

**RILEY COUNTY POLICE DEPARTMENT  
MANHATTAN, KANSAS**

**FINANCIAL STATEMENT  
DECEMBER 31, 2020**

# **RILEY COUNTY POLICE DEPARTMENT**

## **TABLE OF CONTENTS**

	<u>Page Number</u>
Independent Auditor's Report	1 - 3

### FINANCIAL SECTION

Statement 1	
Summary Statement of Receipts, Expenditures and Unencumbered Cash	4
Notes to the Financial Statement	5 - 13

### REGULATORY-REQUIRED

### SUPPLEMENTARY INFORMATION

Schedule 1	
Summary of Expenditures – Actual and Budget	14
Schedule 2	
Schedules of Receipts and Expenditures - Actual and Budget	
General Fund	15 - 16
Summary of Non-Budgeted Special Purpose Funds	17 - 18
Schedule 3	
Summary of Receipts and Disbursements – Agency Funds	19

### OTHER FINANCIAL INFORMATION

Schedule A: Composition of Cash	20
Schedule B: Schedule of Fixed Assets - (Unaudited)	21



## INDEPENDENT AUDITOR'S REPORT

Riley County Law Enforcement Agency Board  
Manhattan, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the Riley County Police Department (the Department), 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* (the KMAAG) 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 KMAAG. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

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

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

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

As described in Note 1 of the financial statement, the financial statement is prepared by the Department on the basis of the financial reporting provisions of the KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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

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

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Department as of December 31, 2020, or changes in financial position and cash flows thereof for the year then ended.

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

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Department 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 KMAAG described in Note 1.

### **Other Matters**

#### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the 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, and the schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the KMAAG. 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 basic financial statement.

The information has been subjected to the auditing procedures applied in the audit of the 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 basic financial statement or to 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 as a whole, on the basis of accounting described in Note 1.





## Other Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The Schedules of Composition of Cash and Fixed Assets, (Schedules A and B as listed in the table of contents), are presented for purposes of additional analysis and are not a required part of the basic financial statement.

The Composition of Cash 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 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 basic financial statement or to 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 Composition of Cash is fairly stated, in all material respects, in relation to the basic financial statement as a whole.

The Schedule of Fixed Assets has not been subjected to the auditing procedures applied in the audit of the basic financial statement and, accordingly, we do not express an opinion or provide any assurance on it.

*James Gordon + Abbotts CPA, P.A.*

James Gordon & Associates CPA, P.A.

Manhattan, Kansas

November 2, 2021



## STATEMENT 1

**RILEY COUNTY POLICE DEPARTMENT  
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances And Accounts Payable	Ending Cash Balance
<b>General Fund:</b>						
General Fund	\$ 533,347	\$ 23,357,645	\$ 23,270,084	\$ 620,908	\$ 824,945	\$ 1,445,853
<b>Special Purpose Funds:</b>						
Emergency Reserve	700,000	-	-	700,000	-	700,000
Seizure	169,116	5,969	53,363	121,722	-	121,722
Activity	51,066	23,451	8,733	65,784	-	65,784
Investigation	3,375	1,469	-	4,844	-	4,844
Statutory Registration	72,742	13,666	43	86,365	-	86,365
Jaustice Assistance Grant	3	-	3	-	-	-
IT Reserve Fund	-	658,400	-	658,400	-	658,400
Medical Reimbursement	1,033,490	41,394	63,074	1,011,810	-	1,011,810
Federal Seizures	154,520	1,674	-	156,194	-	156,194
Worker's Comp Ins Reserve	1,217,929	105,334	102,451	1,220,812	-	1,220,812
<b>Total Reporting Entity (Excluding Agency Funds)</b>	<u>\$ 3,935,588</u>	<u>\$ 24,209,002</u>	<u>\$ 23,497,751</u>	<u>\$ 4,646,839</u>	<u>\$ 824,945</u>	<u>\$ 5,471,784</u>

**Composition of Cash:**

Checking Accounts	\$ 3,043,978
Funds held by Riley County Treasurer	3,147,742
Petty cash funds	<u>4,924</u>
<b>Total Cash</b>	6,196,644
Less: Agency Funds per Schedule 3	<u>(724,860)</u>
<b>Total Reporting Entity (Excluding Agency Funds)</b>	<u>\$ 5,471,784</u>

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

# **RILEY COUNTY POLICE DEPARTMENT**

## **NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2020**

### Note 1 – Summary of Significant Accounting Policies

#### Municipal Financial Reporting Entity

The Riley County Police Department (the Department), was chartered on January 1, 1974, and operates as a municipal corporation governed by the Riley County Law Enforcement Agency Board. The board consists seven members: one Riley County, Kansas (County) commissioner, one City of Manhattan, Kansas (City) commissioner, one appointed member from the County, two appointed members from the City, one alternating appointed member from either the City or the County, and the Riley County Attorney. The accounting policies of the Department conform to the cash basis and budget laws of Kansas (regulatory basis).

#### Regulatory Basis Fund Types

The accounts of the Department are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

The following types of funds were utilized in recording the financial activities of the Department for the year 2020:

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.

Agency fund – Funds used to report assets held by the municipal reporting entity in a purely custodial capacity.

# **RILEY COUNTY POLICE DEPARTMENT**

## **NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2020**

### Note 1 – Summary of Significant Accounting Policies (continued)

#### 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 Department 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 Department to use regulatory basis of accounting.

### Note 2 – Budgetary Information

Kansas statute, K.S.A. 19-4443 requires that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute) and submitted to the Board of County Commissioners of Riley County and to the governing bodies of each incorporated city within the County. K.S.A. 19-4443 and K.S.A. 79-2929 provide for the following sequence and time table in the preparation and submission of the budget:

- a. Not less than 10 days prior to submitting such budget, the Municipality shall hold a hearing thereon in accordance with the provisions of K.S.A. 79-2929, and amendments thereto. K.S.A. 79-2929 states that the governing body shall give at least 10 days notice of the time and place of the meeting by publications in a weekly or daily newspaper.
- b. Submission of the budget to the Board of County Commissioners and to the governing bodies of incorporated cities within the county be completed on or before the first Monday in July of each year.



# **RILEY COUNTY POLICE DEPARTMENT**

## **NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2020**

### Note 2 – Budgetary Information (continued)

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such amendments to the 2020 budget.

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

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

A legal operating budget is not required for any of the special purpose funds of the Department.

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

### Note 3 – Appropriations

The Department receives appropriations from both Riley County and the City of Manhattan to fund day-to-day operations within the Department.

### Note 4 – Reimbursements

The Department records reimbursable expenditures in the fund that makes the distribution and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the reimbursement is recorded as a qualifying budget credit in the fund receiving the reimbursement.

## **RILEY COUNTY POLICE DEPARTMENT**

### **NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2020**

#### Note 5 – Revenue concentration

The Department receives its budgeted revenue sources through tax appropriations from the City of Manhattan contributing approximately 76%, Riley County contributing approximately 19%, and approximately 5% from other sources.

#### Note 6 – Deposits and Investments

K.S.A. 9-1401 establishes the depositories which may be used by the Department. The statute requires banks eligible to hold the Department's funds have a main or branch bank in the county in which the Department is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402(d)(1) requires the banks to pledge securities for deposits in excess of FDIC coverage. The Department has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Department'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 Department has no investment policy that would further limit its investment choices. As noted above, the Department currently does not have any investments and therefore does not have a rating.

*Concentration of credit risk.* State statutes place no limit on the amount the Department 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 Department's deposits may not be returned to it. State statutes require the Government'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, except during designated "peak periods" when required coverage is 50%.

The Department did not have a peak period pledge agreement during 2020, and therefore the Department did not designate peak periods. All deposits were legally secured at December 31, 2020.

## RILEY COUNTY POLICE DEPARTMENT

### NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2020

#### Note 6 – Deposits and Investments (continued)

At December 31, 2020, the carrying amount of the Department's deposits including certificates of deposit and Agency Funds, was \$6,196,644 and the bank balance was \$3,238,070. Funds held by the Riley County Treasurer amounted to \$3,147,742. The difference between the carrying amount and the bank balance was outstanding checks and deposits in transit. The bank balances were held by two banks, but a major portion of the deposits were held by one bank, which did result in a concentration of credit risk. Of the bank balance, \$250,000 was covered by FDIC insurance and the remaining was collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the Department's name. The funds held by the County Treasurer are included as agency funds in Riley County's financial statements, and the risk categories are disclosed in those statements.

*Custodial credit risk – investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Department 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.

The Department has set up a designated fund through which third party donors can contribute to for the benefit of a scholarship fund for employee dependents. The designated fund had a cost and fair market value of \$90,752 and \$95,058, respectively, at December 31, 2020. All contributions by outside donors into this designated fund will not be recognized by the Department.

#### Note 7 – Defined Benefit Pension Plan

*Plan description.* The Department participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

*Contributions.* K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015.

## **RILEY COUNTY POLICE DEPARTMENT**

### **NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2020**

#### Note 7 – Defined Benefit Pension Plan (continued)

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. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. 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 and KP&F 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 KPERS and 21.93% for KP&F for the fiscal year ended December 31, 2020.

Contributions to the pension plan from the Department were \$523,778 for KPERS and \$1,665,670 for KP&F for the year ended December 31, 2020.

#### Net Pension Liability

At December 31, 2020, the Department's proportionate share of the collective net pension liability reported by KPERS was \$4,768,138 and \$16,873,272 for KP&F. 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 Department's proportion of the net pension liability was based on the ratio of the Department's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

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

#### Note 8 – Deferred Compensation

The Department allows employees to participate in a salary deferral plan that covers all full-time Employees. All contributions to the plan are made by employees through payroll withholding. As of December 31, 2020, the employees contributed \$147,881 to the plan.

## **RILEY COUNTY POLICE DEPARTMENT**

### **NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2020**

#### Note 9 – Medical Reimbursement Plan – Changes to Self-Funded Health Insurance Plan

In 2003, the Department established a Medical Reimbursement Fund (a Special Revenue Fund) to account for and finance its medical reimbursement plan. Due to the increased costs of health insurance premiums, the Department found it advantageous to purchase a commercial insurance policy for all full-time employees with a higher deductible, and then use the funds in the Medical Reimbursement Fund to pay for fifty percent of each employee's deductible that is incurred each year.

The Department contracted with a carrier in 2012 for health insurance coverage. In 2013, the Department began to self-insure and contracted with a carrier to provide administrative services. The carrier arranged coverage and an aggregate and specific stop lost policy from underwriters.

The plan specifies a \$1,500 deductible (family plan \$3,000) in 2020. Under this medical reimbursement plan the employee was then reimbursed fifty percent of the deductible. The Medical Reimbursement Fund (MRP) also paid for fifty percent of the employee's co-insurance of \$2,500 (single) and \$5,000 (family). The maximum out of pocket expense for employees are \$6,350 (single) and \$12,700 (family). This maximum outlay includes co-pays, deductible, and co-insurance.

During 2020, approximately 117 employees qualified and participated in the plan. Therefore, the Department had the potential to pay out approximately \$321,750 in 2020. The total MRP claims paid in 2020 were \$56,553. The health plan cost to the Department was \$1,882,880 in 2020.

Additionally, A high deductible health insurance plan is offered, with a single deductible of \$3,000 and a family deductible of \$6,000. There is no co-insurance for the high deductible plans and the maximum out of pocket is the same as above.

#### Note 10 – Other Post-Employment Benefits

As provided by K.S.A. 12-5040, the Department allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level 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 government 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.



## **RILEY COUNTY POLICE DEPARTMENT**

### **NOTES TO THE FINANCIAL STATEMENT DECEMBER 31, 2020**

#### Note 11 – Compensated Absences

The Department has a policy regarding paid earned time, sick leave and compensatory absences. Earned time is accounted for in a leave bank which includes but does not differentiate between holiday, personal days, and vacation. Sick leave, injury leave, administrative leave, and compensatory time are not included in the leave bank. The Department allows employees to accumulate a maximum of 320 to 488 hours of earned time. Upon termination or resignation from service with the Department, employees are entitled to payment of all accrued time accounted for in the leave bank earned prior to termination or resignation. All employees earn and accumulate sick leave at the rate of one working day for each month of service with a maximum carryover of 1,120 hours.

Per the Department's policy on December 31, 2020, the Department's liability for unused vacation, sick leave, and compensatory time was approximately \$1,826,424 and approximately \$139,721 for the employer's portion of payroll taxes.

#### Note 12 – Commitments and Contingencies

Self-Funded Workman's Compensation: The Department self-insures their Workman's Compensation Insurance. The Department is fully self-insured. The premiums paid in 2020 totaled \$95,818. The total claims paid under the self-insurance portion in 2020 were \$171,501. The Department also contributed to a Worker's Compensation Reserve Fund in 2020 bringing the reserve account balance to \$1,220,812, as mandated by the State.

Risk Management: The Department is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees and natural disasters. The Department manages these various risks of loss through commercial insurance with varying deductibles. Insurance claims have not exceeded commercial insurance coverage in any of the past three fiscal years.

Pending Litigation: The Department is a defendant in several lawsuits. The ultimate outcome of such litigation is uncertain. Management and legal counsel are also uncertain of any economic impact to the Department.

**RILEY COUNTY POLICE DEPARTMENT**

**NOTES TO THE FINANCIAL STATEMENT  
DECEMBER 31, 2020**

Note 13 – Transfers

The Department's operating transfers and regulatory authority for the year ended December 31, 2020 were as follows:

From	To	Statutory Authority	Amount
Medical Reimbursement	Flexible Spending Account	Agency Fund	\$ 63,074
Self - Insured Health Plan	Medical Reimbursement	Agency Fund	38,984
General Fund	Self - Insured Health Plan	Agency Fund	1,555,113
General Fund	IT Reserve Fund		658,400
			<u>\$ 2,315,571</u>

Note 14 – Evaluation of Subsequent Events

In December 2019, an outbreak of a novel strain of corona virus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts may include disruptions or restrictions on the Department's ability to operate under its current mission and operating model.

The Department has evaluated events and transactions for potential recognition or disclosure through the date of the independent auditor's report which is the date the financial statement was available for issue.

## **Regulatory-Required Supplementary Information**

**RILEY COUNTY POLICE DEPARTMENT  
SUMMARY OF EXPENDITURES – ACTUAL AND BUDGET  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustments for Qualifying Budget Credits</u>	<u>Total Budget</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over (Under)</u>
<b>General Fund</b>	<u>\$ 22,193,453</u>	<u>\$ 1,171,005</u>	<u>\$ 23,364,458</u>	<u>\$ 23,270,084</u>	<u>\$ (94,374)</u>

**RILEY COUNTY POLICE DEPARTMENT  
GENERAL FUND  
SCHEDULE OF RECEIPTS AND EXPENDITURES – ACTUAL AND BUDGET  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Actual	Budget	Variance- Over (Under)
<b>Receipts:</b>			
City of Manhattan	\$ 17,681,392	\$ 17,681,392	\$ -
Riley County, Kansas	4,420,348	4,420,348	-
Grants	112,417	-	112,417
Charges for services	31,551	-	31,551
Donations	400	-	400
Reimbursements	1,107,308	-	1,107,308
Copy fees	4,073	9,842	(5,769)
Transfer in	-	-	-
Net investment income	156	-	156
<b>Total Receipts</b>	<u>23,357,645</u>	<u>\$ 22,111,582</u>	<u>\$ 1,246,063</u>
<b>Expenditures:</b>			
Personal services	<u>16,396,599</u>	<u>\$ 18,837,553</u>	<u>\$ (2,440,954)</u>
<b>Total Personal Services</b>	<u>16,396,599</u>	<u>18,837,553</u>	<u>(2,440,954)</u>
Contractual services			
Utilities	196,713	205,000	(8,287)
Insurance	450,564	267,000	183,564
Professional fees	117,396	85,000	32,396
Education/training/travel	59,027	90,000	(30,973)
Rental - maintenance agreements	46,873	60,000	(13,127)
Other contractual	730,226	314,000	416,226
Postage	5,628	7,400	(1,772)
Printing	4,727	7,500	(2,773)
Building and grounds repairs	37,237	30,000	7,237
Telephone service	90,391	62,000	28,391
Medical fees	23,659	15,000	8,659
Contractual services - computers	643,068	690,000	(46,932)
Vehicle maintenance	109,687	90,000	19,687
Equipment repair and maintenance	<u>113,731</u>	<u>85,000</u>	<u>28,731</u>
<b>Total Contractual Services</b>	<u>2,628,927</u>	<u>2,007,900</u>	<u>621,027</u>

See independent auditor's report on regulatory-required supplementary information.



**RILEY COUNTY POLICE DEPARTMENT  
SUMMARY OF NON-BUDGETED SPECIAL PURPOSE FUNDS  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Actual	Budget	Variance- Over (Under)
<b>Expenditures Continued:</b>			
Commodities			
Prisoner food and care	\$ 195,022	\$ 195,000	\$ 22
Community service	19,610	17,500	2,110
Dues and subscriptions	17,274	10,000	7,274
Fuel and lubrication	140,345	163,000	(22,655)
Vehicle tires	15,946	17,000	(1,054)
Uniforms and accessories	99,318	40,000	59,318
Office supplies	34,988	24,000	10,988
Replenishment supplies	70,922	45,000	25,922
Maintenance and repairs	54,326	29,500	24,826
<b>Total Commodities</b>	<u>647,751</u>	<u>541,000</u>	<u>106,751</u>
Capital outlay			
Communications equipment	697,498	10,000	687,498
Guns and crime equipment	213,220	60,000	153,220
Office furniture	26,111	15,000	11,111
Office equipment	112,645	452,000	(339,355)
Motor vehicles	333,820	270,000	63,820
<b>Total Capital Outlay</b>	<u>1,383,294</u>	<u>807,000</u>	<u>576,294</u>
<b>Other Expenditures:</b>			
Qualifying budget credits	-	1,171,005	(1,171,005)
Transfers out	2,213,513	-	2,213,513
<b>Total Other Expenditures:</b>	<u>2,213,513</u>	<u>1,171,005</u>	<u>1,042,508</u>
<b>Total Expenditures</b>	<u>23,270,084</u>	<u>\$ 23,364,458</u>	<u>\$ (94,374)</u>
Receipts Over (Under) Expenditures	87,561		
Unencumbered Cash, Beginning	533,347		
Unencumbered Cash, Ending	<u>\$ 620,908</u>		

See independent auditor's report on regulatory-required supplementary information.

**RILEY COUNTY POLICE DEPARTMENT  
SUMMARY OF NON-BUDGETED SPECIAL PURPOSE FUNDS  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Emergency Reserve	Seizure	Activity	Investigation	Justice Assistance Grant
<b>Receipts:</b>					
Seizures	\$ -	\$ 5,680	\$ -	\$ -	\$ -
Licenses, permits and fees	-	-	-	-	-
Interest	-	289	-	-	-
Commissions	-	-	21,960	-	-
Donations	-	-	425	-	-
Miscellaneous	-	-	1,066	1,469	-
Transfers in	-	-	-	-	-
<b>Total Receipts</b>	-	5,969	23,451	1,469	-
<b>Expenditures:</b>					
Contractual and other charges	-	2,669	-	-	-
Materials and supplies	-	-	8,733	-	-
Other	-	50,694	-	-	3
Reimbursements	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total Expenditures</b>	-	53,363	8,733	-	3
Receipts Over (Under) Expenditures	-	(47,394)	14,718	1,469	(3)
Unencumbered Cash, Beginning	700,000	169,116	51,066	3,375	3
Unencumbered Cash, Ending	<u>\$ 700,000</u>	<u>\$ 121,722</u>	<u>\$ 65,784</u>	<u>\$ 4,844</u>	<u>\$ -</u>

**RILEY COUNTY POLICE DEPARTMENT**  
**SUMMARY OF NON-BUDGETED SPECIAL PURPOSE FUNDS**  
**REGULATORY BASIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>Statutory Registration</u>	<u>IT Reserve Fund</u>	<u>Medical Reimbursement</u>	<u>Federal Seizures</u>	<u>Workman Comp Ins Reserve</u>
<b>Receipts:</b>					
Seizures	\$ -	\$ -	\$ -	\$ 1,000	\$ -
Licenses, permits and fees	13,482	-	-	-	-
Interest	184	-	2,408	674	2,883
Commissions	-	-	-	-	-
Donations	-	-	-	-	-
Miscellaneous	-	-	2	-	102,451
Transfers in	-	658,400	38,984	-	-
<b>Total Receipts</b>	<u>13,666</u>	<u>658,400</u>	<u>41,394</u>	<u>1,674</u>	<u>105,334</u>
<b>Expenditures:</b>					
Contractual and other charges	-	-	-	-	-
Materials and supplies	43	-	-	-	-
Other	-	-	-	-	-
Reimbursements	-	-	-	-	102,451
Transfers out	-	-	63,074	-	-
<b>Total Expenditures</b>	<u>43</u>	<u>-</u>	<u>63,074</u>	<u>-</u>	<u>102,451</u>
Receipts Over (Under) Expenditure	13,623	658,400	(21,680)	1,674	2,883
Unencumbered Cash, Beginning	<u>72,742</u>	<u>-</u>	<u>1,033,490</u>	<u>154,520</u>	<u>1,217,929</u>
Unencumbered Cash, Ending	<u>\$ 86,365</u>	<u>\$ 658,400</u>	<u>\$ 1,011,810</u>	<u>\$ 156,194</u>	<u>\$ 1,220,812</u>

See independent auditor's report on regulatory-required supplementary information.

**RILEY COUNTY POLICE DEPARTMENT  
SUMMARY OF RECEIPTS AND DISBURSEMENTS – AGENCY FUNDS  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

<u>Funds</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Tax and fees account	\$ 7,408	\$ 29,040	\$ 27,953	\$ 8,495
Special cash seizure fund	1,529	3	308	1,224
Inmate fund	15,473	231,136	205,459	41,150
Flexible spending account	(678)	218,708	159,000	59,030
Self - insured health plan	866,726	1,631,115	1,882,880	614,961
<b>Total Agency Funds</b>	<b>\$ 890,458</b>	<b>\$ 2,110,002</b>	<b>\$ 2,275,600</b>	<b>\$ 724,860</b>

See independent auditor's report on regulatory-required supplementary information.

## **Other Financial Information**



**RILEY COUNTY POLICE DEPARTMENT  
COMPOSITION OF CASH  
AS OF DECEMBER 31, 2020**

**Riley County Police Department**

**Checking Accounts:**

Kansas State Bank - Special Activity	\$ 65,785	
Kansas State Bank - General Fund	(65,656)	
Kansas State Bank - Medical Reimbursement	1,011,810	
Kansas State Bank - Statutory Account	86,366	
Kansas State Bank - Flexible Spending Acct	59,030	
Kansas State Bank - Worker's Comp Reserve	1,220,812	
Kansas State Bank - Health Plan	<u>614,962</u>	
		\$ 2,993,109

**Special Cash Seizure Fund**

Kansas State Bank	1,224
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**Fees Account Fund**

Landmark National Bank	8,495
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**Inmate Fund**

Kansas State Bank	<u>41,150</u>
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<b>Total Checking Accounts</b>	3,043,978
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<b>Funds held by Riley County Treasurer</b>	3,147,742
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**Petty Cash Funds:**

Investigation	4,844	
Record Drawer	80	
		<u>4,924</u>

<b>Total Cash Balances</b>	<u><u>\$ 6,196,644</u></u>
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Funds held by Riley County Treasurer	\$ 3,147,742
Carrying Value of Agency Funds	<u>3,048,902</u>
	<u><u>\$ 6,196,644</u></u>

See independent auditor's report on other information.

**SCHEDULE B**

**RILEY COUNTY POLICE DEPARTMENT  
SCHEDULE OF FIXED ASSETS – (UNAUDITED)  
FOR THE YEAR ENDED DECEMBER 31, 2020**

The Department's fixed assets are used in the performance of general departmental operations. Fixed asset valuations are based partially upon original costs. Depreciation of fixed assets is not recognized. The value of the assets obtained through donation or seized property is not recognized as income on the financial statement until the asset is sold.

A summary of fixed asset additions for the year ended December 31, 2020 is as follows:

	Revenue Source				Total Additions
	General Fund	Seizure Fund	Federal and State	Non Gov't and Other	
Communications equipment	\$ 767,395	\$ -	\$ -	\$ -	\$ 767,395
Guns and crime equipment	130,840	-	59,000	-	189,840
Furniture	13,534	-	-	-	13,534
Office equipment	122,608	-	-	-	122,608
Motor vehicles	330,346	-	-	-	330,346
Total Additions	<u>\$ 1,364,723</u>	<u>\$ -</u>	<u>\$ 59,000</u>	<u>\$ -</u>	<u>\$ 1,423,723</u>

  

	Balance, January 1, 2020	Additions	Reductions	Balance, December 31, 2020
Communications equipment	\$ 444,766	\$ 767,395	\$ (789,211)	\$ 422,950
Guns and crime equipment	1,059,571	189,840	(68,402)	1,181,009
Furniture	316,601	13,534	(14,663)	315,472
Office equipment	2,045,424	122,608	(281,450)	1,886,582
Motor vehicles	2,262,799	330,346	(378,819)	2,214,326
	<u>\$ 6,129,161</u>	<u>\$ 1,423,723</u>	<u>\$ (1,532,545)</u>	<u>\$ 6,020,339</u>

A summary of the financing sources of fixed asset at December 31, 2020 is as follows:

	Balance, January 1, 2020	Additions	Reductions	Balance, December 31, 2020
General fund	\$ 4,703,983	\$ 1,364,723	\$ (1,005,078)	\$ 5,063,628
Seizure fund	622,646	-	(43,801)	578,845
Federal revenues	661,678	59,000	(482,319)	238,359
State revenues	14,501	-	-	14,501
Concealed carry/offender	65,075	-	(1,347)	63,728
Seized/donated/cc/non-gov't	61,278	-	-	61,278
Total Assets by Revenue Source	<u>\$ 6,129,161</u>	<u>\$ 1,423,723</u>	<u>\$ (1,532,545)</u>	<u>\$ 6,020,339</u>

See independent auditor's report on other information.