	72,806	4,936
2019 Caterpillar Backhoe	2.67%	11-18-19	80,000	02-01-22	80,000	-	27,085	52,915	439
2002 & 2004 IHC Dump Trucks	3.58%	04-15-19	89,950	02-01-22	89,950	-	29,351	60,599	2,608
2020 F-550 Truck	2.14%	08-10-20	50,738	02-01-23	-	50,738	-	50,738	-
Total Capital Leases					331,843	50,738	145,523	237,058	8,444
Total Contractual Indebtedness					\$ 3,351,843	\$ 50,738	\$ 345,523	\$ 3,057,058	\$ 73,397

4. LONG-TERM DEBT (CONT.)

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

	Year							
	2021	2022	2023	2024	2025	2026-2030	2031-2032	Total
PRINCIPAL:								
General Obligation Bonds Series 2012B	\$ 205,000	\$ 210,000	\$ 215,000	\$ 220,000	\$ 225,000	\$ 1,210,000	\$ 535,000	\$ 2,820,000
Capital Leases:								
2013 Caterpillar Grader	72,806	-	-	-	-	-	-	72,806
2019 Caterpillar Backhoe	26,107	26,808	-	-	-	-	-	52,915
2002 & 2004 IHC Dump Trucks	29,757	30,842	-	-	-	-	-	60,599
2020 F-550 Truck	16,929	16,726	17,083	-	-	-	-	50,738
Total Capital Leases	145,599	74,376	17,083	-	-	-	-	237,058
TOTAL PRINCIPAL	350,599	284,376	232,083	220,000	225,000	1,210,000	535,000	3,057,058
INTEREST:								
General Obligation Bonds Series 2012B	60,953	56,853	52,653	48,353	43,953	148,818	20,125	431,708
Capital Leases:								
2013 Caterpillar Grader	2,517	-	-	-	-	-	-	2,517
2019 Caterpillar Backhoe	1,417	716	-	-	-	-	-	2,133
2002 & 2004 IHC Dump Trucks	2,203	1,118	-	-	-	-	-	3,321
2020 F-550 Truck	521	724	365	-	-	-	-	1,610
Total Capital Leases	6,658	2,558	365	-	-	-	-	9,581
TOTAL INTEREST	67,611	59,411	53,018	48,353	43,953	148,818	20,125	441,289
TOTAL PRINCIPAL AND INTEREST	\$ 418,210	\$ 343,787	\$ 285,101	\$ 268,353	\$ 268,953	\$ 1,358,818	\$ 555,125	\$ 3,498,347

5. DEFINED BENEFIT PENSION PLAN

Plan Description. The County 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 for the Death and Disability Program) and the statutory contribution rate was 8.61% for the fiscal year ended December 31, 2020. Contributions to the pension plan from the County were \$378,575 for the year ended December 31, 2020.

Net Pension Liability. At December 31, 2020, the County's proportionate share of the collective net pension liability reported by KPERS was \$4,350,587. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. The County's proportion of the net pension liability was based on the ratio of the County's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

(a) Other Post Employment Benefits

As provided by K.S.A. 12-5040, the County allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the County is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the County makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

(b) Death and Disability Other Post Employment Benefits

K.S.A. 74-4927, disabled members in 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, 2020.

6. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONT.)

(c) Other Employee Benefits

Vacation – Vacation leave shall be accrued from the employee's date of employment as stipulated hereinafter. Vacation leave can be taken as earned.

Each permanent full-time employee will accrue vacation leave as follows:

<u>Years of Service</u>	<u>Per Year</u>
0 to 1 year	6 days
After 1 year	12 days
After 10 years	18 days
After 16 years	21 days

Employees are allowed to accrue up to a maximum of 240 hours of vacation leave. Employees will be allowed to accrue more than the 240 hours of annual leave, if the employee has been unable to take annual leave because he or she worked at the request of the department with approval from the County Commissioners on an emergency basis.

The County may, in the discretion of the County Commissioners, pay any employee for any part of vacation leave earned in excess of 240 hours. Such pay will be at the employee's current rate of pay. The County Commissioners are not obligated to pay for vacation leave accumulated in excess of 240 hours in any specific amount in any year, and may pay such excess accumulation over a period of years.

An employee shall be paid for all accumulated unused vacation leave upon termination after one year of employment.

Sick leave - Part-time employees shall earn sick leave at the rate of four (4) hours per month and full-time employees at the rate of one (1) day per month beginning at date of employment. Sick leave may be accumulated to a maximum of 60 days. At the end of the calendar year, an employee will be paid for unused sick leave over sixty (60) days (480 hours) at a rate of two dollars (\$2) per hour.

Upon termination of employment, an employee shall be paid for unused sick leave in excess of 30 days (240 hours) at a rate of two dollars (\$2) per hour.

(d) Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all employees who qualify under the plan terms and permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

7. CLAIMS AND JUDGMENTS

The County 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 County may be required to reimburse the grantor government. As of the date of this report, the grant expenditures have not been audited, but the County 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 County.

The County is exposed to various risks of loss related to property loss; torts; theft of, damage to, and destruction of assets; errors and omissions; employee injuries and natural disasters. The County has purchased commercial insurance for these potential risks. There have been no significant reductions in insurance coverage from 2019 to 2020 and there were no settlements that exceeded insurance coverage in the past three years.

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

8. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
Road and Bridge Fund	Road Machinery, Bridge Building and Equipment Fund	K.S.A. 68-141g	\$ <u>380,000</u>

9. OTHER RELATIONSHIPS

The Board of County Commissioners, by State statute, serves as the governing body of each Fire District established in Osage County. State statutes further provide that the Board of County Commissioners may appoint a board of not less than three members to serve as the governing body of such District and such board shall have all the powers vested with the Board of County Commissioners. Osage County has established seven separate Fire Districts organized under the provisions of the state statutes discussed above, with all being defined as separate taxing entities. These Fire Districts provide fire protection services principally to the unincorporated areas of the County. The costs of providing such services are provided from property tax assessed to the property owners within the benefit District and such levies are established and levied by the respective Fire District Boards. The Fire District Boards also have the authority to issue general obligation bonds, which are secured by the full faith and credit of the Fire District.

10. CLOSURE AND POST-CLOSURE CARE COST

State and federal laws and regulations require that the County place a final cover on its landfill and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill discontinues accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expenditure in the year these costs are incurred. Currently, the County has closed their landfill and is disposing of their solid waste through a transfer station.

11. RELATED PARTY

An official of Osage County has family members that have a controlling interest in one of the financial institutions where the County has funds deposited. At December 31, 2020, funds deposited at this institution totaled \$1,803,029.

12. COVID-19 NOTE

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the County's financial condition, liquidity and future results of operations. Management is actively monitoring the global and local situation on its financial condition, liquidity, operations, suppliers, industry and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the County is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition or liquidity for fiscal year 2021. Future potential impacts may include a decrease in certain revenues, reduced customer traffic and the temporary closure of operating hours of our offices.

12. COVID-19 NOTE (CONT.)

As a result of COVID-19, the State of Kansas has received Coronavirus Relief Funds (CRF) under the Coronavirus Aid, Relief and Economic Security (CARES) Act. The CRF were passed through to the counties of Kansas through Strengthening People and Revitalizing Kansas (SPARK). SPARK's first round distribution was to local governments in the amount of \$400 million. The County received CRF in the amount of \$3,226,543 during 2020. The County is encouraged to share the CRF with local businesses within the County. The CRF are to be used to strengthen health, to allow the economy to reopen safely and to remain open. The goals are to be fair, impactful and timely. Additional information and updates on SPARK, the CARES Act and CRF, which includes audit requirements, can be found at <https://covid.ks.gov/>.

13. SUBSEQUENT EVENTS

The Commission approved on June 1, 2021, the sale of the 2021 bridge bonds. The bonds were dated June 30, 2021, for \$7,380,000 of General Obligation Refunding and Improvement Bonds, Series 2021-A. The County is to deposit \$5,417,528 into the Series 2021-A Project Fund and \$2,604,841 along with \$235,476 from the County (\$2,840,317 total) shall apply towards the redemption of the Series 2012 Bonds on July 1, 2021.

On September 20, 2021, the Commission approved a bid for the replacement of bridge number 70 C-5018-01 in the amount of \$314,040.

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.

OSAGE COUNTY, KANSAS
REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020

OSAGE COUNTY, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET**Regulatory Basis**

For the Year Ended December 31, 2020

Fund	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance- Over (Under)
GENERAL FUND:					
General Fund	\$ 7,663,990	\$ -	\$ 7,663,990	\$ 5,514,615	\$ (2,149,375)
SPECIAL PURPOSE FUNDS:					
Ambulance Fund	811,092	-	811,092	767,169	(43,923)
Appraiser's Cost Fund	339,721	-	339,721	294,377	(45,344)
Election Fund	197,126	-	197,126	73,633	(123,493)
911 Cell Surcharge Fund	402,942	-	402,942	69,339	(333,603)
Employee Benefit Fund	3,198,939	-	3,198,939	2,333,529	(865,410)
Federal Owned Land Entitlement Fund	251,168	-	251,168	-	(251,168)
Health Fund	299,786	-	299,786	231,065	(68,721)
Noxious Weed Fund	347,451	-	347,451	243,325	(104,126)
Noxious Weed Capital Outlay Fund	20,229	-	20,229	-	(20,229)
Register of Deeds Technology Fund	36,642	-	36,642	(674)	(37,316)
County Clerk Technology Fund	13,515	-	13,515	-	(13,515)
County Treasurer Technology Fund	13,515	-	13,515	-	(13,515)
County Treasurer Auto Reimbursement Fund	-	-	-	81,051	81,051
Road and Bridge Fund	3,993,572	-	3,993,572	3,431,235	(562,337)
Road Machinery, Bridge Building and Equipment Fund	411,709	-	411,709	258,701	(153,008)
Lake Patrol Fund	120,076	-	120,076	51,700	(68,376)
Special Alcoholic Rehabilitation Fund	51,087	-	51,087	-	(51,087)
Special Bridge Fund (68-1135)	1,098,355	-	1,098,355	363,297	(735,058)
Special Levy - Waste Disposal Fund	1,325,449	-	1,325,449	835,013	(490,436)
Special Parks and Recreation Fund	4,839	-	4,839	1,200	(3,639)
BOND AND INTEREST FUND:					
Bond and Interest Fund	295,848	-	295,848	264,953	(30,895)
TRUST FUND:					
Special Law Enforcement Trust Fund	274,708	-	274,708	12,514	(262,194)

OSAGE COUNTY, KANSAS

GENERAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance-</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Taxes and Intergovernmental Revenue -				
Ad valorem property tax	\$ 3,366,017	\$ 3,476,389	\$ 3,599,332	\$ (122,943)
Back tax collections	50,470	128,897	-	128,897
Motor vehicle tax	518,480	441,875	409,161	32,714
Recreational vehicle tax	-	-	11,404	(11,404)
16/20M vehicle tax	-	-	16,368	(16,368)
Commercial tax	-	-	9,078	(9,078)
Watercraft tax	-	-	8,274	(8,274)
Local sales tax	742,826	866,272	675,000	191,272
Rental excise tax	-	-	19	(19)
Federal flood control	27,299	15,255	10,279	4,976
Local Alcoholic Liquor Fund	1,511	-	4,040	(4,040)
Neighborhood revitalization rebate	-	-	(12,265)	12,265
Total Taxes and Intergovernmental Revenue	<u>4,706,603</u>	<u>4,928,688</u>	<u>4,730,690</u>	<u>197,998</u>
Licenses and Fees -				
Cereal malt beverage	600	525	-	525
Zoning fees	28,675	35,660	20,000	15,660
County officer's fees	189,632	185,909	75,000	110,909
Game license fees	420	233	2,300	(2,067)
Jail board	-	-	5,000	(5,000)
Mortgage registration fees	15,422	15,177	50,000	(34,823)
Franchise fees	-	-	800	(800)
Total Licenses and Fees	<u>234,749</u>	<u>237,504</u>	<u>153,100</u>	<u>84,404</u>
Fines, Forfeitures and Penalties -				
Interest and penalties on taxes	<u>111,516</u>	<u>226,969</u>	<u>10,000</u>	<u>216,969</u>
Use of Money and Property -				
Copies	10,828	10,029	2,500	7,529
Interest on idle funds	<u>173,862</u>	<u>66,488</u>	<u>-</u>	<u>66,488</u>
Total Use of Money and Property	<u>184,690</u>	<u>76,517</u>	<u>2,500</u>	<u>74,017</u>
Miscellaneous -				
Wage reimbursements -				
Special auto	134,867	77,121	15,000	62,121
Council on Aging	139,498	217,061	-	217,061
Special auto close out	8,819	-	-	-

OSAGE COUNTY, KANSAS

GENERAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	2019 Actual	2020		Variance- Over (Under)
		Actual	Budget	
Receipts (cont.)				
Miscellaneous (cont.) -				
School resource officer	\$ 87,000	\$ 79,800	\$ 50,000	\$ 29,800
Sheriff's fees	930	732	-	732
Fees for Neighborhood Revitalization and misc.	11,480	(575)	-	(575)
KDOT for public transportation	32,036	-	32,000	(32,000)
Tax foreclosure	-	22,690	-	22,690
Wind farm	-	46,050	-	46,050
EMPG grant	-	18,366	-	18,366
Miscellaneous	52,206	71,761	-	71,761
Reimbursements	23,812	8,494	25,000	(16,506)
Total Miscellaneous	490,648	541,500	122,000	419,500
Total Receipts	5,728,206	6,011,178	\$ 5,018,290	\$ 992,888
Expenditures				
County Commission -				
Personal services	81,333	84,819	\$ 71,643	\$ 13,176
Contractual services	3,427	664	2,850	(2,186)
Travel expense	7,664	4,264	7,000	(2,736)
Total County Commission	92,424	89,747	81,493	8,254
County Clerk -				
Personal services	152,761	157,068	148,970	8,098
Contractual services	4,215	751	5,000	(4,249)
Commodities	6,968	6,573	10,000	(3,427)
Capital outlay	-	-	10,000	(10,000)
Total County Clerk	163,944	164,392	173,970	(9,578)
County Treasurer -				
Personal services	274,612	220,583	118,437	102,146
Contractual services	20,185	16,813	25,000	(8,187)
Commodities	29,507	23,813	25,000	(1,187)
Total County Treasurer	324,304	261,209	168,437	92,772
County Attorney -				
Personal services	166,148	165,382	159,952	5,430
Contractual services	12,668	20,641	7,968	12,673
Commodities	11,661	11,968	5,000	6,968
Total County Attorney	190,477	197,991	172,920	25,071

OSAGE COUNTY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		2020		
	2019 Actual	Actual	Budget	Variance- Over (Under)
Expenditures (cont.)				
Register of Deeds -				
Personal services	\$ 127,416	\$ 130,261	\$ 129,330	\$ 931
Contractual services	2,537	1,181	4,000	(2,819)
Commodities	3,474	3,658	5,000	(1,342)
Total Register of Deeds	133,427	135,100	138,330	(3,230)
Sheriff -				
Personal services	1,456,108	1,575,704	1,264,694	311,010
Contractual services	213,882	214,075	186,211	27,864
Commodities	334,601	309,292	121,108	188,184
Capital outlay	-	111,400	50,000	61,400
2018 Dodge & Ford outright purchase	-	-	90,000	(90,000)
Lease purchase - 2014 Dodge Chargers (3)	19,949	-	-	-
Lease purchase - 2018 Dodge Chargers (2)	13,074	-	-	-
Lease purchase - 2017 Dodge (2) & Ford (2)	19,162	19,162	19,161	1
Total Sheriff	2,056,776	2,229,633	1,731,174	498,459
Detention Facility -				
Personal services	464,784	426,833	400,000	26,833
Contractual services	111,383	112,051	70,000	42,051
Commodities	73,782	85,533	67,974	17,559
Capital outlay	-	-	18,000	(18,000)
Garage door	-	-	10,000	(10,000)
Jail camera	-	-	40,000	(40,000)
Holding cell	-	-	35,000	(35,000)
Total Detention Facility	649,949	624,417	640,974	(16,557)
Judicial -				
Contractual services	116,244	106,637	134,624	(27,987)
Commodities	27,028	30,375	10,000	20,375
Capital outlay	-	-	500	(500)
Total Judicial	143,272	137,012	145,124	(8,112)
Courthouse -				
Personal services	127,509	133,721	79,373	54,348
Contractual services	262,583	247,862	325,000	(77,138)
Commodities	47,661	17,411	40,000	(22,589)
County building maintenance	7,410	-	585,587	(585,587)
Juvenile detention costs	650	18,166	40,000	(21,834)
County phone system	-	34,249	100,000	(65,751)
Lease purchase - Courthouse improvements	-	1,200	-	1,200
Total Courthouse	445,813	452,609	1,169,960	(717,351)

OSAGE COUNTY, KANSAS

GENERAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance-</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Expenditures (cont.)				
Zoning/Land Development -				
Personal services	\$ 52,618	\$ 53,668	\$ 44,242	\$ 9,426
Contractual services	12,857	13,305	14,000	(695)
Commodities	2,420	2,986	5,000	(2,014)
Capital outlay	-	-	7,000	(7,000)
Sanitarian fees	11,911	12,046	22,000	(9,954)
Total Zoning/Land Development	79,806	82,005	92,242	(10,237)
IT Department -				
Contractual services	34,487	20,749	33,000	(12,251)
Commodities	76,921	179,927	100,000	79,927
IT contract	-	-	60,000	(60,000)
Total IT Department	111,408	200,676	193,000	7,676
Emergency Management -				
Personal services	56,294	53,360	45,184	8,176
Contractual services	5,377	4,151	5,500	(1,349)
Commodities	4,900	2,912	8,000	(5,088)
Capital outlay	1,242	-	2,500	(2,500)
Total Emergency Management	67,813	60,423	61,184	(761)
County Counselor/Administrator -				
Personal services	60,000	54,167	45,000	9,167
Contractual services	397	250	500	(250)
Commodities	-	-	7,000	(7,000)
County tax sale	145	710	20,000	(19,290)
Total County Counselor/Administrator	60,542	55,127	72,500	(17,373)
Council on Aging -				
Personal services	188,829	67,524	44,200	23,324
Contractual services	58,210	74,186	53,180	21,006
Travel expense	7,851	12,500	2,600	9,900
Capital outlay	-	-	5,000	(5,000)
Total Council on Aging	254,890	154,210	104,980	49,230

OSAGE COUNTY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2020</u>			<u>Variance-</u>
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Expenditures (cont.)				
Economic Development -				
Personal services	\$ 58,763	\$ 60,379	\$ 50,232	\$ 10,147
Contractual services	2,830	2,689	5,468	(2,779)
Commodities	800	787	3,500	(2,713)
Capital outlay	-	-	1,000	(1,000)
Total Economic Development	62,393	63,855	60,200	3,655
General Public Transportation -				
Personal services	-	164,254	181,597	(17,343)
Contractual services	41,752	68,849	39,210	29,639
Commodities	66,194	20,915	33,875	(12,960)
Capital outlay	-	-	14,000	(14,000)
Total General Public Transportation	107,946	254,018	268,682	(14,664)
Historical Society -				
Contractual services	20,000	20,000	20,000	-
Soil Conservation -				
Contractual services	31,000	34,000	31,000	3,000
Special Fair -				
Contractual services	8,000	7,687	15,500	(7,813)
Mental Health -				
Contractual services	110,000	110,000	110,000	-
Mentally Handicapped -				
Contractual services	34,332	34,332	34,332	-
Other -				
Auditing, budget and consultation	122,287	104,550	90,000	14,550
Tax foreclosure fees	7,002	17,255	3,000	14,255
Resource Center Independent Living	8,000	8,000	8,000	-
Heritage Trust Fund	-	-	4,000	(4,000)
SOS	10,000	10,000	10,000	-
CASA	4,000	4,000	4,000	-
Treasurer's expense - refunds	23	2,367	-	2,367
Transfer to Risk Management Reserve Fund	-	-	129,024	(129,024)
Cash forward	-	-	1,929,964	(1,929,964)
Total Other	151,312	146,172	2,177,988	(2,031,816)
Total Expenditures	5,299,828	5,514,615	\$ 7,663,990	\$ (2,149,375)
Receipts Over (Under) Expenditures	428,378	496,563		
Unencumbered Cash, Beginning	3,179,405	3,607,783		
Unencumbered Cash, Ending	\$ 3,607,783	\$ 4,104,346		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDAMBULANCE FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance-</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Ad valorem property tax	\$ 672,463	\$ 671,165	\$ 724,796	\$ (53,631)
Back tax collections	7,702	21,599	996	20,603
Motor vehicle tax	73,052	88,413	81,859	6,554
Recreational vehicle tax	-	-	2,281	(2,281)
16/20M vehicle tax	-	-	3,274	(3,274)
Commerical tax	-	-	1,816	(1,816)
Watercraft tax	-	-	1,655	(1,655)
Rental excise tax	-	-	4	(4)
Neighborhood revitalization rebate	-	-	(2,470)	2,470
Total Receipts	<u>753,217</u>	<u>781,177</u>	<u>\$ 814,211</u>	<u>\$ (33,034)</u>
Expenditures				
Contract payments	767,169	767,169	\$ 780,015	\$ (12,846)
Cash forward	-	-	31,077	(31,077)
Total Expenditures	<u>767,169</u>	<u>767,169</u>	<u>\$ 811,092</u>	<u>\$ (43,923)</u>
Receipts Over (Under) Expenditures	(13,952)	14,008		
Unencumbered Cash, Beginning	<u>30,420</u>	<u>16,468</u>		
Unencumbered Cash, Ending	<u>\$ 16,468</u>	<u>\$ 30,476</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDAPPRAISER'S COST FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance-</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Ad valorem property tax	\$ 263,206	\$ 262,319	\$ 283,234	\$ (20,915)
Back tax collections	3,740	10,095	993	9,102
Motor vehicle tax	32,973	34,551	31,984	2,567
Recreational vehicle tax	-	-	891	(891)
16/20M vehicle tax	-	-	1,279	(1,279)
Commercial tax	-	-	709	(709)
Watercraft tax	-	-	647	(647)
Rental excise tax	-	-	2	(2)
Neighborhood revitalization rebate	-	-	(965)	965
Miscellaneous	6,490	4,950	-	4,950
Total Receipts	306,409	311,915	\$ 318,774	\$ (6,859)
Expenditures				
Personal services	191,927	196,762	\$ 223,994	\$ (27,232)
Contractual services	67,578	74,294	54,000	20,294
Commodities	25,405	23,321	23,834	(513)
Cash forward	-	-	37,893	(37,893)
Total Expenditures	284,910	294,377	\$ 339,721	\$ (45,344)
Receipts Over (Under) Expenditures	21,499	17,538		
Unencumbered Cash, Beginning	16,494	37,993		
Unencumbered Cash, Ending	\$ 37,993	\$ 55,531		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUND

DIVERSION FEES FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>
Receipts		
Diversion fees	\$ 42,556	\$ 44,605
Expenditures		
Commodities	<u>33,707</u>	<u>47,783</u>
Receipts Over (Under) Expenditures	8,849	(3,178)
Unencumbered Cash, Beginning	<u>39,679</u>	<u>48,528</u>
Unencumbered Cash, Ending	<u><u>\$ 48,528</u></u>	<u><u>\$ 45,350</u></u>

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDELECTION FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019 Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
Receipts				
Ad valorem property tax	\$ 90,932	\$ 90,773	\$ 98,010	\$ (7,237)
Back tax collections	1,183	2,953	534	2,419
Motor vehicle tax	12,713	11,961	11,059	902
Recreational vehicle tax	-	-	308	(308)
16/20M vehicle tax	-	-	442	(442)
Commerical tax	-	-	245	(245)
Watercraft tax	-	-	224	(224)
Neighborhood revitalization rebate	-	-	(334)	334
Total Receipts	<u>104,828</u>	<u>105,687</u>	<u>\$ 110,488</u>	<u>\$ (4,801)</u>
Expenditures				
Personal services	10,845	13,633	\$ 14,000	\$ (367)
Commodities	36,992	60,000	65,000	(5,000)
Capital outlay	-	-	7,172	(7,172)
IT maintenance	-	-	20,000	(20,000)
New voting machines	-	-	40,000	(40,000)
Cash forward	-	-	50,954	(50,954)
Total Expenditures	<u>47,837</u>	<u>73,633</u>	<u>\$ 197,126</u>	<u>\$ (123,493)</u>
Receipts Over (Under) Expenditures	56,991	32,054		
Unencumbered Cash, Beginning	<u>107,910</u>	<u>164,901</u>		
Unencumbered Cash, Ending	<u>\$ 164,901</u>	<u>\$ 196,955</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUND911 CELL SURCHARGE FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance-</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Surcharge fees	\$ 114,700	\$ 101,405	\$ <u>125,000</u>	\$ <u>(23,595)</u>
Expenditures				
Capital outlay	<u>72,542</u>	<u>69,339</u>	\$ <u>402,942</u>	\$ <u>(333,603)</u>
Receipts Over (Under) Expenditures	42,158	32,066		
Unencumbered Cash, Beginning	<u>213,442</u>	<u>255,600</u>		
Unencumbered Cash, Ending	<u>\$ 255,600</u>	<u>\$ 287,666</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDEMPLOYEE BENEFIT FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
	<u>Actual</u>			
Receipts				
Ad valorem property tax	\$ 1,607,324	\$ 1,668,191	\$ 1,729,481	\$ (61,290)
Back tax collections	22,962	62,746	1,077	61,669
Motor vehicle tax	194,447	210,964	195,339	15,625
Recreational vehicle tax	-	-	5,444	(5,444)
16/20M vehicle tax	-	-	7,814	(7,814)
Commerical tax	-	-	4,333	(4,333)
Watercraft tax	-	-	3,950	(3,950)
Rental excise tax	-	-	12	(12)
Neighborhood revitalization rebate	-	-	(5,893)	5,893
Withheld from salaries and other collections/employee contributions	144	499	750,000	(749,501)
Total Receipts	<u>1,824,877</u>	<u>1,942,400</u>	<u>\$ 2,691,557</u>	<u>\$ (749,157)</u>
Expenditures				
Social Security	352,457	332,986	\$ 650,000	\$ (317,014)
Kansas Public Employees Retirement	459,313	427,156	675,000	(247,844)
Worker's compensation	153,348	133,358	125,000	8,358
Life insurance premiums	734	8	82,757	(82,749)
Unemployment insurance	16,475	18,743	16,410	2,333
Medical insurance premiums	1,433,546	1,422,655	1,513,390	(90,735)
Miscellaneous	-	(1,377)	-	(1,377)
Cash forward	-	-	136,382	(136,382)
Total Expenditures	<u>2,415,873</u>	<u>2,333,529</u>	<u>\$ 3,198,939</u>	<u>\$ (865,410)</u>
Receipts Over (Under) Expenditures	(590,996)	(391,129)		
Unencumbered Cash, Beginning	<u>577,313</u>	<u>(13,683)</u>		
Unencumbered Cash, Ending	<u>\$ (13,683)</u>	<u>\$ (404,812)</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDFEDERAL OWNED LAND ENTITLEMENT FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020</u>		<u>Variance- Over (Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
U.S. Treasury	\$ 94,639	\$ 99,647	\$ <u>90,000</u>	\$ <u>9,647</u>
Expenditures				
Capital outlay	<u>39,478</u>	<u>-</u>	\$ <u>251,168</u>	\$ <u>(251,168)</u>
Receipts Over (Under) Expenditures	55,161	99,647		
Unencumbered Cash, Beginning	<u>231,168</u>	<u>286,329</u>		
Unencumbered Cash, Ending	\$ <u>286,329</u>	\$ <u>385,976</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDHEALTH FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	2019 Actual	2020		Variance- Over (Under)
		Actual	Budget	
Receipts				
Ad valorem property tax	\$ 103,245	\$ 102,936	\$ 111,157	\$ (8,221)
Back tax collections	1,564	3,924	639	3,285
Motor vehicle tax	14,984	13,555	12,551	1,004
Recreational vehicle tax	-	-	350	(350)
16/20M vehicle tax	-	-	502	(502)
Commercial tax	-	-	278	(278)
Watercraft tax	-	-	254	(254)
Rental excise tax	-	-	1	(1)
Neighborhood revitalization rebate	-	-	(379)	379
Fees and other -				
State reimbursements -				
Bioterrorism/Pan flu	10,789	18,962	18,000	962
General health - formula	14,897	11,331	10,000	1,331
Child care	6,593	5,488	10,000	(4,512)
Child health	12,661	12,577	10,000	2,577
Foundational Public Health Service	(337)	-	-	-
Immunization Action Plan	-	2,763	2,000	763
COVID-19	-	47,821	-	47,821
Other -				
Topeka/Shawnee Co. health department-W.I.C.	22,096	10,675	20,000	(9,325)
Program fees	41,847	15,064	30,000	(14,936)
KALHD	-	1,000	-	1,000
Total Receipts	<u>228,339</u>	<u>245,096</u>	<u>\$ 225,353</u>	<u>\$ 19,743</u>
Expenditures				
Personal services	159,082	173,634	158,000	\$ 15,634
Contractual services	26,575	22,107	38,000	(15,893)
Commodities	20,802	35,324	30,000	5,324
Capital outlay	-	-	27,776	(27,776)
Travel expense	-	-	1,000	(1,000)
Cash forward	-	-	45,010	(45,010)
Total Expenditures	<u>206,459</u>	<u>231,065</u>	<u>\$ 299,786</u>	<u>\$ (68,721)</u>
Receipts Over (Under) Expenditures	21,880	14,031		
Unencumbered Cash, Beginning	<u>75,378</u>	<u>97,258</u>		
Unencumbered Cash, Ending	<u>\$ 97,258</u>	<u>\$ 111,289</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDNOXIOUS WEED FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance-</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Ad valorem property tax	\$ 82,162	\$ 81,874	\$ 88,568	\$ (6,694)
Back tax collections	1,097	2,773	390	2,383
Motor vehicle tax	11,658	10,798	9,984	814
Recreational vehicle tax	-	-	278	(278)
16/20M vehicle tax	-	-	399	(399)
Commercial tax	-	-	221	(221)
Watercraft tax	-	-	202	(202)
Neighborhood revitalization rebate	-	-	(302)	302
Chemical sales and fees	<u>126,189</u>	<u>145,606</u>	<u>190,000</u>	<u>(44,394)</u>
Total Receipts	<u>221,106</u>	<u>241,051</u>	<u>\$ 289,740</u>	<u>\$ (48,689)</u>
Expenditures				
Personal services	44,730	47,205	\$ 45,000	\$ 2,205
Contractual services	8,315	8,153	7,500	653
Commodities	202,100	187,967	229,328	(41,361)
Capital outlay	12,675	-	-	-
Transfer to Noxious Weed Capital Outlay Fund	-	-	5,000	(5,000)
Cash forward	<u>-</u>	<u>-</u>	<u>60,623</u>	<u>(60,623)</u>
Total Expenditures	<u>267,820</u>	<u>243,325</u>	<u>\$ 347,451</u>	<u>\$ (104,126)</u>
Receipts Over (Under) Expenditures	(46,714)	(2,274)		
Unencumbered Cash, Beginning	<u>59,421</u>	<u>12,707</u>		
Unencumbered Cash, Ending	<u>\$ 12,707</u>	<u>\$ 10,433</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDNOXIOUS WEED CAPITAL OUTLAY FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020</u>		<u>Variance- Over (Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfer from Noxious Weed	\$ -	\$ -	\$ 5,000	\$ (5,000)
Expenditures				
Capital outlay	-	-	\$ 20,229	\$ (20,229)
Receipts Over (Under) Expenditures	-	-		
Unencumbered Cash, Beginning	<u>10,229</u>	<u>10,229</u>		
Unencumbered Cash, Ending	<u>\$ 10,229</u>	<u>\$ 10,229</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDREGISTER OF DEEDS TECHNOLOGY FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020</u>		<u>Variance- Over (Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Fees	\$ 9,568	\$ 8,172	<u>\$ 20,000</u>	<u>\$ (11,828)</u>
Expenditures				
Capital outlay	<u>202</u>	<u>(674)</u>	<u>\$ 36,642</u>	<u>\$ (37,316)</u>
Receipts Over (Under) Expenditures	9,366	8,846		
Unencumbered Cash, Beginning	<u>26,642</u>	<u>36,008</u>		
Unencumbered Cash, Ending	<u>\$ 36,008</u>	<u>\$ 44,854</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDCOUNTY CLERK TECHNOLOGY FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance-</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Fees	\$ 6,239	\$ 5,893	\$ 5,000	\$ 893
Expenditures				
Commodities	-	-	\$ 13,515	\$ (13,515)
Receipts Over (Under) Expenditures	6,239	5,893		
Unencumbered Cash, Beginning	3,515	9,754		
Unencumbered Cash, Ending	\$ 9,754	\$ 15,647		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDCOUNTY TREASURER TECHNOLOGY FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020</u>		<u>Variance- Over (Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Fees	\$ 6,083	\$ 5,841	\$ <u>5,000</u>	\$ <u>841</u>
Expenditures				
Commodities	<u>-</u>	<u>-</u>	\$ <u>13,515</u>	\$ <u>(13,515)</u>
Receipts Over (Under) Expenditures	6,083	5,841		
Unencumbered Cash, Beginning	<u>3,515</u>	<u>9,598</u>		
Unencumbered Cash, Ending	<u>\$ 9,598</u>	<u>\$ 15,439</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDCOUNTY TREASURER AUTO REIMBURSEMENT FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance-</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Fees	\$ 149,380	\$ 131,018	\$ -	\$ 131,018
Expenditures				
Commodities	<u>73,598</u>	<u>81,051</u>	<u>\$ -</u>	<u>\$ 81,051</u>
Receipts Over (Under) Expenditures	75,782	49,967		
Unencumbered Cash, Beginning	<u>(2,960)</u>	<u>72,822</u>		
Unencumbered Cash, Ending	<u>\$ 72,822</u>	<u>\$ 122,789</u>		

OSAGE COUNTY, KANSAS**SPECIAL PURPOSE FUND****ROAD AND BRIDGE FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET****Regulatory Basis****For the Year Ended December 31, 2020****(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

	2019 Actual	2020		Variance- Over (Under)
		Actual	Budget	
Receipts				
Ad valorem property tax	\$ 2,242,579	\$ 2,427,803	\$ 2,415,634	\$ 12,169
Back tax collections	30,606	79,215	3,823	75,392
Motor vehicle tax	307,699	294,652	272,834	21,818
Recreational vehicle tax	-	-	7,604	(7,604)
16/20M vehicle tax	-	-	10,913	(10,913)
Commercial tax	-	-	6,052	(6,052)
Watercraft tax	-	-	5,518	(5,518)
Rental excise tax	-	-	13	(13)
Special city and county highway - State fuel tax	639,726	603,588	575,789	27,799
Reimbursements	233,410	196,117	158,000	38,117
Miscellaneous	259	-	-	-
Neighborhood revitalization rebate	-	-	(8,231)	8,231
Total Receipts	3,454,279	3,601,375	\$ 3,447,949	\$ 153,426
Expenditures				
Administration -				
Personal services	661,285	651,470	\$ 651,263	\$ 207
Commodities	50,921	42,197	45,619	(3,422)
Blacktop road maintenance -				
Commodities	1,050,940	1,107,018	1,107,847	(829)
Gravel road maintenance -				
Commodities	629,275	703,735	775,000	(71,265)
Bridge construction -				
Contractual services	-	-	200,000	(200,000)
Maintenance shop -				
Commodities	661,262	546,815	459,549	87,266
Fuel purchases	-	-	158,556	(158,556)
Other -				
Transfer to Road Machinery, Bridge Building and Equipment Fund	500,000	380,000	110,000	270,000
Cash forward	-	-	485,738	(485,738)
Total Expenditures	3,553,683	3,431,235	\$ 3,993,572	\$ (562,337)
Receipts Over (Under) Expenditures	(99,404)	170,140		
Unencumbered Cash, Beginning	198,172	98,768		
Unencumbered Cash, Ending	<u>\$ 98,768</u>	<u>\$ 268,908</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDROAD MACHINERY, BRIDGE BUILDING AND EQUIPMENT FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020</u>		<u>Variance- Over (Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Transfer from Road and Bridge Fund	\$ 500,000	\$ 380,000	\$ 110,000	\$ 270,000
Expenditures				
Capital outlay	176,647	151,418	\$ 299,490	\$ (148,072)
Lease purchase - 2013 Caterpillar Motor Grader	75,323	75,323	80,259	(4,936)
Lease purchase - 2017 dump truck	57,508	-	-	-
Lease purchase - 2002 & 2004 dump trucks	-	31,960	31,960	-
Total Expenditures	309,478	258,701	\$ 411,709	\$ (153,008)
Receipts Over (Under) Expenditures	190,522	121,299		
Unencumbered Cash, Beginning	426,056	616,578		
Unencumbered Cash, Ending	\$ 616,578	\$ 737,877		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDLAKE PATROL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	2019 Actual	2020		Variance- Over (Under)
		Actual	Budget	
Receipts				
Federal government contract	\$ 80,614	\$ 92,707	\$ 100,000	\$ (7,293)
Expenditures				
Personal services	56,424	21,228	\$ 40,000	\$ (18,772)
Contractual services	6,973	2,844	25,000	(22,156)
Commodities	26,469	27,628	50,000	(22,372)
Capital outlay	-	-	5,076	(5,076)
Total Expenditures	89,866	51,700	\$ 120,076	\$ (68,376)
Receipts Over (Under) Expenditures	(9,252)	41,007		
Unencumbered Cash, Beginning	35,076	25,824		
Unencumbered Cash, Ending	\$ 25,824	\$ 66,831		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDSPECIAL ALCOHOLIC REHABILITATION FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	2019 Actual	2020		Variance- Over (Under)
		Actual	Budget	
Receipts				
Local Alcoholic Liquor Fund	\$ 12,497	\$ 8,696	\$ 30,000	\$ (21,304)
Expenditures				
Mental Health Association of East Central Kansas	-	-	\$ 51,087	\$ (51,087)
Receipts Over (Under) Expenditures	12,497	8,696		
Unencumbered Cash, Beginning	(8,913)	3,584		
Unencumbered Cash, Ending	\$ 3,584	\$ 12,280		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDSPECIAL BRIDGE FUND (68-1135)SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019 Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance- Over (Under)</u>
Receipts				
Ad valorem tax	\$ 128,666	\$ 128,300	\$ 138,437	\$ (10,137)
Back tax collections	1,975	5,051	447	4,604
Motor vehicle tax	18,676	16,891	15,634	1,257
Recreational vehicle tax	-	-	436	(436)
16/20M vehicle tax	-	-	625	(625)
Commercial tax	-	-	347	(347)
Watercraft tax	-	-	316	(316)
Rental excise tax	-	-	1	(1)
Neighborhood revitalization rebate	-	-	(472)	472
Miscellaneous	2,386	-	-	-
Wind farm	190,000	-	-	-
Department of Transportation - Connecting Links	137,359	117,938	-	117,938
Total Receipts	<u>479,062</u>	<u>268,180</u>	<u>\$ 155,771</u>	<u>\$ 112,409</u>
Expenditures				
Contractual services	10,485	129,250	\$ 905,670	\$ (776,420)
Commodities	52,240	234,047	24,500	209,547
Cash forward	-	-	168,185	(168,185)
Total Expenditures	<u>62,725</u>	<u>363,297</u>	<u>\$ 1,098,355</u>	<u>\$ (735,058)</u>
Receipts Over (Under) Expenditures	416,337	(95,117)		
Unencumbered Cash, Beginning	<u>1,172,479</u>	<u>1,588,816</u>		
Unencumbered Cash, Ending	<u>\$ 1,588,816</u>	<u>\$ 1,493,699</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDSPECIAL LEVY - WASTE DISPOSAL FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance-</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Ad valorem tax	\$ 208,652	\$ 208,093	\$ 224,547	\$ (16,454)
Back tax collections	3,020	7,520	179	7,341
Motor vehicle tax	30,321	27,389	25,347	2,042
Recreational vehicle tax	-	48	706	(658)
16/20M vehicle tax	-	-	1,014	(1,014)
Commercial tax	-	-	562	(562)
Watercraft tax	-	-	513	(513)
Rental excise tax	-	-	1	(1)
Neighborhood revitalization rebate	-	-	(765)	765
Dumping fees and landfill charges	489,633	514,051	515,000	(949)
Reimbursed expense	27,413	18,487	-	18,487
Total Receipts	<u>759,039</u>	<u>775,588</u>	<u>\$ 767,104</u>	<u>\$ 8,484</u>
Expenditures				
Personal services	137,814	131,396	\$ 143,263	\$ (11,867)
Contractual services	384,576	647,762	450,000	197,762
Commodities	71,366	28,331	15,000	13,331
Capital outlay	-	-	423,735	(423,735)
Lease purchase-Rice Lake Survivor				
Series Truck Scale	22,865	-	-	-
Lease purchase-2015 backhoe	-	27,524	-	27,524
Cash forward	-	-	293,451	(293,451)
Total Expenditures	<u>616,621</u>	<u>835,013</u>	<u>\$ 1,325,449</u>	<u>\$ (490,436)</u>
Receipts Over (Under) Expenditures	142,418	(59,425)		
Unencumbered Cash, Beginning	<u>500,283</u>	<u>642,701</u>		
Unencumbered Cash, Ending	<u>\$ 642,701</u>	<u>\$ 583,276</u>		

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDSPECIAL PARKS AND RECREATION FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020</u>		<u>Variance- Over (Under)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Local Alcoholic Liquor Fund	\$ 1,511	\$ 1,087	\$ <u>4,040</u>	\$ <u>(2,953)</u>
Expenditures				
Distribution to cities	<u>-</u>	<u>1,200</u>	\$ <u>4,839</u>	\$ <u>(3,639)</u>
Receipts Over (Under) Expenditures	1,511	(113)		
Unencumbered Cash, Beginning	<u>1,759</u>	<u>3,270</u>		
Unencumbered Cash, Ending	\$ <u>3,270</u>	\$ <u>3,157</u>		

OSAGE COUNTY, KANSAS**SPECIAL PURPOSE FUND****CONCEALED WEAPONS FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL****Regulatory Basis****For the Year Ended December 31, 2020****(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

	<u>2019 Actual</u>	<u>2020 Actual</u>
Receipts		
State of Kansas	\$ 618	\$ 878
Expenditures		
Commodities	<u>626</u>	<u>405</u>
Receipts Over (Under) Expenditures	(8)	473
Unencumbered Cash, Beginning	<u>18,585</u>	<u>18,577</u>
Unencumbered Cash, Ending	<u>\$ 18,577</u>	<u>\$ 19,050</u>

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUND

EOC GRANT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020 Actual</u>
Receipts		
EOC grant	\$ -	\$ 10,976
Expenditures		
Commodities	<u>-</u>	<u>10,976</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDSPARK GRANT FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUALRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020 Actual</u>
Receipts		
SPARK grant	\$ -	\$ 3,226,543
Expenditures		
Contractual services	-	3,031,326
Receipts Over (Under) Expenditures	-	195,217
Unencumbered Cash, Beginning	-	-
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 195,217</u>

OSAGE COUNTY, KANSAS**SPECIAL PURPOSE FUND****PHEP COVID-19 GRANT FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL****Regulatory Basis****For the Year Ended December 31, 2020****(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)**

	<u>2019 Actual</u>	<u>2020 Actual</u>
Receipts		
PHEP COVID-19 Grant income	\$ -	\$ 10,865
Expenditures		
PHEP COVID-19 Grant expenses	<u>-</u>	<u>10,865</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

OSAGE COUNTY, KANSAS

SPECIAL PURPOSE FUNDEMERGENCY PREPAREDNESS EMPG GRANT FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUALRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020 Actual</u>
Receipts		
State of Kansas	\$ 17,770	\$ 18,366
Expenditures		
Commodities	<u>17,770</u>	<u>18,366</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>26,181</u>	<u>26,181</u>
Unencumbered Cash, Ending	<u>\$ 26,181</u>	<u>\$ 26,181</u>

OSAGE COUNTY, KANSAS

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

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance-</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Receipts				
Ad valorem property tax	\$ 227,667	\$ 227,028	\$ 235,121	\$ (8,093)
Back tax collections	3,463	8,881	1,006	7,875
Motor vehicle tax	31,836	29,883	27,657	2,226
Recreational vehicle tax	-	-	771	(771)
16/20M vehicle tax	-	-	1,106	(1,106)
Commerical tax	-	-	613	(613)
Watercraft tax	-	-	559	(559)
Neighborhood revitalization rebate	-	-	(801)	801
Total Receipts	<u>262,966</u>	<u>265,792</u>	<u>\$ 266,032</u>	<u>\$ (240)</u>
Expenditures				
Principal	195,000	200,000	\$ 200,000	\$ -
Interest	68,853	64,953	64,953	-
Commission and postage	-	-	19	(19)
Cash basis reserve	-	-	30,876	(30,876)
Total Expenditures	<u>263,853</u>	<u>264,953</u>	<u>\$ 295,848</u>	<u>\$ (30,895)</u>
Receipts Over (Under) Expenditures	(887)	839		
Unencumbered Cash, Beginning	<u>29,222</u>	<u>28,335</u>		
Unencumbered Cash, Ending	<u>\$ 28,335</u>	<u>\$ 29,174</u>		

OSAGE COUNTY, KANSAS

CAPITAL PROJECT FUND

CAPITAL PROJECT - BRIDGE BONDS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020 Actual</u>
Receipts	\$ -	\$ -
Expenditures	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>43,776</u>	<u>43,776</u>
Unencumbered Cash, Ending	<u><u>\$ 43,776</u></u>	<u><u>\$ 43,776</u></u>

OSAGE COUNTY, KANSAS

TRUST FUNDSPECIAL LAW ENFORCEMENT TRUST FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGETRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

		<u>2020</u>		
	<u>2019</u>			<u>Variance-</u>
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
				<u>(Under)</u>
Receipts				
Drug control payments	\$ -	\$ -	\$ 1,400	\$ (1,400)
Federal aid	-	-	6,500	(6,500)
Reimbursed expenditures	-	-	20,500	(20,500)
Interest income	-	-	500	(500)
Drug seizure money/forfeitures	<u>6,511</u>	<u>1,562</u>	<u>200,000</u>	<u>(198,438)</u>
Total Receipts	<u>6,511</u>	<u>1,562</u>	<u>\$ 228,900</u>	<u>\$ (227,338)</u>
Expenditures				
Contractual services	1,329	12,214	\$ 5,000	\$ 7,214
Commodities	-	300	83,862	(83,562)
Capital outlay	<u>-</u>	<u>-</u>	<u>185,846</u>	<u>(185,846)</u>
Total Expenditures	<u>1,329</u>	<u>12,514</u>	<u>\$ 274,708</u>	<u>\$ (262,194)</u>
Receipts Over (Under) Expenditures	5,182	(10,952)		
Unencumbered Cash, Beginning	<u>5,770</u>	<u>10,952</u>		
Unencumbered Cash, Ending	<u>\$ 10,952</u>	<u>\$ -</u>		

OSAGE COUNTY, KANSAS

TRUST FUND

LAW ENFORCEMENT EQUIPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

Regulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020 Actual</u>
Receipts	\$ -	\$ -
Expenditures	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	-	-
Unencumbered Cash, Beginning	<u>135</u>	<u>135</u>
Unencumbered Cash, Ending	<u>\$ 135</u>	<u>\$ 135</u>

OSAGE COUNTY, KANSAS

TRUST FUNDCOUNTY ATTORNEY'S TRAINING FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUALRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020 Actual</u>
Receipts		
Court fees	\$ 2,793	\$ 2,050
Expenditures		
Contractual services	<u>-</u>	<u>-</u>
Receipts Over (Under) Expenditures	2,793	2,050
Unencumbered Cash, Beginning	<u>4,885</u>	<u>7,678</u>
Unencumbered Cash, Ending	<u>\$ 7,678</u>	<u>\$ 9,728</u>

OSAGE COUNTY, KANSAS

TRUST FUNDREGISTERED SEX OFFENDER FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUALRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020 Actual</u>
Receipts		
Fees	\$ 4,419	\$ 4,000
Expenditures		
Commodities	<u>2,718</u>	<u>1,359</u>
Receipts Over (Under) Expenditures	1,701	2,641
Unencumbered Cash, Beginning	<u>16,599</u>	<u>18,300</u>
Unencumbered Cash, Ending	<u>\$ 18,300</u>	<u>\$ 20,941</u>

OSAGE COUNTY, KANSAS

TRUST FUNDSPECIAL PROSECUTOR'S TRUST FUNDSCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUALRegulatory Basis

For the Year Ended December 31, 2020

(With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	<u>2019 Actual</u>	<u>2020 Actual</u>
Receipts	\$ -	\$ -
Expenditures		
Commodities	<u>-</u>	<u>25,308</u>
Receipts Over (Under) Expenditures	-	(25,308)
Unencumbered Cash, Beginning	<u>26,040</u>	<u>26,040</u>
Unencumbered Cash, Ending	<u>\$ 26,040</u>	<u>\$ 732</u>

OSAGE COUNTY, KANSAS

AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

Regulatory Basis

For the Year Ended For the Year Ended For the Year Ended For the Year Ended December 31, 2020

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Distributable Funds				
Current Tax	\$ 8,728,435	\$ 24,276,480	\$ 23,304,880	\$ 9,700,035
Bankruptcy	40,302	17,638	-	57,940
Delinquent Real Estate Tax	134,088	793,138	827,081	100,145
Delinquent Personal Property - District Court	4,208	11,697	8,554	7,351
Federal Flood Control	-	50,851	50,851	-
Inheritance Tax	44	-	-	44
Local Alcoholic Liquor	20,603	12,913	10,869	22,647
Motor Vehicle Tax	54,586	2,669,567	2,676,362	47,791
HEMP	3,801	-	-	3,801
Total Distributable Funds	<u>\$ 8,986,067</u>	<u>\$ 27,832,284</u>	<u>\$ 26,878,597</u>	<u>\$ 9,939,754</u>
State Funds				
State Educational Building	\$ -	\$ 172,970	\$ 172,970	\$ -
State Institutional Building	-	86,485	86,485	-
State Motor Vehicle Auto Fees	26,318	1,294,906	1,300,938	20,286
Total State Funds	<u>\$ 26,318</u>	<u>\$ 1,554,361</u>	<u>\$ 1,560,393</u>	<u>\$ 20,286</u>
Subdivision Funds				
Northeast Kansas Library Employee Benefit	\$ -	\$ 21,469	\$ 21,469	\$ -
Northeast Kansas Library General	-	139,528	139,528	-
School Districts	(574)	7,822,885	7,822,885	(574)
Fire Districts	43,455	1,236,379	1,236,379	43,455
Townships	(45,572)	2,310,065	2,310,066	(45,573)
Cities	-	3,368,878	3,368,453	425
Cemeteries	-	211,408	211,408	-
Sewer District #1	35,382	52,279	26,214	61,447
Watershed Districts	1,067	205,703	205,703	1,067
Frontier Extension District	-	262,543	262,543	-
Total Subdivision Funds	<u>\$ 33,758</u>	<u>\$ 15,631,137</u>	<u>\$ 15,604,648</u>	<u>\$ 60,247</u>
Other Agency Funds				
Motor Vehicle Sales Tax	\$ 53,953	\$ 822,344	\$ 818,898	\$ 57,399
Special Township & County Highway	-	665,301	665,301	-
Fish and Game Licenses	(390)	4,672	4,592	(310)
Driver's License Fees	3,495	38,396	33,855	8,036
Beer Licenses State Stamp	1,025	-	-	1,025
Stray animal	-	718	-	718
Unclaimed money	-	53	-	53
PebSCO	2,010	-	-	2,010
CCB Grant	5,000	-	-	5,000
Change Checks	3,590	42,608	43,782	2,416
Cash Items	(16,112)	14,059	18,061	(20,114)
District Court	125,366	614,801	543,350	196,817
Law Library	13,386	11,364	11,340	13,410
Total Other Agency Funds	<u>\$ 191,323</u>	<u>\$ 2,214,316</u>	<u>\$ 2,139,179</u>	<u>\$ 266,460</u>
Grand Total Agency Funds	<u>\$ 9,237,466</u>	<u>\$ 47,232,098</u>	<u>\$ 46,182,817</u>	<u>\$ 10,286,747</u>

Note 1-District Court is only receipts and disbursements to October 31, 2020 due to transitioning to the Odyssey case management system. All disbursement, accounting, and reconciliation functions are now being performed by centralized state judicial branch accountants.

OSAGE COUNTY, KANSAS
OTHER SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2020

OSAGE COUNTY, KANSAS

RECONCILIATION OF 2019 TAX ROLL

December 31, 2020

2019 Tax Roll - As Adjusted

County Clerk's abstract of 2019 tax roll		\$ 24,125,828
Adjustments to original tax roll:		
Added taxes		23,676
Abated taxes		<u>(171,954)</u>
Adjusted 2019 tax roll		<u>23,977,550</u>

2019 Tax Roll - Accounted For

Collections during 2019	\$ 8,681,861	
Collections during 2020	<u>14,572,428</u>	23,254,289
Neighborhood revitalization refunds		(76,590)
Deduct refunds and cancellations - 2019 and 2020		<u>(43,365)</u>
Net tax roll collections		23,134,334
Delinquent personal property taxes for which tax warrants were issued	35,445	
Delinquent real estate taxes entered on the tax sale record	<u>808,049</u>	<u>843,494</u>
2019 tax roll accounted for		<u>23,977,828</u>
Difference		<u>\$ (278)</u>

SINGLE AUDIT SECTION

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

Honorable Mayor and County Commission
Osage County, Kansas 66523

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the Kansas Municipal Audit and Accounting Guide, the financial statement of the Osage County, Kansas, (County) as of and for the year ended December 31, 2020, and the related notes to the financial statement which collectively comprise the County's basic financial statement, and have issued our report thereon dated September 28, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2020-001 thru 2020-004 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as items 2020-005 through 2020-009.

Osage County, Kansas' Response to Findings

Osage County, Kansas' response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Osage County, Kansas' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Swindoll, Janzen, Hawk & Loyd, LLC

Swindoll Janzen Hawk & Loyd, LLC
McPherson, Kansas

September 28, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and County Commission
Osage, Kansas 66523

Report on Compliance for Each Major Federal Program

We have audited the Osage County, Kansas' (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2020. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2020-005 thru 2020-009. Our opinion on each major federal program is not modified with respect to these matters.

Osage County, Kansas' response to the noncompliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Osage County, Kansas' response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Osage County, Kansas, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

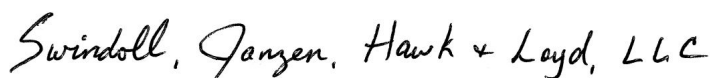
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2020-001 through 2020-004 to be significant deficiencies.

Osage County, Kansas' response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Osage County, Kansas' response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Swindoll Janzen Hawk & Loyd, LLC
McPherson, Kansas

September 28, 2021

OSAGE COUNTY, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2020

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Disbursements/ Expenditures	Passed to Subrecipients
<u>U.S. Department of Health and Human Services</u>				
Passed Through State Department of Health and Environment				
Maternal and Child Health Services Block Grant to the States	93.994	B04MC31488-01, B04MC32543-01, B04MC32543-02	\$ 6,397	\$ -
Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	NU50CK000549-01 H23IP000748-05,	38,823	-
Immunization Cooperative Agreements	93.268	NH23IP922627-02	2,355	-
Child Care Licensing Program	93.575	-	1,784	-
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	NU90TP921936-01-04	8,385	-
Public Health Emergency Preparedness Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.069	NU90TP922049-02	8,482	-
	93.354	NU901P22130-01	14,380	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			80,606	-
<u>U.S. Department of Homeland Security</u>				
Passed Through State Department of Emergency Management				
Emergency Management Performance Grants	97.042	EMK-2020-EP-00001	18,366	-
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			18,366	-
<u>U.S. Department of Treasury</u>				
Passed Through State Office of Recovery				
Coronavirus Relief Fund	21.019		3,031,326	1,450,000
Passed Through State Department of Emergency Management				
Coronavirus Relief Fund	21.019		10,976	-
TOTAL U.S. DEPARTMENT OF TREASURY			3,042,302	1,450,000
TOTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS			\$ 3,141,274	\$ 1,450,000

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Osage County, Kansas (the County), under programs of the federal government for the year ended December 31, 2020. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County. The Schedule is presented using a regulatory basis of accounting prescribed by the Kansas Municipal Audit and Accounting Guide (as described in Note 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the regulatory basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) The County has not elected to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note 3 - Funds Expended

Funds where Federal expenditures were receipted and expended:

Health Fund	80,606
EOC Grant Fund	10,976
SPARK Grant Fund	3,031,326
Emergency Preparedness EMPG Grant Fund	18,366
Total	<u>\$ 3,141,274</u>

OSAGE COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2020

Section 1 – Summary of Auditor’s Results

Financial Statements

- | | |
|---|---------|
| 1. Type of auditor's opinion issued on whether the financial statement audited were prepared in accordance with GAAP: | Adverse |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified? | Yes |
| 3. Noncompliance material to the financial statements noted? | No |

Federal Awards

- | | |
|---|---------------------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified? | Yes |
| 2. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)? | Yes |
| 4. Identification of major programs: | |
| <u>Name of Federal Program or Cluster</u> | <u>CFDA</u> <u>Number</u> |
| Coronavirus Relief Funds | 21.019 |
| 5. Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
| 6. Auditee qualified as a low-risk auditee? | No |

Section 2 – Findings – Financial Statement Audit

2020-001 Financial Statement Reporting

Condition: The County prepares its financial statement in accordance with the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, in accordance with the reporting and formatting requirements displayed in the *Kansas Municipal Audit and Accounting Guide* (KMAAG).

Our firm has been asked to prepare the financial statement for the County; however, our firm cannot be considered part of the internal control structure of the County in regard to the preparation of the financial statement. County personnel does have the skill and knowledge to process all the basic financial transactions and the ability to issue the internal financial statement needed to provide appropriate budget and operating information to the County governing body on an as needed basis.

Condition (Cont.):	However, the County either has no documented policy or procedures related to the preparation of the external financial statement and/or the policies and procedures are not implemented and adequately followed to ensure the accuracy and completeness of the external financial statement.
Criteria:	The County is responsible for external financial statement under the standards established by the American Institute of Certified Public Accountants and uniform guidance.
Cause:	Management oversight.
Potential Effect Of Condition:	A lack of policy or procedures over financial statement reporting could lead to inaccurate or incomplete external financial statement reporting.
Repeat Finding:	This has been a finding for the County since 2015.
Recommendation:	Improve internal controls over financial statement and other supplemental information preparation by adopting a policy that annual financial statement and other supplemental information will be reviewed prior to being subjected to audit.
Views Of Responsible Officials:	Management agrees with this finding and will implement review processes and internal controls over financial statement and other supplemental information preparation.

2020-002 Timely Bank Reconciliations

Condition:	There were several months in 2020, during the pandemic where bank reconciliations were not performed timely, however, it appears starting in November the reconciliations resumed in a timely manner.
Criteria:	Best practices of the accounting industry would dictate bank reconciliations be performed timely.
Cause:	Management oversight.
Potential Effect Of Condition:	Incorrect recording of receipts and expenditures and ending balances.
Repeat Finding:	This has been a finding for the County since 2015.
Recommendation:	We recommend all bank reconciliations be performed and correctly reconciled in a timely manner. We further recommend policies and procedures be implemented to ensure that all bank accounts are reconciled monthly, dated and initialed.
Views Of Responsible Officials:	Management agrees with this finding and will implement policies and procedures to ensure that all bank accounts are performed correctly and in a timely manner.

2020-003 Computer Controls

Condition:	During our audit of the financial statement for the year ending December 31, 2018, the County implemented a new accounting software. With this conversion we found several matters that we have noted as separate significant deficiencies or other control issues throughout other parts of this report. Below are various errors we found that have not been fully addressed in the December 31, 2020 audit throughout the County general ledger that needed to be addressed to management and the County Commission:
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Condition (Cont.):

- Expenditures and receipts being posted to the incorrect line item;
- Expenditures and receipts being posted to the incorrect fund;
- Reconciliation of the 2019 tax roll had several immaterial amounts when tying to various reports did not agree;

Criteria: Best practices of the governmental accounting would dictate proper recording of receipts and expenditures.

Cause: Oversight of the handling of the new accounting system.

Potential Effect
Of Condition: Incorrect recording of receipts and expenditures or ending balances on reports.

Repeat Finding: This has been a finding for the County since 2018.

Recommendation: We recommend the County develop internal control procedures to ensure that the new accounting software and all related reports are functioning accurately. Also, tie the source documents to these same related reports as necessary. Processes should be implemented to ensure the general ledger and payroll reports are accurately and completely reflected to the interested parties that use these reports. Accounts payable needs to be reconciled and journal entries made.

Views Of

Responsible Officials: Management agrees with this finding and will implement internal controls to ensure that the new accounting software and all related reports are functioning accurately.

2020-004 Book and Bank Balances Disagree

Condition: We noted at December 31, 2020, the Composition of Cash and Investment report did not agree to the Fund Status Report by \$300,000 as an entry was made to the budgetary accounting software for cashing in a Certificate of Deposit and the entry was made incorrectly.

Criteria: Best practices of the governmental accounting would dictate proper recording of cash and investments.

Cause: An incorrectly made journal entry that was not detected.

Potential Effect
Of Condition: Incorrect recording of cash and investments on reports.

Repeat Finding: This has been a finding for the County since 2018.

Recommendation: We recommend policies and procedures be implemented to ensure a timely reconciling between book and bank and all month end reports should be in agreement.

Views Of

Responsible Officials: Management agrees with this finding and will implement policies and procedure to ensure a timely reconciling between book and bank and all month end reports.

Section 3 – Findings and Questioned Costs – Major Federal Award Programs

U.S. DEPARTMENT OF TREASURY

Coronavirus Relief Fund CFDA No. 21.019

2020-005 Subrecipient Monitoring – Federal Award Identification

Condition:	<p>Subrecipient monitoring requirements as outlined in 2 CFR § 200.332 were not completely met.</p> <ul style="list-style-type: none">• No unique identifiers were assigned as required by 2 CFR § 200.332 (a) (1) (ii).• Incomplete information on memorandum of agreements for contact information as required by 2 CFR § 200.332 (a) (1) (xi).• One memorandum of agreement was not signed and dated by the County.
Criteria:	<p>2 CFR 200.332 provides multiple requirements with respect to documenting the federal award identification information with the subrecipient.</p>
Cause:	<p>The primary cause was inadequate and untimely information and guidance provided to the County to properly complete the agreements with the subrecipients.</p>
Potential Effect Of Condition:	<p>The agreements are the dominate form of communication of this information. It informs the subrecipient of its rights, responsibilities, and the requirements of the grant. Properly including all required information is critical to ensure subrecipients can effectively carry out their responsibilities and the requirements of the grant. In addition, the signing of the agreements is the documentation to show that both parties are fully aware and are in agreement of the terms of the grant.</p>
Questioned Costs:	<p>Not applicable to this finding.</p>
Perspective:	<p>Guidance provided by grant awarding agencies was constantly changing and final determinations were not made until close to the end of the award period. In addition, this grant was considered an emergency-based funding, so funds were required to be disbursed quickly and documentation was required to be after the fact.</p>
Repeat Finding:	<p>Not applicable to this finding.</p>
Recommendation:	<p>Ensure all subrecipient agreements are completed in their entirety and all are signed by both parties.</p>
Views Of Responsible Officials:	<p>Management agrees with this finding and will implement review processes over subrecipient agreements to ensure proper completion of all required documentation.</p>

2020-006 Subrecipient Monitoring – Monitoring Activities

Condition:	Monitoring activities and related controls were not operating effectively.
Criteria:	<p>2 CFR § 200.303 (a): The County has to maintain effective internal controls to provide reasonable assurance of compliance with the federal award terms</p> <p>2 CFR § 200.303 (c): The County has to monitor and evaluate compliance.</p> <p>2 CFR § 200.332 (d) specifies that the County needs to monitor its subrecipients, as needed, to ensure compliance with the federal award terms.</p>
Cause:	The primary cause was lack of internal controls over monitoring by the County over the subrecipient processes.
Potential Effect Of Condition:	A lack of internal controls over monitoring could lead to noncompliance of activities and costs.
Questioned Costs:	Not applicable to this finding.
Perspective:	<p>The County attempted to establish effective internal controls by hiring an external consulting firm.</p> <p>During the audit, it became apparent that not all expenditures involving subrecipients had been reviewed in detail. Only the listing of expenses from the subrecipients was reviewed. The auditors review of these submitted reports showed it was not reasonably possible to assume that the expenditures were in compliance with the federal award terms, due to the use of vague language or language that indicates potential unallowable expenses in these listings. In addition, missing information and inaccuracies of using incorrect vendor names were noted as part of the review. The auditors then requested to see the supporting documentation. This documentation was subsequently requested by the third party consultant from the subrecipients at the time of the audit inquiry.</p>
Repeat Finding:	Not applicable to this finding.
Recommendation:	Improve internal controls regarding oversight of the review process over subrecipients and ensure sufficient subrecipient monitoring processed and controls are in place.
Views Of Responsible Officials:	Management agrees with this finding and will implement review processes and internal controls over subrecipient monitoring.

2020-007 Subrecipient Monitoring – Allowable Activities And Costs

Condition:	Allowable activities and related costs were found to not meet the requirements of the program.
Criteria:	Federal award document and Treasury FAQs describe allowable activities and costs.
Cause:	The primary cause was lack of review and substantiation of expenditures turned in by subrecipients.
Potential Effect Of Condition:	A lack of internal controls over monitoring could lead to noncompliance of activities and costs.

2020-007 Subrecipient Monitoring – Allowable Activities And Costs (Cont.)

Questioned Costs:	<p>The total questioned costs were \$97,347. Procedures undertaken by auditors are as follows:</p> <p>A sample of all disbursements of this grant was selected and tested. The results showed that expenditures by subrecipients were not reasonably reviewed for allowability.</p> <p>A subsequent expansion of the sample related to subrecipients was done to testing 100% of the expenditures of the subrecipients. Auditors requested documentation in the form of invoices to substantiate and further explain each listed expenditure. This information was retrieved by the consultant from each entity at the time of the audit's inquiry. Based on the submitted documentation, the auditors determined allowability of activity and costs. There was no extrapolation needed.</p>
Perspective:	See explanation in finding 2020-002. In addition, the only questioned costs were those of the subrecipients.
Repeat Finding:	Not applicable to this finding.
Recommendation:	All activities and costs of the subrecipients should be reviewed in detail, as well as monitoring over all those involved in the review process.
Views Of Responsible Officials:	Management agrees with this finding and will implement review processes and internal controls over subrecipient monitoring.

2020-008 Subrecipient Monitoring – Reporting

Condition:	Expenditures reported did not correctly reflect actual payments made.
Criteria:	<p>2 CFR § 200.303 (a): The County has to maintain effective internal controls to provide reasonable assurance of compliance with the federal award terms.</p> <p>2 CFR § 200.303 (c): The County has to monitor and evaluate compliance.</p> <p>2 CFR § 200.332 (d) specifies that the County needs to monitor its subrecipients, as needed, to ensure compliance with the federal award terms.</p>
Cause:	The primary cause was lack of internal controls over monitoring by the County over the subrecipient processes.
Potential Effect Of Condition:	A lack of internal controls over monitoring could lead to noncompliance of activities and costs. In addition, it could have caused unspent funds to be returned.
Questioned Costs:	In 2020, \$80,770 was not paid to subrecipients and \$2,310 was not expended by the County in 2020.
Perspective:	The costs were either replaced with different allowable expenditures or were paid in 2021. This is a matter of accuracy with when the expenditures were reported.
Repeat Finding:	Not applicable to this finding.
Recommendation:	Improve internal controls regarding oversight of the review process over subrecipients and ensure sufficient subrecipient monitoring processed and controls are in place.
Views Of Responsible Officials:	Management agrees with this finding and will implement review processes and internal controls over subrecipient monitoring.

2020-009 Policies and Procedures – Federal Standards

Condition:	Written policies and procedures over the following need developed or further modified to comply with federal standards.
Criteria:	<p>The uniform guidance requires written policies and procedures in many areas, including:</p> <ul style="list-style-type: none"> • Financial management • Payment • General procurement standards • Competition • Methods of procurement to be followed • Subrecipient monitoring • Compensation- personal services • Compensation- fringe benefits • Relocation costs of employees • Travel costs
Cause:	Management oversight.
Potential Effect Of Condition:	Policies and procedures govern an entity's internal control set up over federal funds and encourage proper management of federal funds. Without them, there is an increase in potential errors and fraud.
Questioned Costs:	Not applicable to this finding.
Perspective:	There are some written policies and procedures, particularly over procurement, but these policies will need to be tailored to be in compliance with federal guidelines.
Repeat Finding:	Not applicable to this finding.
Recommendation:	The County should work on developing a comprehensive policies and procedures manual related to federal funds.
Views Of Responsible Officials:	Management agrees with this finding and will work on developing these policies and procedures.