MARION COUNTY CONSERVATION DISTRICT

Report on Applying Agreed-upon Procedures

For the Year Ended December 31, 2025

ADAMS BROWN
Strategic Allies and CPAs
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INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

To the Board of Supervisors
Marion County Conservation District
Marion, Kansas

We have performed the procedures enumerated below on the accounting records of **Marion County Conservation District** for the year ended December 31, 2025. **Marion County Conservation District's** management is responsible for the accounting records.

Marion County Conservation District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose as required in accordance with K.S.A. 75-1122. Additionally, the Kansas Department of Agriculture, Division of Conservation has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and findings are as follows:

Procedure 1 – Cash Receipts
For two separate months, we traced non-mail cash receipts from the receipt book to the bookkeeping records to determine if the receipts were properly recorded. Also, for the same two months, we traced bookkeeping entries for cash receipts to the bank statement to determine if receipts were deposited intact and on a timely basis. No exceptions were found.

Procedure 2 – Cash Disbursements
For approximately ten percent of the non-payroll cash disbursements, we traced disbursements from the bookkeeping records to the related invoice, bank statement, and canceled check. Also, we determined the propriety of the disbursements from the operations fund considering the following: (1) the district supervisor shall receive no compensation for services other than payroll but may receive travel expenses, (2) travel and expenses are permitted only for supervisors and district employees, (3) disbursements are not permitted for prizes or as incentives for achievements or attendance at meetings and (4) disbursements are not permitted for meals at the annual meeting. No exceptions were found.

Procedure 3 – Credit Cards
Due to the credit card recently being opened, we reviewed the District's credit card transactions for the month of December to determine if approvals, expenditure procedures, and proper classification of expenditures were followed. No exceptions were found.

Procedure 4 – Encumbrances and Accounts Payable
We examined evidence of outstanding encumbrances and accounts payable to determine if they were properly stated in the financial statement as of the end of the year. The following exception was found:

- The District had not recorded payables at year-end in the amount of $4,950 for the Operating Fund, $27 for the Enterprise Fund, and $7,471 for the Cottonwood Fund.

Procedure 5 – Year End Cash
We tied the District's total cash per books at year end to source documents. Also, we reviewed the bank reconciliation for the last month of the year. No exceptions were found.

Procedure 6 – Payroll
We examined payroll for one month to determine that deductions agreed with employee elections and that payroll withholdings and taxes were accurately remitted. No exceptions were found.

Procedure 7 – Comparison with Prior Year
We compared total cash receipts, total cash disbursements, outstanding encumbrances and accounts payable, and ending unencumbered cash balance for the current year with the same financial statement items for the prior year and examined any changes greater than 25%. No exceptions noted.

Procedure 8 – Other Procedures
We performed other procedures as listed in the schedule of agreed-upon procedures. The following exception was found:

- The District was not completely secured at one bank with a bank balance of $255,191 as of December 31,2025. Of the bank balance, $250,000 was covered by federal depository insurance, leaving $5,191 unsecured.

We were engaged by **Marion County Conservation District** to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to, and did not, conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of **Marion County Conservation District** and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of **Marion County Conservation District** and the Kansas Department of Agriculture, Division of Conservation and is not intended to be, and should not be, used by anyone other than those specified parties.

Adams Brown, LLC

ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

April 10, 2026

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ACCOUNTANTS' COMPILATION REPORT

To the Board of Supervisors
Marion County Conservation District
Marion, Kansas

Management is responsible for the accompanying financial statement of **Marion County Conservation District**, which comprises the combined statement of cash receipts, cash disbursements, and cash balance – regulatory basis for the year ended December 31, 2025, in accordance with the regulatory basis of accounting, and for determining that the regulatory basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on this financial statement.

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

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

AdamsBrown, LLC

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Certified Public Accountants
Great Bend, Kansas

April 10, 2026

MARION COUNTY CONSERVATION DISTRICT
Combined Statement of Cash Receipts, Cash Disbursements, and Cash Balance - Regulatory Basis
For the Year Ended December 31, 2025

	Operations Fund	Enterprise Fund	Cottonwood WRAPS II	Marion Reservoir WRAPS	Total
Beginning Cash Balance, January 1	$ 20,514	197,469	117,022	64,755	**399,760**
Cash Receipts					
Appropriations - State	50,000	-	-	-	**50,000**
Appropriations - County	42,000	-	-	-	**42,000**
Cost Share Program and WRAPS	-	-	81,061	68,837	**149,898**
Equipment Rental	-	14,196	-	-	**14,196**
Retail Sales and Services	-	84,935	-	-	**84,935**
DOC Grant	25,000	-	-	-	**25,000**
Donations and Grants	-	3,214	-	-	**3,214**
Reimbursements	6,803	-	-	-	**6,803**
Interest	1,442	6,392	-	-	**7,834**
Transfers From Other Funds	25,000	-	-	-	**25,000**
Total Cash Receipts	150,245	108,737	81,061	68,837	**408,880**
Total Available Cash	170,759	306,206	198,083	133,592	**808,640**
Cash Disbursements					
Salaries and Payroll Taxes	109,935	-	-	-	**109,935**
Contracted Services	-	309	51,996	29,334	**81,639**
Supervisor Expenses	1,397	650	1,000	1,000	**4,047**
Employee Mileage	2,551	125	-	2,667	**5,343**
Equipment and Building Maintenance	-	2,876	-	-	**2,876**
Information and Education	775	2,399	-	-	**3,174**
Administrative Expenses and Fees	7,640	648	968	1,024	**10,280**
Goods for Resale	-	77,229	-	-	**77,229**
Farmer to Farmer Meeting Expense	-	32	-	-	**32**
Annual Meeting	-	2,786	-	-	**2,786**
Special Soil Health Funds Expense	-	400	-	-	**400**
DOC Grant Expenses	17,455	-	-	-	**17,455**
Cost Share Program and WRAPS	-	-	64,274	69,892	**134,166**
Transfers to Other Funds	-	-	15,000	10,000	**25,000**
Total Cash Disbursements	139,753	87,454	133,238	113,917	**474,362**
Ending Cash Balance, December 31	31,006	218,752	64,845	19,675	**334,278**
Outstanding Encumbrances and Accounts Payable, December 31	(4,950)	(27)	(7,471)	-	**(12,448)**
Ending Unencumbered Cash, December 31	$ 26,056	218,725	57,374	19,675	**321,830**
Composition of Cash					
Checking Accounts	$ 31,006	108,773	64,845	19,675	**224,299**
Savings Accounts	-	109,979	-	-	**109,979**
Total Cash	$ 31,006	218,752	64,845	19,675	**334,278**

See accountants' compilation report.