

LEAVENWORTH COUNTY, KANSAS

FINANCIAL STATEMENT

WITH REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

AND

INDEPENDENT AUDITOR'S REPORT

December 31, 2020

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March 29, 2021

County Commissioners
Leavenworth County, Kansas

Independent Auditor's Report

We have audited the accompanying summary statement of cash receipts, expenditures, and unencumbered cash - regulatory basis of Leavenworth County, Kansas (the County), 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 to meet the financial reporting requirements of the State of Kansas; 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 this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from 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 the auditor's judgment, including 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 County'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 to the financial statement, the financial statement is prepared by the County to meet the requirements of the State of 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 the County as of December 31, 2020, or changes in financial position and cash flows thereof for the year then ended.

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 County 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 - Regulatory-Required and Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the summary statement of receipts, expenditures, and unencumbered cash - regulatory basis (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, summary of regulatory basis receipts and disbursements-agency funds (Schedules 1, 2, and 3, 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; however they 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 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 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.

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance

Our audit was performed for the purpose of forming an opinion on the regulatory basis financial statement of the County, taken as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the financial statement. 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 financial statement. The 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 financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statement as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2021 on our consideration of the County's 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 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 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 the County's internal control over financial reporting and compliance.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas

LEAVENWORTH COUNTY, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH
Regulatory Basis
For the Year Ended December 31, 2020

Fund	Beginning Unencumbered Cash Balance	Add: Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Funds							
General Fund	\$ 4,030,330	\$ -	\$ 25,445,004	\$ 20,593,256	\$ 8,882,078	\$ 102,713	\$ 8,984,791
Special Purpose Funds							
County Health	66,945	-	1,507,310	1,268,010	306,245	-	306,245
Employee Benefits	1,084,821	-	7,403,637	7,367,254	1,121,204	-	1,121,204
Register of Deeds Technology	110,652	-	156,834	100,020	167,466	-	167,466
Road and Bridge	2,299,710	-	8,943,635	10,463,560	779,785	134,327	914,112
Special Alcohol	106,215	-	29,376	38,999	96,592	-	96,592
Economic Development	7,052	-	289,932	291,643	5,341	-	5,341
Council on Aging	235,685	-	2,614,354	2,353,912	496,127	-	496,127
Special Parks and Recreation Fund	15,424	-	12,621	17,000	11,045	-	11,045
911 Taxes Fund	602,914	-	459,119	513,735	548,298	-	548,298
Juvenile Detention Fund	260,023	-	570,149	691,281	138,891	-	138,891
Special Sales Tax Revenue Fund	715,066	-	162,142	720,400	156,808	-	156,808
County Clerk Technology	37,210	-	39,209	52,240	24,179	-	24,179
County Treasurer Technology	10,637	-	39,209	40,778	9,068	-	9,068
County Capital Projects	13,261,037	-	6,277,056	12,564,974	6,973,119	126,801	7,099,920
Local Service Road and Bridge	417,402	-	3,202,518	3,169,505	450,415	-	450,415
CARES Act Fund	-	-	19,204,793	19,204,793	-	-	-
Community Corrections	87,063	-	552,689	434,481	205,271	-	205,271
Juvenile Justice Authority	13,139	-	177,388	174,459	16,068	-	16,068
JDC Family Strong	575	-	-	-	575	-	575
PALS	25,345	-	10,969	7,793	28,521	-	28,521
Memorials	105,242	-	31,409	-	136,651	-	136,651
Drug Prosecutor	14,726	-	649	1,065	14,310	-	14,310
Alcohol Drug Safe Action	35,274	-	-	5,915	29,359	-	29,359
Juvenile Supervision Fees	15,038	-	857	-	15,895	-	15,895
CCH Permits	36,410	-	8,515	8,930	35,995	-	35,995
Juvenile Intake and Assessment	53,977	-	33,713	49,135	38,555	-	38,555
Federal Grants	31,495	-	205,726	111,679	125,542	-	125,542
Sheriff Drug Forfeitures	45,424	-	1,464	15,579	31,309	-	31,309

The accompanying notes are an integral part of this financial statement.
See Independent Auditor's Report.

LEAVENWORTH COUNTY, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH (CONTINUED)
Regulatory Basis
For the Year Ended December 31, 2020

Fund	Beginning Unencumbered Cash Balance	Add: Cancelled Encumbrances	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Juvenile Drinking Program	\$ 2,993	\$ -	\$ -	\$ -	\$ 2,993	\$ -	\$ 2,993
Violent Offenders	46,177	-	26,215	15,432	56,960	-	56,960
Drug Test and Supervision	104,561	-	15,657	6,267	113,951	-	113,951
INK Fee Fund	304,715	-	77,024	13,006	368,733	-	368,733
Attorney Training	15,231	-	3,276	1,693	16,814	-	16,814
Landfill Closure	65,885	-	-	-	65,885	-	65,885
Township Road Improvement	1,670,216	-	86,515	1,756,731	-	-	-
Township Traffic Impact Fee	547,504	-	1,836,546	34,964	2,349,086	-	2,349,086
County Treasurer Special	66,381	-	617,865	629,969	54,277	-	54,277
Capital Road	-	-	5,263,130	1,385,354	3,877,776	-	3,877,776
General Equipment Reserve	5,124,317	-	1,591,055	1,290,999	5,424,373	-	5,424,373
Local Service Capital Equipment Reserve	1,055,688	-	407,496	676,110	787,074	-	787,074
Capital Improvement Reserve	3,153,029	-	265,385	2,534,660	883,754	-	883,754
Juvenile Reinvestment Grant	44,539	-	55,860	57,207	43,192	-	43,192
Road and Bridge Equipment Reserve	3,757,105	-	985,478	734,942	4,007,641	-	4,007,641
Bond and Interest Fund							
Bond and Interest	47,172	-	1,761,298	1,761,291	47,179	-	47,179
Business Fund							
Solid Waste Management	664,974	-	1,597,995	1,459,552	803,417	-	803,417
Trust Fund							
Special Law Enforcement	76,818	-	713	6,850	70,681	-	70,681
Total County	\$ 40,472,136	\$ -	\$ 91,971,785	\$ 92,625,423	\$ 39,818,498	\$ 363,841	\$ 40,182,339
Related Municipal Entities							
Sewer District No. 1	\$ 110,596	\$ -	\$ 53,872	\$ 37,852	\$ 126,616	\$ -	\$ 126,616
Sewer District No. 2	217,339	-	72,092	36,721	252,710	-	252,710
Sewer District No. 3	43,238	-	102,211	103,211	42,238	-	42,238
Sewer District No. 5	102,778	-	17,424	15,734	104,468	-	104,468
Sewer District No. 6	6,678	-	-	-	6,678	-	6,678
Sewer District No. 7	29,295	-	63,635	63,918	29,012	-	29,012
Total Related Municipal Entities	\$ 509,924	\$ -	\$ 309,234	\$ 257,436	\$ 561,722	\$ -	\$ 561,722
Total Reporting Entity (Excluding Agency Funds)	\$ 40,982,060	\$ -	\$ 92,281,019	\$ 92,882,859	\$ 40,380,220	\$ 363,841	\$ 40,744,061

LEAVENWORTH COUNTY, KANSAS
SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH (CONTINUED)
Regulatory Basis
For the Year Ended December 31, 2020

Composition of Cash:	
Commerce Bank:	
Checking	\$ 19,885,578
Certificates of Deposit	73,000,000
First State Bank and Trust:	
Checking	39,194
Certificates of Deposit	100,000
Exchange Bank:	
Certificates of Deposit	505,536
Country Club Bank:	
Checking	1,010,360
Citizen's Bank:	
Checking	2,349,370
Kansas Municipal Investment Pool	<u>1,814,135</u>
Total Cash	\$ 98,704,173
Less: Agency Funds (per Schedule 3)	<u>(57,960,112)</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 40,744,061</u>

LEAVENWORTH COUNTY, KANSAS
NOTES TO FINANCIAL STATEMENT
December 31, 2020

Note 1: Summary of Significant Accounting Policies

Municipal Financial Reporting Entity

Leavenworth County, Kansas (the County), is a municipal corporation governed by an elected three-member commission. This regulatory financial statement presents the County (the primary government) and any related municipal entities of which the County is considered to be financially accountable. The related municipal entities included in the County's reporting entity are Sewer Districts No. 1, 2, 3, 5, 6 and 7. The related municipal entity that is not included in the County's reporting entity is the Kansas State Research and Extension, Leavenworth County (the Extension). Both the Extension and the Sewer Districts were established to benefit the County and/or its constituents.

The Extension provides services in such areas as agriculture, home economics, and 4-H clubs to all persons in the County. The council is an elected nine-member executive board. The County annually provides significant operating subsidies to the Extension. The Extension is not included in the County's financial statement. Complete financial statements for the Extension are available from its offices at 613 Holiday Plaza, Lansing, Kansas, 66043.

The County Commission also appointed themselves as the five-member governing board of the six individual Sewer Districts. The sewer benefit districts oversee wastewater collection for areas throughout the County. The financial information for the six Sewer Districts is included in the County reporting entity as related municipal entities.

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.

Regulatory Basis Fund Types

The following types of funds comprise the financial activities of the County 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 revenue 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.

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 - 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 - Used to report assets held by the municipal reporting entity in purely custodial capacity.

LEAVENWORTH COUNTY, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2020

Note 2: Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

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

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in 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 budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison 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 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 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 use of internal spending limits established by the governing body.

Note 3: Annual Personal Leave Benefits

Under the terms of the County's personnel policy, County employees are granted annual personal leave in varying amounts. Full time employees accrue vacation each year at the following rates:

Years of Service	Accumulation Per Pay Period	Annual Total	Max Leave Accumulation
0 - <5	4 hours	104 hours	144 hours
5 - <10	5 hours	130 hours	176 hours
10 - <15	6 hours	156 hours	208 hours
15 - <20	7 hours	182 hours	240 hours
20+	8 hours	208 hours	272 hours

LEAVENWORTH COUNTY, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2020

Note 4: Property Taxes

Compliance with Kansas Statutes

The County property tax is levied each November 1 on the assessed valuation of real and personal property located in the County as of the preceding January 1. The County assessors establish assessed value for real and personal property annually. The final assessed value for real and personal property located in the County as of January 1, 2019 was \$674,582,998. The fiscal year 2019 tax levy was based on this final assessed value and was used to fund fiscal year 2020.

The County's property tax levies per \$1,000 assessed valuation for the year ended December 2020 were as follows:

<u>Fund</u>	<u>Mill Levy</u>
General Fund	\$ 23.078
Road and Bridge Fund	9.324
Employee Benefits Fund	0.223
Other Governmental Funds	4.487
Total	<u><u>\$ 37.112</u></u>

Note 5: Inventories and Prepaid Expenses

Inventories and prepaid expenses which benefit future periods are recorded as an expenditure during the year of purchase.

Note 6: Use of Estimates

The preparation of financial statement in compliance with the regulatory basis requires management to make estimates and assumptions that affect the reported amounts of encumbrances at the date of the financial statement and the reported amounts of expenditures during the reporting period. Actual results could differ from those estimates.

Note 7: 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 in which the County is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The 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 deposits 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 policies that would further limit its investment choices.

Some of the County's investments are of bond proceeds invested pursuant to K.S.A. 10-131. This statute allows additional investment authority beyond that of K.S.A. 12-1675. Investments of bond proceeds may follow K.S.A. 12-1675 or include other investments such as the KMIP, direct obligations of the U.S. government or any agency thereof, and various other investments as specified in K.S.A. 10-131.

At December 31, 2020, the County has the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 - 5</u>	<u>6 - 10</u>	<u>More than 10</u>	<u>Rating</u>
Kansas Municipal Investment Pool	\$1,814,135	\$1,814,135	\$ -	\$ -	\$ -	N/A

LEAVENWORTH COUNTY, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)

December 31, 2020

Note 7: Deposits and Investments (Continued)

The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest by the U.S. government or any agency thereof, with maturities up to four years. No more than 10 percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

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. The County's investments were composed entirely of KMIP deposits and certificates of deposit as of the fiscal year ended December 31, 2020.

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 County, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The County has no designated "peak periods". All deposits were legally secured at December 31, 2020.

At December 31, 2020, the County's carrying amount of deposits was \$95,860,926 and the bank balance was \$102,988,909. The bank balance was held by five banks resulting in a concentration of credit risk. Of the bank balance, \$999,533 was covered by federal depository insurance and the balance of \$101,989,376 was collateralized with securities held by the pledging financial institutions' agents in the County's name. These totals do not include outside entities.

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.

LEAVENWORTH COUNTY, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2020

Note 8: Long-Term Debt Schedule

Following is a summary of changes in long-term debt for the year ended December 31, 2020:

ISSUE	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds					
Series 2015 Sales Tax Bonds	\$ 7,930,000	\$ -	\$ 300,000	\$ 7,630,000	\$ 230,548
Series 2016-A Sales Tax Bonds	9,310,000	-	290,000	9,020,000	282,125
Series 2016-B Sales Tax Bonds	3,140,000	-	590,000	2,550,000	68,618
Series 2020-A Sales Tax Bonds	-	8,830,000	-	8,830,000	-
Revolving Loans - KDHE					
Loan 1429-01	152,340	-	20,132	132,208	3,787
Loan 1785-01	689,365	-	51,811	637,554	18,401
Temporary Notes					
2019 Temp Note	8,770,000	-	8,770,000	-	342,030
Capital Leases					
First State Bank & Trust	183,744	-	183,744	-	2,802
Motorola Solutions Credit Company LLC	-	493,092	-	493,092	-
Interlocal Agreement					
CPAC	50,000	-	50,000	-	-
Total Contractual Indebtedness	\$ 30,225,449	\$ 9,323,092	\$ 10,255,687	\$ 29,292,854	\$ 948,311

Following is a detailed listing of the County's long-term debt outstanding at December 31, 2020:

ISSUE	Date Issued	Final Maturity Date	Original Amount	Outstanding Amount	Interest Rate
General Obligation Bonds					
Series 2015 Sales Tax Bonds	9/24/15	3/1/37	\$ 8,500,000	\$ 7,630,000	2.00-3.50%
Series 2016-A Sales Tax Bonds	12/22/16	3/1/37	9,740,000	9,020,000	3.00-3.25%
Series 2016-B Sales Tax Bonds	12/22/16	3/1/24	4,165,000	2,550,000	2.25-2.65%
Series 2020-A Sales Tax Bonds	11/18/20	3/1/37	8,830,000	8,830,000	1.40-3.00%
Revolving Loans - KDHE					
Loan 1429-01	8/23/05	3/1/27	380,027	132,208	2.32%
Loan 1785-01	10/26/09	3/1/31	1,139,578	637,554	2.47%
Capital Leases					
Motorola Solutions Credit Company LLC	12/19/14	4/1/23	493,092	493,092	1.50%
			\$ 33,247,697	\$ 29,292,854	

LEAVENWORTH COUNTY, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2020

Note 8: Long-Term Debt (Continued)

Annual debt service requirements to maturity for capital leases

<u>Year</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total</u>
2021	\$ 159,878	\$ 13,708	\$ 173,586
2022	164,323	9,263	173,586
2023	168,891	4,695	173,586
Total	\$ 493,092	\$ 27,666	\$ 520,758

Annual debt service requirements to maturity for general obligation bonds to be paid with tax levies.

<u>Year</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total</u>
2021	\$ 1,235,000	\$ 690,016	\$ 1,925,016
2022	1,365,000	693,705	2,058,705
2023	1,400,000	657,730	2,057,730
2024	1,430,000	621,540	2,051,540
2025	1,475,000	574,028	2,049,028
2026 - 2030	8,030,000	2,194,266	10,224,266
2031 - 2035	9,110,000	1,004,593	10,114,593
2036 - 2040	3,985,000	71,370	4,056,370
Total	\$ 28,030,000	\$ 6,507,248	\$ 34,537,248

The County entered into a loan agreement in 2005 with the Kansas Department of Health and Environment (KDHE) to fund certain project costs for Sewer District No. 7. The project was completed and the final amount of the loan was \$380,027. Interest is paid at a rate of 2.32%.

The County entered into a loan agreement on October 7, 2009 with KDHE to fund certain project costs of Sewer District No. 3 to connect the City of Basehor, Kansas' wastewater collection system and treatment facility. The project was completed and the final amount of the loan was \$1,139,578. Interest is paid at a rate of 2.47%.

Annual debt service loan requirements to maturity are as follows:

<u>Year</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total</u>
2021	\$ 76,783	\$ 20,707	\$ 97,490
2022	78,850	18,640	97,490
2023	80,973	16,517	97,490
2024	83,152	14,337	97,489
2025	85,391	12,099	97,490
2026-2030	329,979	29,785	359,764
2031-2035	34,634	471	35,105
Total	\$ 769,762	\$ 112,556	\$ 882,318

In October 2011, the County landed a federal initiative with the United States Department of Veteran Affairs called a Consolidated Patient Account Center (CPAC) to bring additional jobs to the area. The County has committed to a \$50,000 annual payment for ten years to ensure the location of the CPAC within the County. At December 31, 2020, there were no years remaining on the agreement.

On November 18, 2020, the County entered into a general obligation bond Series 2020-A in the amount of \$8,830,000. The interest rate is 1.40-3.00% and matures March 1, 2037.

On April 1, 2020, the County entered into a capital lease with Motorola Solutions Credit Company, LLC in the amount of \$493,092. The interest rate is 2.78% and matures April 1, 2023.

LEAVENWORTH COUNTY, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2020

Note 9: Interfund Transactions

A reconciliation of transfers by fund type for 2020 follows:

From	To	Regulatory Authority	Amount
General	General Equipment Reserve	K.S.A. 19-119	\$ 981,007
General	Capital Improvement Reserve	K.S.A. 19-120	203,800
General	Employee Benefits	K.S.A. 12-16,102	4,218,266
Solid Waste Management	Employee Benefits	K.S.A. 12-16,102	117,175
Solid Waste Management	General Equipment Reserve	K.S.A. 19-119	110,000
Solid Waste Management	Capital Improvement Reserve	Resolution	11,585
County Health	Employee Benefits	K.S.A. 12-16,102	280,696
County Health	General Equipment Reserve	K.S.A. 19-119	10,000
Local Service Road and Bridge	Local Service Capital Equipment Reserve	K.S.A. 19-119	348,680
Local Service Road and Bridge	Employee Benefits	K.S.A. 12-16,102	271,212
Road and Bridge	Employee Benefits	K.S.A. 12-16,102	874,526
Road and Bridge	Road and Bridge Equipment Reserve	K.S.A. 19-119	819,895
Road and Bridge	Capital Road	Resolution	1,200,000
Capital Improvement Reserve	Capital Road	Resolution	2,346,379
Council on Aging	General Equipment Reserve	K.S.A. 19-119	130,000
Council on Aging	Employee Benefits	K.S.A. 12-16,102	400,000
County Treasurer Special	Employee Benefits	K.S.A. 12-16,102	166,711
County Capital Projects	Bond and Interest	Resolution	1,761,291
Juvenile Detention	General Equipment Reserve	K.S.A. 19-119	2,886
Juvenile Detention	Employee Benefits	K.S.A. 12-16,102	187,870
Federal Grants	Employee Benefits	K.S.A. 12-16,102	876
Community Corrections	Employee Benefits	K.S.A. 12-16,102	101,788
Juvenile Intake and Assessment	Employee Benefits	K.S.A. 12-16,102	27,352
Register of Deeds Technology	General Equipment Reserve	K.S.A. 19-119	10,000
Register of Deeds Technology	Employee Benefits	K.S.A. 12-16,102	8,879
Township Road Improvement	Township Traffic Impact Fee	Resolution	1,629,772
Sewer District No. 1	General Fund	K.S.A. 12-825d	15,456
Sewer District No. 2	General Fund	K.S.A. 12-825d	12,784
Sewer District No. 5	General Fund	K.S.A. 12-825d	8,624
Total Transfers			\$ 16,257,510

Note 10: 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 a 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.

LEAVENWORTH COUNTY, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2020

Note 10: Defined Benefit Pension Plan (Continued)

State law provides that the employer contribution rates for KPERS 1, 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 fiscal year ended December 31, 2020. Contributions to the pension plan from the County were \$1,103,723 for KPERS and \$1,380,077 for KP&F 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 \$11,336,519 and \$13,917,060 for KP&F. The net pension liability was measured as of June 30, 2019 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 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 KPERS website at www.kpers.org or can be obtained as described above.

Note 11: Other Post-Employment Benefits

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 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. There is no cost to the County under this program.

Death and Disability Other Post Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2020.

Note 12: Commitments and Contingencies

The County receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the County as of December 31, 2020.

LEAVENWORTH COUNTY, KANSAS
NOTES TO FINANCIAL STATEMENT (CONTINUED)
December 31, 2020

Note 13: Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters for which it carries commercial insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There have not been significant reductions in coverage from prior years.

The County pays an annual premium to KERIT for its workers compensation insurance coverage. The agreement to participate provides that the KERIT risk pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of four hundred fifty thousand dollars (\$450,000) up to five million dollars (\$5,000,000), for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KERIT management.

The County and its related entities are involved in various lawsuits arising in the ordinary course of activities. In the opinion of County management and the County Counselor, the ultimate effect of these legal matters will not have a material effect on the County's financial position.

REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION

LEAVENWORTH 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)
Governmental Funds					
General Fund	\$ 27,724,615	\$ -	\$ 27,724,615	\$ 20,593,256	\$ (7,131,359)
Special Purpose Funds					
County Health	1,350,880	-	1,350,880	1,268,010	(82,870)
Employee Benefits	8,125,000	-	8,125,000	7,367,254	(757,746)
Register of Deeds Technology	215,263	-	215,263	100,020	(115,243)
Road and Bridge	10,789,844	-	10,789,844	10,463,560	(326,284)
Special Alcohol	50,000	-	50,000	38,999	(11,001)
Economic Development	291,643	-	291,643	291,643	-
Council on Aging	2,597,314	-	2,597,314	2,353,912	(243,402)
Special Parks and Recreation Fund	17,500	-	17,500	17,000	(500)
911 Taxes Fund	548,400	-	548,400	513,735	(34,665)
Juvenile Detention Fund	746,764	-	746,764	691,281	(55,483)
Special Sales Tax Revenue Fund	1,465,769	-	1,465,769	720,400	(745,369)
County Clerk Technology	54,000	-	54,000	52,240	(1,760)
County Treasurer Technology	46,296	-	46,296	40,778	(5,518)
County Capital Projects	15,235,270	-	15,235,270	12,564,974	(2,670,296)
Local Service Road and Bridge	3,307,683	-	3,307,683	3,169,505	(138,178)
CARES Act	19,204,793	-	19,204,793	19,204,793	-
Bond and Interest Fund	1,761,291	-	1,761,291	1,761,291	-
Business Fund					
Solid Waste Management	1,602,103	-	1,602,103	1,459,552	(142,551)
Related Municipal Entities					
Sewer District No. 1	66,331	-	66,331	37,852	(28,479)
Sewer District No. 2	79,084	-	79,084	36,721	(42,363)
Sewer District No. 3	103,712	-	103,712	103,211	(501)
Sewer District No. 5	19,474	-	19,474	15,734	(3,740)
Sewer District No. 6	6,678	-	6,678	-	(6,678)
Sewer District No. 7	63,920	-	63,920	63,918	(2)
	<u>\$ 95,473,627</u>	<u>\$ -</u>	<u>\$ 95,473,627</u>	<u>\$ 82,929,639</u>	<u>\$ (12,543,988)</u>

LEAVENWORTH COUNTY, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Taxes and Shared Revenues:			
Ad valorem taxes	\$ 16,391,957	\$ 16,652,964	\$ (261,007)
Delinquent taxes	164,484	-	164,484
Motor vehicle taxes	1,865,804	1,739,922	125,882
Other taxes	54,918	15,130	39,788
Interest and penalties	355,991	257,000	98,991
Licenses, permits & fees	1,557,768	1,122,125	435,643
Charges for services	3,579,369	3,277,500	301,869
Interest on idle funds	520,738	550,000	(29,262)
Intergovernmental	-	400,000	(400,000)
Reimbursements	714,622	820,553	(105,931)
Miscellaneous	202,489	168,171	34,318
Transfers in	36,864	-	36,864
Total Receipts	<u>\$ 25,445,004</u>	<u>\$ 25,003,365</u>	<u>\$ 441,639</u>
EXPENDITURES			
County Commission			
Personnel services	\$ 462,286	\$ 485,348	\$ (23,062)
Contractual services	36,422	132,800	(96,378)
Commodities	6,556	3,300	3,256
Transfers out	1,500	1,500	-
Total County Commission	<u>\$ 506,764</u>	<u>\$ 622,948</u>	<u>\$ (116,184)</u>
County Clerk			
Personnel services	\$ 265,520	\$ 284,312	\$ (18,792)
Contractual services	1,287	2,300	(1,013)
Commodities	3,029	3,400	(371)
Total County Clerk	<u>\$ 269,836</u>	<u>\$ 290,012</u>	<u>\$ (20,176)</u>
County Treasurer			
Personnel services	\$ 512,244	\$ 459,576	\$ 52,668
Contractual services	6,249	6,110	139
Commodities	5,862	9,160	(3,298)
Transfers out	17,569	-	17,569
Total County Treasurer	<u>\$ 541,924</u>	<u>\$ 474,846</u>	<u>\$ 67,078</u>
Register of Deeds			
Personnel services	\$ 202,817	\$ 212,107	\$ (9,290)
Contractual services	628	1,975	(1,347)
Commodities	21,620	3,900	17,720
Total Register of Deeds	<u>\$ 225,065</u>	<u>\$ 217,982</u>	<u>\$ 7,083</u>

(continued)

**LEAVENWORTH COUNTY, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET (CONTINUED)
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
EXPENDITURES			
Emergency Medical Service			
Personnel services	\$ 2,810,127	\$ 2,842,640	\$ (32,513)
Contractual services	251,160	250,458	702
Commodities	243,365	261,050	(17,685)
Capital outlay	11,677	10,000	1,677
Transfers out	1,646,777	1,646,777	-
Total Emergency Medical Service	<u>\$ 4,963,106</u>	<u>\$ 5,010,925</u>	<u>\$ (47,819)</u>
Planning and Zoning			
Personnel services	\$ 346,200	\$ 508,713	\$ (162,513)
Contractual services	24,294	57,575	(33,281)
Commodities	5,919	14,350	(8,431)
Capital outlay	-	1,800	(1,800)
Transfers out	12,000	12,000	-
Total Planning and Zoning	<u>\$ 388,413</u>	<u>\$ 594,438</u>	<u>\$ (206,025)</u>
County Sheriff			
Personnel services	\$ 5,900,067	\$ 6,438,222	\$ (538,155)
Contractual services	825,208	966,701	(141,493)
Commodities	302,934	331,750	(28,816)
Capital outlay	1,210	9,000	(7,790)
Transfers out	3,138,921	3,138,921	-
Total County Sheriff	<u>\$ 10,168,340</u>	<u>\$ 10,884,594</u>	<u>\$ (716,254)</u>
County Counselor			
Personnel services	\$ 118,647	\$ 217,341	\$ (98,694)
Contractual services	252,237	282,950	(30,713)
Commodities	1,728	2,350	(622)
Total County Counselor	<u>\$ 372,612</u>	<u>\$ 502,641</u>	<u>\$ (130,029)</u>
County Attorney			
Personnel services	\$ 1,089,466	\$ 1,139,198	\$ (49,732)
Contractual services	38,341	83,930	(45,589)
Commodities	26,251	37,750	(11,499)
Court ordered payments	46,984	75,500	(28,516)
Total County Attorney	<u>\$ 1,201,042</u>	<u>\$ 1,336,378</u>	<u>\$ (135,336)</u>
Coroner			
Contractual services	\$ 202,275	\$ 185,000	\$ 17,275

(continued)

**LEAVENWORTH COUNTY, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET (CONTINUED)
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED)			
Courthouse General			
Contractual services	\$ 1,447,097	\$ 1,523,200	\$ (76,103)
Commodities	295,978	326,500	(30,522)
Capital outlay	186,547	197,514	(10,967)
Transfers out	50,000	50,000	-
Total Courthouse General	<u>\$ 1,979,622</u>	<u>\$ 2,097,214</u>	<u>\$ (117,592)</u>
Information Services			
Personnel services	\$ 299,619	\$ 299,369	\$ 250
Contractual services	130,087	128,366	1,721
Commodities	3,283	6,000	(2,717)
Capital outlay	36,900	50,000	(13,100)
Transfers out	110,000	110,000	-
Total Information Services	<u>\$ 579,889</u>	<u>\$ 593,735</u>	<u>\$ (13,846)</u>
District Court			
Contractual services	\$ 96,300	\$ 181,241	\$ (84,941)
Commodities	41,133	67,000	(25,867)
Total District Court	<u>\$ 137,433</u>	<u>\$ 248,241</u>	<u>\$ (110,808)</u>
Human Resources			
Personnel services	\$ 152,403	\$ 211,923	\$ (59,520)
Contractual services	141,731	116,400	25,331
Commodities	4,395	6,700	(2,305)
Total Human Resources	<u>\$ 298,529</u>	<u>\$ 335,023</u>	<u>\$ (36,494)</u>
Building Maintenance			
Personnel services	\$ 244,289	\$ 208,501	\$ 35,788
Contractual services	81,374	112,680	(31,306)
Commodities	31,465	44,000	(12,535)
Capital Outlay	34,753	108,000	(73,247)
Transfers out	68,968	52,168	16,800
Total Building Maintenance	<u>\$ 460,849</u>	<u>\$ 525,349</u>	<u>\$ (64,500)</u>
Justice Center			
Personnel services	\$ 99,112	\$ 97,218	\$ 1,894
Contractual services	152,737	234,150	(81,413)
Commodities	320,838	390,250	(69,412)
Capital outlay	21,980	35,000	(13,020)
Transfers out	245,546	230,546	15,000
Total Justice Center	<u>\$ 840,213</u>	<u>\$ 987,164</u>	<u>\$ (146,951)</u>
Appraiser			
Personnel services	\$ 585,951	\$ 629,652	\$ (43,701)
Contractual services	45,664	73,070	(27,406)
Commodities	34,167	34,900	(733)
Transfers out	6,750	6,750	-
Total Appraiser	<u>\$ 672,532</u>	<u>\$ 744,372</u>	<u>\$ (71,840)</u>

(continued)

**LEAVENWORTH COUNTY, KANSAS
GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET (CONTINUED)
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
EXPENDITURES (CONTINUED)			
Election			
Personnel services	\$ 195,491	\$ 263,761	\$ (68,270)
Contractual services	1,503	34,700	(33,197)
Commodities	162,657	189,000	(26,343)
Transfers out	50,000	25,000	25,000
Total Election	<u>\$ 409,651</u>	<u>\$ 512,461</u>	<u>\$ (102,810)</u>
 Noxious Weeds			
Personnel services	\$ 187,831	\$ 172,877	\$ 14,954
Contractual services	22,297	29,600	(7,303)
Commodities	216,907	244,000	(27,093)
Transfers out	55,043	55,043	-
Total Noxious Weeds	<u>\$ 482,078</u>	<u>\$ 501,520</u>	<u>\$ (19,442)</u>
 Risk Management			
Personnel services	\$ -	\$ 3,985	\$ (3,985)
Commodities	2,191	6,500	(4,309)
Total Risk Management	<u>\$ 2,191</u>	<u>\$ 10,485</u>	<u>\$ (8,294)</u>
 Appropriations	<u>\$ 999,285</u>	<u>\$ 1,049,287</u>	<u>\$ (50,002)</u>
 Covid Reimbursement	<u>\$ (5,108,393)</u>	<u>\$ -</u>	<u>\$ (5,108,393)</u>
 Total Expenditures	<u>\$ 20,593,256</u>	<u>\$ 27,724,615</u>	<u>\$ (7,131,359)</u>
 RECEIPTS OVER (UNDER) EXPENDITURES	 \$ 4,851,748		
 UNENCUMBERED CASH - JANUARY 1	 <u>4,030,330</u>		
 UNENCUMBERED CASH - DECEMBER 31	 <u><u>\$ 8,882,078</u></u>		

**LEAVENWORTH COUNTY, KANSAS
COUNTY HEALTH FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Taxes and shared revenue			
Ad valorem	\$ 538,149	\$ 546,756	\$ (8,607)
Delinquent	6,340	-	6,340
Motor vehicle	77,773	73,516	4,257
Grants	623,170	620,500	2,670
Charges for services	65,930	110,000	(44,070)
Miscellaneous	195,948	-	195,948
Total Cash Receipts	\$ 1,507,310	\$ 1,350,772	\$ 156,538
EXPENDITURES			
Personnel services	\$ 793,881	\$ 828,247	\$ (34,366)
Contractual services	116,337	142,086	(25,749)
Commodities	29,548	48,500	(18,952)
Grant county cost	37,548	47,000	(9,452)
Transfers out	290,696	285,047	5,649
Total Expenditures	\$ 1,268,010	\$ 1,350,880	\$ (82,870)
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 239,300		
UNENCUMBERED CASH - JANUARY 1	66,945		
UNENCUMBERED CASH - DECEMBER 31	\$ 306,245		

**LEAVENWORTH COUNTY, KANSAS
EMPLOYEE BENEFITS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Taxes and shared revenue			
Ad valorem	\$ 161,631	\$ 161,093	\$ 538
Delinquent	44,719	-	44,719
Motor vehicle	521,241	483,967	37,274
Reimbursements	19,426	-	19,426
Miscellaneous	1,269	-	1,269
Transfers in	6,655,351	6,644,154	11,197
Total Cash Receipts	<u><u>\$ 7,403,637</u></u>	<u><u>\$ 7,289,214</u></u>	<u><u>\$ 114,423</u></u>
EXPENDITURES			
Personnel services	<u><u>\$ 7,367,254</u></u>	<u><u>\$ 8,125,000</u></u>	<u><u>\$ (757,746)</u></u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 36,383		
UNENCUMBERED CASH - JANUARY 1	<u>1,084,821</u>		
UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 1,121,204</u></u>		

**LEAVENWORTH COUNTY, KANSAS
REGISTER OF DEEDS TECHNOLOGY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Interest	\$ -	\$ 100	\$ (100)
Program income	156,834	100,000	56,834
Total Cash Receipts	<u>\$ 156,834</u>	<u>\$ 100,100</u>	<u>\$ 56,734</u>
EXPENDITURES			
Personnel services	\$ 38,298	\$ 39,012	\$ (714)
Contractual services	29,311	30,568	(1,257)
Commodities	2,565	8,500	(5,935)
Capital outlay	10,967	18,000	(7,033)
Transfers out	18,879	119,183	(100,304)
Total Expenditures	<u>\$ 100,020</u>	<u>\$ 215,263</u>	<u>\$ (115,243)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 56,814		
UNENCUMBERED CASH - JANUARY 1	<u>110,652</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 167,466</u>		

**LEAVENWORTH COUNTY, KANSAS
ROAD AND BRIDGE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Taxes and shared revenue			
Ad valorem	\$ 6,623,744	\$ 6,589,922	\$ 33,822
Delinquent	84,630	84,630	-
Motor vehicle	962,601	898,451	64,150
Intergovernmental	1,248,259	1,070,556	177,703
Special assessments	14,584	14,931	(347)
Sale of material and reimbursements	9,817	159,962	(150,145)
Total Cash Receipts	<u>\$ 8,943,635</u>	<u>\$ 8,818,452</u>	<u>\$ 125,183</u>
EXPENDITURES			
Personnel services	\$ 2,018,912	\$ 2,259,423	\$ (240,511)
Contractual services	632,166	728,000	(95,834)
Commodities	4,806,775	4,853,000	(46,225)
Capital outlay	111,286	55,000	56,286
Transfers out	2,894,421	2,894,421	-
Total Expenditures	<u>\$ 10,463,560</u>	<u>\$ 10,789,844</u>	<u>\$ (326,284)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (1,519,925)		
UNENCUMBERED CASH - JANUARY 1	<u>2,299,710</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 779,785</u>		

**LEAVENWORTH COUNTY, KANSAS
SPECIAL ALCOHOL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Liquor tax	\$ 29,376	\$ 28,441	\$ 935
EXPENDITURES			
Contractual services	\$ 38,999	\$ 50,000	\$ (11,001)
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (9,623)		
UNENCUMBERED CASH - JANUARY 1	<u>106,215</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 96,592</u>		

**LEAVENWORTH COUNTY, KANSAS
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Taxes and shared revenue			
Ad valorem	\$ 248,878	\$ 252,997	\$ (4,119)
Delinquent	3,420	-	3,420
Motor vehicle	37,634	34,846	2,788
Total Cash Receipts	<u>\$ 289,932</u>	<u>\$ 287,843</u>	<u>\$ 2,089</u>
EXPENDITURES			
Contractual services	\$ 291,643	\$ 291,643	\$ -
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (1,711)		
UNENCUMBERED CASH - JANUARY 1	<u>7,052</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 5,341</u>		

**LEAVENWORTH COUNTY, KANSAS
COUNCIL ON AGING FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Taxes and shared revenue			
Ad valorem	\$ 1,832,910	\$ 1,829,446	\$ 3,464
Delinquent	19,743	-	19,743
Motor vehicle	226,149	209,913	16,236
Intergovernmental	416,742	420,262	(3,520)
Miscellaneous	118,810	56,150	62,660
Total Cash Receipts	<u><u>\$ 2,614,354</u></u>	<u><u>\$ 2,515,771</u></u>	<u><u>\$ 98,583</u></u>
EXPENDITURES			
Personal services	\$ 1,056,024	\$ 1,386,360	\$ (330,336)
Contractual services	673,192	564,632	108,560
Commodities	93,915	116,322	(22,407)
Capital outlay	781	-	781
Transfers out	530,000	530,000	-
Total Expenditures	<u><u>\$ 2,353,912</u></u>	<u><u>\$ 2,597,314</u></u>	<u><u>\$ (243,402)</u></u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 260,442		
UNENCUMBERED CASH - JANUARY 1	<u>235,685</u>		
UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 496,127</u></u>		

**LEAVENWORTH COUNTY, KANSAS
SPECIAL PARKS AND RECREATION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Liquor tax	\$ 12,621	\$ 14,880	\$ (2,259)
EXPENDITURES			
Contractual services	\$ 17,000	\$ 17,500	\$ (500)
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (4,379)		
UNENCUMBERED CASH - JANUARY 1	<u>15,424</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 11,045</u>		

**LEAVENWORTH COUNTY, KANSAS
911 TAXES FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
911 tax	\$ 459,119	\$ 420,408	\$ 38,711
EXPENDITURES			
Contractual services	\$ 513,735	\$ 535,000	\$ (21,265)
Commodities	-	2,000	(2,000)
Capital outlay	-	11,400	(11,400)
Total Expenditures	<u>\$ 513,735</u>	<u>\$ 548,400</u>	<u>\$ (34,665)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (54,616)		
UNENCUMBERED CASH - JANUARY 1	<u>602,914</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 548,298</u>		

**LEAVENWORTH COUNTY, KANSAS
JUVENILE DETENTION FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Taxes and shared revenue			
Ad valorem	\$ 409,851	\$ 416,615	\$ (6,764)
Delinquent	5,970	-	5,970
Motor vehicle	65,141	60,285	4,856
Intergovernmental	1,381	-	1,381
Charge for services	87,806	30,200	57,606
Total Cash Receipts	<u>\$ 570,149</u>	<u>\$ 507,100</u>	<u>\$ 63,049</u>
EXPENDITURES			
Personnel services	\$ 435,742	\$ 455,488	\$ (19,746)
Contractual services	53,021	47,420	5,601
Commodities	11,762	28,100	(16,338)
Capital outlay	-	25,000	(25,000)
Transfers out	190,756	190,756	-
Total Expenditures	<u>\$ 691,281</u>	<u>\$ 746,764</u>	<u>\$ (55,483)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (121,132)		
UNENCUMBERED CASH - JANUARY 1	<u>260,023</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 138,891</u>		

**LEAVENWORTH COUNTY, KANSAS
SPECIAL SALES TAX REVENUE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Local assistance	\$ 162,142	\$ 500,000	\$ (337,858)
EXPENDITURES			
Contractual services	\$ 720,400	\$ 1,465,769	\$ (745,369)
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (558,258)		
UNENCUMBERED CASH - JANUARY 1	<u>715,066</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 156,808</u>		

**LEAVENWORTH COUNTY, KANSAS
COUNTY CLERK TECHNOLOGY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Program income	\$ 39,209	\$ 25,000	\$ 14,209
EXPENDITURES			
Contractual services	\$ 2,066	\$ 4,000	\$ (1,934)
Commodities	50,174	50,000	174
Total Expenditures	<u>\$ 52,240</u>	<u>\$ 54,000</u>	<u>\$ (1,760)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (13,031)		
UNENCUMBERED CASH - JANUARY 1	<u>37,210</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 24,179</u>		

**LEAVENWORTH COUNTY, KANSAS
COUNTY TREASURER TECHNOLOGY FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Program income	\$ 39,209	\$ 26,000	\$ 13,209
EXPENDITURES			
Contractual	\$ 31,908	\$ 36,296	\$ (4,388)
Capital outlay	8,870	10,000	(1,130)
Total Expenditures	\$ 40,778	\$ 46,296	\$ (5,518)
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (1,569)		
UNENCUMBERED CASH - JANUARY 1	10,637		
UNENCUMBERED CASH - DECEMBER 31	\$ 9,068		

**LEAVENWORTH COUNTY, KANSAS
COUNTY CAPITAL PROJECTS FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Sales tax	\$ 4,340,932	\$ 3,750,000	\$ 590,932
Miscellaneous	1,936,124	-	1,936,124
Total Cash Receipts	<u>\$ 6,277,056</u>	<u>\$ 3,750,000</u>	<u>\$ 2,527,056</u>
EXPENDITURES			
Contractual services	\$ 1,430,071	\$ 13,473,979	\$ (12,043,908)
Commodities	7,642,888	-	7,642,888
Capital outlay	180,888	-	180,888
Miscellaneous	1,549,836	-	1,549,836
Transfers out	1,761,291	1,761,291	-
Total Expenditures	<u>\$ 12,564,974</u>	<u>\$ 15,235,270</u>	<u>\$ (2,670,296)</u>
RECEIPTS OVER (UNDER) EXPENDITURES			\$ (6,287,918)
UNENCUMBERED CASH - JANUARY 1	<u>13,261,037</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 6,973,119</u>		

**LEAVENWORTH COUNTY, KANSAS
LOCAL SERVICE ROAD AND BRIDGE FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	Actual	Budget	Variance Over (Under)
RECEIPTS			
Taxes and shared revenue			
Ad valorem	\$ 2,412,427	\$ 2,450,142	\$ (37,715)
Delinquent	23,799	-	23,799
Motor vehicle	351,106	328,719	22,387
Fuel	415,186	428,822	(13,636)
Transfer in	-	100,000	(100,000)
Total Cash Receipts	<u><u>\$ 3,202,518</u></u>	<u><u>\$ 3,307,683</u></u>	<u><u>\$ (105,165)</u></u>
EXPENDITURES			
Personnel services	\$ 589,929	\$ 610,191	\$ (20,262)
Contractual services	119,764	120,600	(836)
Commodities	1,702,381	1,784,000	(81,619)
Capital outlay	137,539	-	137,539
Transfers out	619,892	792,892	(173,000)
Total Expenditures	<u><u>\$ 3,169,505</u></u>	<u><u>\$ 3,307,683</u></u>	<u><u>\$ (138,178)</u></u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 33,013		
UNENCUMBERED CASH - JANUARY 1	<u>417,402</u>		
UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 450,415</u></u>		

**LEAVENWORTH COUNTY, KANSAS
CARES ACT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Federal grants	\$ 19,204,793	\$ 19,204,793	\$ -
EXPENDITURES			
Grant expense	\$ 19,204,793	\$ 19,204,793	\$ -
RECEIPTS OVER (UNDER) EXPENDITURES	\$ -		
UNENCUMBERED CASH - JANUARY 1	-		
UNENCUMBERED CASH - DECEMBER 31	\$ -		

LEAVENWORTH COUNTY, KANSAS
NON-BUDGETED SPECIAL PURPOSE FUNDS*
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2020

	Community Corrections	Juvenile Justice Authority	JDC Family Strong	PALS	Memorials	Drug Prosecutor	Alcohol Drug Safe Action
RECEIPTS							
Intergovernmental	\$ 479,871	\$ 177,388	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	72,818	-	-	10,969	31,409	649	-
Total Cash Receipts	<u>\$ 552,689</u>	<u>\$ 177,388</u>	<u>\$ -</u>	<u>\$ 10,969</u>	<u>\$ 31,409</u>	<u>\$ 649</u>	<u>\$ -</u>
EXPENDITURES							
Personnel services	\$ 276,498	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contractual services	33,025	174,459	-	7,701	-	1,065	-
Commodities	17,957	-	-	92	-	-	-
Miscellaneous	5,213	-	-	-	-	-	5,915
Transfers out	101,788	-	-	-	-	-	-
Total Expenditures	<u>\$ 434,481</u>	<u>\$ 174,459</u>	<u>\$ -</u>	<u>\$ 7,793</u>	<u>\$ -</u>	<u>\$ 1,065</u>	<u>\$ 5,915</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 118,208	\$ 2,929	\$ -	\$ 3,176	\$ 31,409	\$ (416)	\$ (5,915)
UNENCUMBERED CASH - JANUARY 1	87,063	13,139	575	25,345	105,242	14,726	35,274
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 205,271</u>	<u>\$ 16,068</u>	<u>\$ 575</u>	<u>\$ 28,521</u>	<u>\$ 136,651</u>	<u>\$ 14,310</u>	<u>\$ 29,359</u>

*These funds are not required to be budgeted.

LEAVENWORTH COUNTY, KANSAS
NON-BUDGETED SPECIAL PURPOSE FUNDS* (CONTINUED)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2020

	Juvenile Supervision Fees	CCH Permits	Juvenile Intake and Assessment	Federal Grants	Sheriff Drug Forfeitures	Juvenile Drinking Program	Violent Offenders
RECEIPTS							
Licenses, permits and fees	\$ 857	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,215
Intergovernmental	-	-	33,713	205,726	-	-	-
Miscellaneous	-	8,515	-	-	1,464	-	-
Total Cash Receipts	\$ 857	\$ 8,515	\$ 33,713	\$ 205,726	\$ 1,464	\$ -	\$ 26,215
EXPENDITURES							
Personnel services	\$ -	\$ -	\$ 39,817	\$ 21,010	\$ -	\$ -	\$ -
Contractual services	-	8,930	(18,034)	22,565	15,579	-	14,938
Commodities	-	-	-	67,228	-	-	494
Transfers out	-	-	27,352	876	-	-	-
Total Expenditures	\$ -	\$ 8,930	\$ 49,135	\$ 111,679	\$ 15,579	\$ -	\$ 15,432
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 857	\$ (415)	\$ (15,422)	\$ 94,047	\$ (14,115)	\$ -	\$ 10,783
UNENCUMBERED CASH - JANUARY 1	15,038	36,410	53,977	31,495	45,424	2,993	46,177
UNENCUMBERED CASH - DECEMBER 31	\$ 15,895	\$ 35,995	\$ 38,555	\$ 125,542	\$ 31,309	\$ 2,993	\$ 56,960

*These funds are not required to be budgeted.

LEAVENWORTH COUNTY, KANSAS
NON-BUDGETED SPECIAL PURPOSE FUNDS* (CONTINUED)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2020

	Drug Test and Supervision	INK Fee Fund	Attorney Training	Landfill Closure	Township Road Improvement	Township Traffic Impact Fee	County Treasurer Special
RECEIPTS							
Licenses, permits and fees	\$ 15,657	\$ 77,024	\$ -	\$ -	\$ 83,993	\$ 199,185	\$ -
Intergovernmental	-	-	3,276	-	-	-	-
Miscellaneous	-	-	-	-	-	6,066	617,865
Interest income	-	-	-	-	2,522	1,523	-
Transfer in	-	-	-	-	-	1,629,772	-
Total Cash Receipts	\$ 15,657	\$ 77,024	\$ 3,276	\$ -	\$ 86,515	\$ 1,836,546	\$ 617,865
EXPENDITURES							
Personnel services	\$ 2,223	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 389,814
Contractual services	4,044	13,006	1,693	-	126,959	34,964	21,926
Commodities	-	-	-	-	-	-	42,400
Miscellaneous	-	-	-	-	-	-	9,118
Transfers out	-	-	-	-	1,629,772	-	166,711
Total Expenditures	\$ 6,267	\$ 13,006	\$ 1,693	\$ -	\$ 1,756,731	\$ 34,964	\$ 629,969
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 9,390	\$ 64,018	\$ 1,583	\$ -	\$ (1,670,216)	\$ 1,801,582	\$ (12,104)
UNENCUMBERED CASH - JANUARY 1	104,561	304,715	15,231	65,885	1,670,216	547,504	66,381
UNENCUMBERED CASH - DECEMBER 31	\$ 113,951	\$ 368,733	\$ 16,814	\$ 65,885	\$ -	\$ 2,349,086	\$ 54,277

*These funds are not required to be budgeted.

LEAVENWORTH COUNTY, KANSAS
NON-BUDGETED SPECIAL PURPOSE FUNDS* (CONTINUED)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2020

	Capital Road	General Equipment Reserve	Local Service Capital Equipment Reserve	Capital Improvement Reserve	Juvenile Reinvestment Grant	Road and Bridge Equipment Reserve
RECEIPTS						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 55,860	\$ -
Miscellaneous	-	347,162	58,816	50,000	-	-
Reimbursements	1,716,751	-	-	-	-	-
Interest income	-	-	-	-	-	165,583
Transfer in	3,546,379	1,243,893	348,680	215,385	-	819,895
Total Cash Receipts	<u>\$ 5,263,130</u>	<u>\$ 1,591,055</u>	<u>\$ 407,496</u>	<u>\$ 265,385</u>	<u>\$ 55,860</u>	<u>\$ 985,478</u>
EXPENDITURES						
Contractual services	\$ -	\$ -	\$ -	\$ 188,281	\$ 57,207	\$ -
Capital outlay	1,385,354	1,290,999	676,110	-	-	734,942
Transfers out	-	-	-	2,346,379	-	-
Total Expenditures	<u>\$ 1,385,354</u>	<u>\$ 1,290,999</u>	<u>\$ 676,110</u>	<u>\$ 2,534,660</u>	<u>\$ 57,207</u>	<u>\$ 734,942</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 3,877,776	\$ 300,056	\$ (268,614)	\$ (2,269,275)	\$ (1,347)	\$ 250,536
UNENCUMBERED CASH - JANUARY 1	-	5,124,317	1,055,688	3,153,029	44,539	3,757,105
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 3,877,776</u>	<u>\$ 5,424,373</u>	<u>\$ 787,074</u>	<u>\$ 883,754</u>	<u>\$ 43,192</u>	<u>\$ 4,007,641</u>

*These funds are not required to be budgeted.

**LEAVENWORTH COUNTY, KANSAS
BOND AND INTEREST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Taxes and shared revenue			
Delinquent	\$ 7	\$ -	\$ 7
Transfer in	1,761,291	1,761,291	-
Total Cash Receipts	<u>\$ 1,761,298</u>	<u>\$ 1,761,291</u>	<u>\$ 7</u>
EXPENDITURES			
Principal	\$ 1,180,000	\$ 1,180,000	\$ -
Interest	581,291	581,291	-
Total Expenditures	<u>\$ 1,761,291</u>	<u>\$ 1,761,291</u>	<u>\$ -</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 7		
UNENCUMBERED CASH - JANUARY 1	<u>47,172</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 47,179</u>		

**LEAVENWORTH COUNTY, KANSAS
SOLID WASTE MANAGEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Taxes and shared revenue			
Ad valorem	\$ 189,203	\$ 191,584	\$ (2,381)
Delinquent	1,958	-	1,958
Motor vehicle	8,118	6,308	1,810
Charges for services	1,389,341	1,293,000	96,341
Miscellaneous	9,375	-	9,375
Total Cash Receipts	<u><u>\$ 1,597,995</u></u>	<u><u>\$ 1,490,892</u></u>	<u><u>\$ 107,103</u></u>
EXPENDITURES			
Personnel services	\$ 309,049	\$ 328,928	\$ (19,879)
Contractual services	867,291	978,415	(111,124)
Commodities	23,537	31,000	(7,463)
Capital outlay	13,415	25,000	(11,585)
Miscellaneous	7,500	-	7,500
Transfers out	238,760	238,760	-
Total Expenditures	<u><u>\$ 1,459,552</u></u>	<u><u>\$ 1,602,103</u></u>	<u><u>\$ (142,551)</u></u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 138,443		
UNENCUMBERED CASH - JANUARY 1	<u>664,974</u>		
UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 803,417</u></u>		

**LEAVENWORTH COUNTY, KANSAS
TRUST FUND - SPECIAL LAW ENFORCEMENT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
Regulatory Basis
For the Year Ended December 31, 2020**

RECEIPTS	
Taxes	<u>\$ 713</u>
EXPENDITURES	
Commodities	<u>\$ 6,850</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (6,137)
UNENCUMBERED CASH - JANUARY 1	<u>76,818</u>
UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 70,681</u></u>

*This fund is not required to be budgeted.

**LEAVENWORTH COUNTY, KANSAS
RELATED MUNICIPAL ENTITY
SEWER DISTRICT NO. 1
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Special assessments	\$ 53,872	\$ 54,806	\$ (934)
EXPENDITURES			
Contractual services	\$ 22,017	\$ 51,356	\$ (29,339)
Commodities	379	2,975	(2,596)
Capital outlay	-	12,000	(12,000)
Transfers out	15,456	-	15,456
Total Expenditures	<u>\$ 37,852</u>	<u>\$ 66,331</u>	<u>\$ (28,479)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 16,020		
UNENCUMBERED CASH - JANUARY 1	<u>110,596</u>		
UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 126,616</u></u>		

**LEAVENWORTH COUNTY, KANSAS
RELATED MUNICIPAL ENTITY
SEWER DISTRICT NO. 2
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Special assessments	\$ 72,092	\$ 71,834	\$ 258
EXPENDITURES			
Contractual services	\$ 23,323	\$ 75,834	\$ (52,511)
Commodities	614	3,250	(2,636)
Transfers out	12,784	-	12,784
Total Expenditures	<u>\$ 36,721</u>	<u>\$ 79,084</u>	<u>\$ (42,363)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 35,371		
UNENCUMBERED CASH - JANUARY 1	<u>217,339</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 252,710</u>		

**LEAVENWORTH COUNTY, KANSAS
RELATED MUNICIPAL ENTITY
SEWER DISTRICT NO. 3
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Special assessments	\$ 102,211	\$ 103,212	\$ (1,001)
EXPENDITURES			
Contractual services	\$ 33,000	\$ 33,500	\$ (500)
Debt service	70,211	70,212	(1)
Total Expenditures	<u>\$ 103,211</u>	<u>\$ 103,712</u>	<u>\$ (501)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (1,000)		
UNENCUMBERED CASH - JANUARY 1	<u>43,238</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 42,238</u>		

**LEAVENWORTH COUNTY, KANSAS
RELATED MUNICIPAL ENTITY
SEWER DISTRICT NO. 5
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Special assessments	\$ 17,424	\$ 17,424	\$ -
EXPENDITURES			
Contractual services	\$ 5,691	\$ 15,874	\$ (10,183)
Commodities	1,419	3,600	(2,181)
Transfers out	8,624	-	8,624
Total Expenditures	<u>\$ 15,734</u>	<u>\$ 19,474</u>	<u>\$ (3,740)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ 1,690		
UNENCUMBERED CASH - JANUARY 1	<u>102,778</u>		
UNENCUMBERED CASH - DECEMBER 31	<u><u>\$ 104,468</u></u>		

**LEAVENWORTH COUNTY, KANSAS
RELATED MUNICIPAL ENTITY
SEWER DISTRICT NO. 6
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Special assessments	\$ -	\$ -	\$ -
EXPENDITURES			
Contractual services	\$ -	\$ 6,678	\$ (6,678)
RECEIPTS OVER (UNDER) EXPENDITURES	\$ -		
UNENCUMBERED CASH - JANUARY 1	<u>6,678</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 6,678</u>		

**LEAVENWORTH COUNTY, KANSAS
RELATED MUNICIPAL ENTITY
SEWER DISTRICT NO. 7
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
Regulatory Basis
For the Year Ended December 31, 2020**

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
RECEIPTS			
Special assessments	\$ 63,635	\$ 63,919	\$ (284)
EXPENDITURES			
Contractual services	\$ 40,000	\$ 40,000	\$ -
Debt service	23,918	23,920	(2)
Total Expenditures	<u>\$ 63,918</u>	<u>\$ 63,920</u>	<u>\$ (2)</u>
RECEIPTS OVER (UNDER) EXPENDITURES	\$ (283)		
UNENCUMBERED CASH - JANUARY 1	<u>29,295</u>		
UNENCUMBERED CASH - DECEMBER 31	<u>\$ 29,012</u>		

LEAVENWORTH COUNTY, KANSAS
AGENCY FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
For the Year Ended December 31, 2020

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Distributable Funds:				
Road and Bridge Escrow	\$ 81,749	\$ 7,600	\$ 3,425	\$ 85,924
Payroll Clearing	417,703	27,407,235	27,722,927	102,011
Cash Over or Short	358	-	251	107
Sales Tax Vehicle	277,791	5,375,032	5,243,344	409,479
Current Ad Valorem Tax	54,346,367	95,116,661	94,729,157	54,733,871
Motor Vehicle Tax	567,637	10,686,387	10,726,033	527,991
Recreational Vehicle Tax	5,787	166,204	164,994	6,997
In Lieu of Tax	2,901	1,495	-	4,396
Redemption	533,740	1,353,175	1,196,294	690,621
City/County Highway Fuel Tax	-	1,643,278	1,643,278	-
Delinquent Taxes	20,135	114,555	99,644	35,046
Real Estate Part Pay Property Tax	988	-	-	988
Personal Property Part Pay Property Tax	1,518	-	-	1,518
Local Alcohol Liquor Tax	13,348	41,270	54,618	-
Special County Mineral Production Tax	424	1,622	2,046	-
Change - Treasurer Overcharge	24,619	209,403	200,902	33,120
Tax Escrow Delinquent	266,373	1,447,701	1,501,546	212,528
Game Licenses - State	231	1,599	1,610	220
Park Permits - State	-	25,755	25,755	-
Statutory Filing Fee	600	650	-	1,250
Unclaimed Legacies	58,708	-	-	58,708
CMB State Stamps	150	25	25	150
Kansas Drivers License Records	-	18,834	18,834	-
County Sales Tax	366	301	-	667
Commercial Motor Vehicle	8,472	882,325	874,387	16,410
Auto Registration	-	3,219,187	3,219,187	-
Auto Transfer - State	680	317,397	318,077	-
Total Distributable Funds	\$ 56,630,645	\$ 148,037,691	\$ 147,746,334	\$ 56,922,002
State Funds:				
State Institutional Building	\$ -	\$ 414,309	\$ 414,309	\$ -
State Education Building	-	828,618	828,618	-
Total State Funds	\$ -	\$ 1,242,927	\$ 1,242,927	\$ -

**LEAVENWORTH COUNTY, KANSAS
AGENCY FUNDS (CONTINUED)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
For the Year Ended December 31, 2020**

Fund	Beginning Cash Balance	Receipts	Disbursements	Ending Cash Balance
Subdivision Funds:				
Cities	\$ -	\$ 20,332,934	\$ 20,332,934	\$ -
Townships	-	2,151,624	2,151,624	-
Schools	-	46,371,251	46,371,251	-
Cemeteries	-	3,264	3,264	-
Fire Districts	-	1,413,517	1,413,517	-
Watersheds & Drainage	4,937	7,433	7,433	4,937
Libraries	-	1,777,967	1,777,967	-
Total Subdivision Funds	\$ 4,937	\$ 72,057,990	\$ 72,057,990	\$ 4,937
Office Cash:				
District Court	\$ 418,417	\$ 2,600,978	\$ 2,231,215	\$ 788,180
Law Library	228,213	31,762	37,795	222,180
Sheriff	17,312	313,617	308,116	22,813
Total Office Cash	\$ 663,942	\$ 2,946,357	\$ 2,577,126	\$ 1,033,173
Total Agency Funds	\$ 57,299,524	\$ 224,284,965	\$ 223,624,377	\$ 57,960,112

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

	<u>CFDA Number</u>	<u>Federal Award Expenditures</u>	<u>Subrecipient Expenditures</u>
Federal Grantor/Pass-Through Grantor/Program Title			
Department of Health and Human Services			
Passed through Kansas Department of Health & Environment			
Maternal and Child Health Services Block Grant to the States	93.994	\$ 91,320	\$ -
Family Planning Services	93.217	58,507	-
Immunization Cooperative Agreements	93.268	9,217	-
Child Care and Development Block Grant	93.575	42,452	-
Public Health Emergency Response	93.354	196,489	-
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	273,831	-
Medical Assistance Program	93.778	44,725	-
Public Health Emergency Preparedness	93.069	54,238	-
Special Programs for the Aging, Title III, Part B	93.044	69,471	-
Special Programs for the Aging, Title III, Part C	93.045	397,515	-
Nutrition Services Incentive Program	93.053	44,665	-
Total Department of Health and Human Services		<u>\$ 1,282,430</u>	<u>\$ -</u>
Department of Homeland Security			
Passed through Kansas Division of Emergency Management			
Emergency Management Performance Grants	97.042	<u>\$ 2,275</u>	<u>\$ -</u>
Department of the Treasury			
Passed through Kansas Department of Health & Environment			
Coronavirus Relief Fund	21.019	\$ 19,204,793	\$ 13,913,850
Passed through Kansas Division of Emergency Management			
Coronavirus Relief Fund	21.019	3,435	-
Passed through Kansas Secretary of State			
Coronavirus Relief Fund	90.404	70,449	-
Passed through Kansas Judicial Department			
Coronavirus Relief Fund	21.019	5,322	-
Total Detriment of the Treasury		<u>\$ 19,283,999</u>	<u>\$ 13,913,850</u>
Department of the Interior			
Passed through Kansas Department of Wildlife, Parks & Tourism			
Fish & Wildlife Cluster			
Sport Fish Restoration Program	15.608	<u>\$ 2,808</u>	<u>\$ -</u>
Department of Transportation			
Passed through Kansas Department of Transportation			
Highway Planning and Construction Cluster			
State and Community Highway Safety	20.600	<u>\$ 12,923</u>	<u>\$ -</u>
Total Federal Expenditures		<u><u>\$ 20,584,435</u></u>	<u><u>\$ 13,913,850</u></u>

LEAVENWORTH COUNTY, KANSAS
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
December 31, 2020

Note 1: Organization

Leavenworth County, Kansas, (the County), is the recipient of several federal awards. All federal awards received directly from federal agencies as well as those awards that are passed through other government agencies, are included on the schedule of Expenditures of Federal Awards.

Note 2: Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County, and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statement. The County elected not to use the 10% de minimis indirect cost rate.

Note 3: Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

Note 4: Additional Audits

Grantor agencies reserve the right to conduct additional audits of the County's grant programs for economy and efficiency and program results that may result in disallowed costs to the County. However, management does not believe such audits would result in any disallowed costs that would be material to the County's financial position at December 31, 2020.

Note 5: Outstanding Loans

The County did not have any outstanding loans under any federal grants at December 31, 2020.

LEAVENWORTH COUNTY, KANSAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
December 31, 2020

Section I - Summary of Auditor's Results

Financial Statement

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None
Reportable conditions identified not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Noncompliance material to financial statement noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None

Federal Awards

Internal controls over major programs:		
Material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Reportable conditions identified not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported

Type of auditor's report issued on compliance for major programs:	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200.516(a)?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Identification of major programs:

Name of Federal program	CFDA Number
Coronavirus Relief Fund	21.0119

Dollar threshold used to distinguish between Type A and Type B programs:	\$ -
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Auditee qualified as a low-risk auditee?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Note:

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County, and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statement. The County elected not to use the 10% de minimis indirect cost rate.

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

There were no current year findings or questioned costs.



March 29, 2021

County Commissioners
Leavenworth County, Kansas

**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statement
Performed in Accordance With Government Auditing Standards**

We have audited, in accordance with 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, the financial statement of Leavenworth County, Kansas (the 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 March 29, 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) to determine the 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 District'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 over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 determination of financial statement amounts. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

March 29, 2021
Leavenworth County, Kansas
(Continued)

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.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas



March 29, 2021

County Commissioners
Leavenworth County, Kansas

**Independent Auditor's Report on Compliance for Each
Major Program and on Internal Control Over
Compliance in Accordance with the Uniform Guidance**

Report on Compliance for Each Major Federal Program

We have audited the compliance of Leavenworth County, Kansas (the County) compliance with the types of compliance requirements described in the U.S. *Office of Management and Budget (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 District'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 the requirements of laws, regulations, contracts, and grants 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 (CFR) 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 each major federal program have 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.

Report on Internal Control Over Compliance

Management of the County 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 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 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. *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.

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.

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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Varney & Associates, CPAs, LLC

Certified Public Accountants
Manhattan, Kansas