MORTON COUNTY, KANSAS

Regulatory Basis
Financial Statement

For the Year Ended
December 31, 2021

MORTON COUNTY, KANSAS

Regulatory Basis
Financial Statement

For the Year Ended December 31, 2021

TABLE OF CONTENTS

INTRODUCTORY SECTION

Title Page
Table of Contents i-iii

FINANCIAL SECTION

Independent Auditor's Report 1-3

STATEMENT 1
Summary Statement of Receipts, Expenditures and Unencumbered Cash 4

Notes to the Financial Statement 5-16

REGULATORY REQUIRED SUPPLEMENTAL INFORMATION

SCHEDULE 1
Summary of Expenditures - Actual and Budget (Budgeted Funds Only) 18

SCHEDULE 2
Schedule of Receipts and Expenditures -

A. General Fund 20
B. Airport Fund 25
C. Council on Aging Fund 26
D. County Building Fund 27
E. County Fair Fund 28
F. County Health Fund 29
G. Developmental Disabled Fund 30
H. Emergency Services Fund 31
I. Employee Benefits Fund 32
J. Extension Council Fund 33
K. Historical Records Fund 34
L. Hospital Fund 35
M. Library Fund 36
N. Mental Health Fund 37
O. Noxious Weed Fund 38
P. Road and Bridge Fund 39
Q. Rural Fire District Fund 40
R. Sheriff Fund 41
S. Soil Conservation Fund 42
T. Equipment Reserve Fund 43
U. Bio-Terrorism Fund 44
V. Coronavirus Grants Fund 45
W. County Clerk's Technology Fund 46
X. County Treasurer's Technology Fund 47
Y. E-Community Loan Fund 48

(continued)

MORTON COUNTY, KANSAS

Regulatory Basis
Financial Statement

For the Year Ended December 31, 2021

TABLE OF CONTENTS

(continued)

SCHEDULE 2 (continued)
Schedule of Receipts and Expenditures -

Z. Emergency 911 Fund 49
AA. Golf Course Gifts and Donations Fund 50
AB. Motor Vehicle Operating Fund 51
AC. Prosecutor's Training Fund 52
AD. Register of Deeds' Technology Fund 53
AE. Revolving Micro Loan Fund 54
AF. Special Alcohol and Drug Program Fund 55
AG. Special Ambulance Fund 56
AH. Special Economic Development Fund 57
AI. Special Fire Equipment Fund 58
AJ. Special Highway Fund 59
AK. Special Law Enforcement Trust Fund 60
AL. Special Noxious Weed Equipment Fund 61
AM. Special Road Machinery Fund 62
AN. Debt Service Fund 64

SCHEDULE 3
Agency Funds - Schedule of Receipts and Disbursements 66

OTHER SUPPLEMENTAL INFORMATION

SCHEDULE 4
General Fund - Schedule of Receipts and Expenditures -
Actual and Budget 68-71

SCHEDULE 5
Reconciliation of 2020 Tax Roll 72

SCHEDULE 6
Schedule of Expenditures of Federal Awards 73

SCHEDULE 7
Notes to Schedule of Expenditures of Federal Awards 74

MORTON COUNTY, KANSAS

Regulatory Basis
Financial Statement

For the Year Ended December 31, 2021

TABLE OF CONTENTS

(continued)

SINGLE AUDIT SECTION

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	76-77
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance In Accordance with the Uniform Guidance	78-80
Schedule of Findings and Questioned Costs	81
Corrective Action Plan and Summary Schedule of Prior Audit Findings Relating to the Federal Award Programs	82

FINANCIAL

SECTION

LEWIS, HOOPER & DICK LLC
certified public accountants

INDEPENDENT AUDITOR'S REPORT

The County Commissioners
Morton County Courthouse
Elkhart, Kansas 67950

Report on the Audit of the Financial Statement

Opinions

We have audited the accompanying regulatory basis fund summary statement of receipts, expenditures and unencumbered cash of Morton County, Kansas, as of and for the year ended December 31, 2021, and the related notes to the financial statement, which collectively comprise Morton County's basic financial statement as listed in the table of contents.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement presents fairly, in all material respects, the cash and unencumbered cash balance of each fund of Morton County, Kansas, as of December 31, 2021, and their respective cash receipts and expenditures, and budgetary results for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1 of the financial statement.

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 section of our report, the financial statement does not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of Morton County, Kansas, as of December 31, 2021, or changes in financial position or cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Morton County, Kansas and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

As described in Note 1 of the financial statement, the financial statement is prepared by Morton County, Kansas, on the basis of the accounting practices prescribed or permitted by the State of Kansas to demonstrate compliance with the regulatory basis of accounting and budget laws per 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 of the financial statement and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management 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 of the financial statement to demonstrate compliance with 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 Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the *Kansas Municipal Audit and Accounting Guide* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS and the *Kansas Municipal Audit and Accounting Guide*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit 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 Morton County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about of Morton County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the regulatory basis fund summary statement of receipts, expenditures and unencumbered cash balances (basic financial statement) as a whole. The regulatory basis summary of expenditures - actual and budget, the regulatory basis individual fund schedules of receipts and expenditures - actual and budget and the regulatory basis schedule of 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. In addition, the other supplemental information (Schedules 4 through 7 as listed in the table of contents) which includes the Schedule of Expenditures of Federal Awards, 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* (the Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic 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 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 of the financial statement.

Other Information

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Morton County, Kansas, as of and for the year ended December 31, 2020, (not presented herein), and have issued our report thereon dated July 1, 2021, which contained an unmodified opinion on the basic financial statement. The 2020 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link: https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits. The 2020 actual column (2020 comparative information) presented in the regulatory basis individual fund schedules of receipts and expenditures—actual and budget for the year ended December 31, 2021, (Schedules 2 and 4 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2020 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statement. The 2020 comparative information was subjected to the auditing procedures applied in the audit of the 2020 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2020 basic financial statement or to the 2020 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2020 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2020, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2022 on our consideration of Morton 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 Morton County's internal control over financial reporting and compliance.

Lewis, Hooper + Dick, LLC

LEWIS, HOOPER & DICK, LLC

May 11, 2022

MORTON COUNTY, KANSAS
Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2021

Fund	Unencumbered Cash Balance 01-01-21	Receipts	Expenditures	Unencumbered Cash Balance 12-31-21	Add Payables and Encumbrances	Cash Balance 12-31-21
General						
General	$ 773,986	$ 2,345,254	$ 2,277,473	$ 841,767	$ 17,767	$ 859,534
Special Purpose Funds						
Airport	64,848	555,797	561,731	58,914	19,085	77,999
Council on Aging	-	83,999	83,999	-	-	-
County Building	582,412	2,424	70,838	513,998	1,138	515,136
County Fair	-	82,041	82,041	-	-	-
County Health	175,125	356,727	289,375	242,477	3,917	246,394
Developmental Disabled	88	3,902	3,990	-	-	-
Emergency Services	183,752	482,797	457,071	209,478	2,177	211,655
Employee Benefits	422,149	927,895	894,278	455,766	-	455,766
Extension Council	-	109,331	109,331	-	-	-
Historical Records	-	100,255	100,255	-	-	-
Hospital	-	898,978	898,978	-	-	-
Library	-	184,095	184,095	-	-	-
Mental Health	-	14,597	14,597	-	-	-
Noxious Weed	73,585	140,364	197,636	16,313	-	16,313
Road and Bridge	1,113,303	759,364	1,077,803	794,864	15,814	810,678
Rural Fire District	80,043	51,642	94,111	37,574	377	37,951
Sheriff	85,402	911,244	868,674	127,972	3,440	131,412
Soil Conservation	-	22,799	22,799	-	-	-
Equipment Reserve	80,336	82,944	31,444	131,836	-	131,836
Bio-Terrorism	7,294	28,391	28,465	7,220	205	7,425
Coronavirus Grants	100,000	251,247	266,929	84,318	-	84,318
County Clerk's Technology	6,461	1,455	-	7,916	-	7,916
County Treasurer's Technology	8,263	1,455	-	9,718	-	9,718
E-Community Loan	7,284	400	2,231	5,453	-	5,453
Emergency 911	247,610	60,009	51,772	255,847	-	255,847
Golf Course Gifts and Donations	8,837	3,500	5,162	7,175	-	7,175
Motor Vehicle Operating	-	24,334	24,334	-	-	-
Prosecutor's Training	8,122	649	589	8,182	-	8,182
Register of Deeds' Technology	22,158	5,822	5,311	22,669	-	22,669
Revolving Micro Loan	1,723	-	-	1,723	-	1,723
Special Alcohol and Drug Program	367	318	-	685	-	685
Special Ambulance	141,705	5,975	12,833	134,847	2,455	137,302
Special Economic Development	127,144	1,500	6,225	122,419	-	122,419
Special Fire Equipment	118,459	40,000	-	158,459	-	158,459
Special Highway	784,090	567,439	108,549	1,242,980	-	1,242,980
Special Law Enforcement Trust	32,161	5,140	-	37,301	-	37,301
Special Noxious Weed Equipment	83,236	-	-	83,236	-	83,236
Special Road Machinery	985,735	9,520	33,118	962,137	-	962,137
Total Special Purpose Funds	5,551,692	6,778,349	6,588,564	5,741,477	48,608	5,790,085
Bond and Interest Funds						
Debt Service	9,408	-	1,354	8,054	-	8,054
Total (excluding Agency Funds) (memorandum only)	$ 6,335,086	$ 9,123,603	$ 8,867,391	$ 6,591,298	$ 66,375	$ 6,657,673

Composition of Cash		
Demand and savings deposits:		
Heartland Tri-State Bank	$ 13,138,849	
Plus deposits in transit	25,402	
Less outstanding checks	(518,554)	
Total demand and savings deposits		$ 12,645,697
Change funds		950
Total cash		12,646,647
Agency Funds per Schedule 3		(5,988,974)
Total (excluding Agency Funds)		$ 6,657,673

The accompanying Notes to the Financial Statement are an integral part of this statement.

1. Summary of significant accounting policies

Morton County, Kansas (the County) was established in 1886 and is an organized county having the powers, duties and privileges granted to counties by K.S.A. 19-101.

A. Financial reporting entity

The County is a municipal corporation governed by an elected three-member commission. This financial statement presents Morton County (the municipality) only. The organizations, functions or activities discussed below are related municipal entities of the County's reporting entity because they were established to benefit the County and/or its constituents.

The Morton County Extension Council provides services in such areas as agriculture, home economics and 4-H clubs to all persons in the County. The Council is governed by an elected executive board. The County levies taxes for the support of the Council. Morton County Extension Council has a December 31st year end.

The Morton County Senior Center Board operates the senior center. The Board is appointed by the County Commissioners. The County levies taxes for the support of the Board. Morton County Senior Center Board has a December 31st year end.

The Morton County Hospital provides medical services for the residents of Morton County. It has its own Board of Directors, who operates independently from the County. The Board of Directors is responsible for the management and fiscal accountability of the Board. The Board is appointed by the County Commission, who also has the authority to remove appointed Board members. The County Commissioners approve the Hospital's budget and levy taxes for operations. Morton County Hospital has a December 31st year end. Separate financial statements have been issued for the Morton County Hospital and may be obtained at the Hospital's office.

The Morton County Housing Authority operates the public housing projects. It has its own Board of Directors, who operates independently from the County. The Board is appointed by the County Commission, who also has the authority to remove appointed Board members. The Board of Directors is responsible for the management and fiscal accountability of the Board. Morton County Housing Authority has a December 31st year end. Separate financial statements have been issued for the Morton County Housing Authority.

Cimarron Basin Community Corrections is a jointly governed organization between ten counties in southwest Kansas created under an interlocal agreement. Cimarron Basin Community Corrections is governed by a board appointed by the participating parties. Cimarron Basin Community Corrections was established to account for monies received as grants from federal and state sources to operate a program of the Kansas Department of Corrections which assists in managing the population in the State's prisons. The primary source of funding for Cimarron Basin Community Corrections is from grants with additional support from the participating parties. Morton County has no equity interest nor does the County materially contribute to the continued existence of Cimarron Basin Community Corrections. Cimarron Basin Community Corrections has a December 31st year end.

1. Summary of significant accounting policies (continued)

A. Financial reporting entity (continued)

Southwest Kansas Regional Juvenile Detention Center (SWKRJDC) is a jointly governed organization between eighteen counties in southwest Kansas created under an interlocal agreement. Southwest Kansas Regional Juvenile Detention Center is governed by a board appointed by the participating parties. Southwest Kansas Regional Juvenile Detention Center was established to operate a juvenile correctional facility located in Garden City, Kansas. The primary source of funding for Southwest Kansas Regional Juvenile Detention Center is from the participating parties with additional support from grants. Morton County has no equity interest nor does the County materially contribute to the continued existence of Southwest Kansas Regional Juvenile Detention Center. Finney County is the resident county for the facility and considers the SWKRJDC to be a part of its municipal entity. Southwest Kansas Regional Juvenile Detention Center has a December 31st year end.

Western Kansas Development Organization (WeKanDO) is a jointly governed organization between six counties in southwest Kansas, created under K.S.A. 19-4101. Western Kansas Development Organization is governed by a board appointed by the County Commissioners of the participating counties. The purpose of Western Kansas Development Organization is to foster and promote cooperative economic development in the members' regions. A primary source of funding for Western Kansas Development Organization is ad valorem tax levies by the participating counties. Morton County has no equity interest nor does the County materially contribute to the continued existence of Western Kansas Development Organization. Western Kansas Development Organization has a December 31st year end.

B. Regulatory basis of accounting and departure from accounting principles generally accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* 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 *Kansas Municipal Audit and Accounting Guide* regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The County has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the County to use the regulatory basis of accounting.

1. Summary of significant accounting policies (continued)

C. Regulatory basis fund types

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

General fund – the chief operating fund; used to account for all resources except those required to be accounted for in another fund.

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

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

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

Business funds – funds financed in whole or in part by fees charged to users of the goods or services (i.e., enterprise and internal service funds etc.).

Trust funds – used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e., pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency funds – used to report assets held by the municipal reporting entity in a purely custodial capacity (i.e., payroll clearing fund, county treasurer tax collection funds, etc.).

D. Cash and investments

Cash resources of the individual funds are combined to form a pool of cash and investments which is managed by the County (except for investments in the Kansas Municipal Investment Pool). Cash includes amounts in demand deposits and certificates of deposit. Investments of the pooled accounts consist primarily of investments in the Kansas Municipal Investment Pool and U.S. government securities carried at cost, which approximates market. Interest income earned, unless specifically designated, is allocated to the General fund.

E. Property taxes and special assessments

The determination of assessed valuations and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the counties. The County Appraiser annually determines assessed valuations based on real property transactions as recorded by the Register of Deeds and personal property holdings reported by taxpayers. The County Clerk spreads the annual assessment on the tax rolls and the County Treasurer collects the taxes for all taxing entities within the County.

1. Summary of significant accounting policies (continued)

E. Property taxes and special assessments (continued)

Taxes are assessed on a calendar year basis, are levied and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20th during the year levied with the balance to be paid on or before May 10th of the ensuing year. State statutes prohibit the County Treasurer from distributing the taxes collected in the year levied prior to January 1st of the ensuing year. One-half of the property taxes are due December 20th and distributed by January 20th to finance a portion of the current year's budget. The second half is due May 10th and distributed by June 5th.

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the County. Special assessments received prior to or after the issuance of general obligation bonds are recorded as receipts in the appropriate project fund. Further, state statutes require levying additional general ad valorem property taxes in the Bond and Interest fund to finance delinquent special assessments receivable.

Special assessments are levied over a ten or fifteen year period and annual installments are due and payable with annual ad valorem property taxes. The County may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears. At December 31, 2021, the special assessment taxes levied are a lien on the property.

F. Interfund transactions and reimbursements

Quasi-external transactions (i.e., transactions that would be treated as receipts or expenditures if they involved organizations external to the governmental unit, such as internal service fund billings to departments) are accounted for as receipts or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

G. Memorandum totals

Totals on the financial statement are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. No consolidated financial information is presented nor are all required disclosures presented for these amounts.

The balance of this page is intentionally blank.

2. Stewardship, compliance and accountability

A. Budgetary information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest fund, business funds and internal service 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 of the proposed budget and notice of public hearing on the budget on or before August 5th.
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 receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no amendments to the current year budget. There was a qualifying budget adjustment for grants resulting in additional budget authority for the Airport fund of $584,954.

The legal level of budgetary control is the fund level. 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.

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

A legal operating budget is not required for capital projects funds, trust funds and the following special purpose funds:

Bio-Terrorism
Coronavirus Grants
County Clerk's Technology
County Treasurer's Technology
E-Community Loan
Emergency 911
Golf Course Gifts and Donations
Motor Vehicle Operating
Prosecutor's Training
Register of Deeds' Technology
Revolving Micro Loan
Special Alcohol and Drug Program
Special Ambulance

2. Stewardship, compliance and accountability (continued)

A. Budgetary information (continued)

Special Economic Development
Special Fire Equipment
Special Highway
Special Law Enforcement Trust
Special Noxious Weed Equipment
Special Road Machinery

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

B. Compliance with finance-related legal and contractual provisions

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Kansas Department of Administration's Chief Financial Officer and interpretation by the County Attorney and the legal representative of the County.

There are no known material violations of finance-related legal and contractual provisions including Kansas statutes, regulations, contracts, debt covenants, or other agreements for the year ended December 31, 2021.

3. Detailed notes on all funds

A. Deposits and investments

A reconciliation of cash and investments as shown in the composition of cash on the summary statement of receipts, expenditures and unencumbered cash on Statement 1 is as follows:

Cash on hand	$	950
Carrying amount of deposits		12,645,697
Total cash	$	12,646,647

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 itself, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The County has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the County's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The County has no investment policy that would further limit its investment choices.

Concentration of credit risk

State statutes place no limit on the amount the County may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and K.S.A. 9-1405.

3. Detailed notes on all funds (continued)

A. Deposits and investments (continued)

Custodial credit risk - deposits

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require the County's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City or the Federal Home Loan Bank of Topeka except during designated "peak periods" when required coverage is 50%. The County's designated "peak periods" are May 1st through June 30th, and December 1st through January 30th, during which time the County requires coverage of 60%.

At December 31, 2021, the County's carrying amount of deposits was $12,645,697 and the bank balance was $13,138,849. The entire bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, $252,045 was covered by federal depository insurance and $10,021,154 was collateralized with securities held by the pledging financial institutions' agents in the County's name. The balance of $2,865,650 was unsecured. The County's cash deposits by financial institution and category of coverage at year end are as follows:

	Heartland Tri-State Bank
FDIC coverage	$ 252,045
Pledged securities at market value	10,021,154
Total coverage	$ 10,273,199
Funds on deposit	$ 13,138,849
Funds at risk	$ 2,865,650

Credit risk - investments

Custodial credit risk for an investment 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. The County had no investments of this type at December 31, 2021.

B. Capital projects in process

Capital project authorizations with approved change orders compared to expenditures from inception to December 31, 2021, are as follows:

	Project Authorization	Disbursements and Accounts Payable to Date	Committed
GIS survey	$ 76,000	$ 71,375	$ 4,625
Manter bridge repair	187,897	-	187,897
Drilling monitoring wells	36,891	36,891	-
Road 16 chip seal	41,190	41,190	-
Civic Center A/C system	36,507	36,507	-
Airport taxiway and apron upgrades	566,340	485,998	80,342

3. Detailed notes on all funds (continued)

C. Long-term debt

Changes in long-term debt for the County for the year ended December 31, 2021, were as follows:

	Date of Issue	Maximum Rate	Amount of Issue	Date of Final Maturity	Balance January 1, 2021	Additions	Reductions/ Payments	Balance December 31, 2021	Interest Paid
Capital leases									
Caterpillar Wheel Loader	06-13-19	4.15%	$ 174,225	06-13-26	$ 58,115	$ -	$ 16,779	$ 41,336	$ 6,562
Caterpillar Track Loader	08-10-20	2.60%	239,512	08-10-26	239,512	-	45,476	194,036	6,227
Total capital leases payable					$ 297,627	$ -	$ 62,255	$ 235,372	$ 12,789

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

	Year				
	2022	2023	2024	2025	Total
Principal:					
Capital leases payable	$ 64,133	$ 66,071	$ 54,776	$ 50,392	$ 235,372
Interest:					
Capital leases payable	10,911	8,972	6,972	1,310	28,165
Total principal and interest	$ 75,044	$ 75,043	$ 61,748	$ 51,702	$ 263,537

Legal debt margin

The debt limit per K.S.A. 10-306 is three percent of the assessed value of all tangible property within the County as certified by the County Assessor to the County Clerk on August 25th each year. Per K.S.A. 10-307, certain bond issues are not subject to the bonded indebtedness limitation; these include refunding bonds, and limited obligation bonds issued for the purpose of financing the construction and remodeling of the courthouse, jail and law enforcement center to be paid from sales tax proceeds. The amount of debt outstanding does not exceed the statutory limit.

D. Interfund transfers

Interfund operating transfers are as follows:

From	To	Statutory Authority	
General	Equipment Reserve	19-119	$ 75,000
Road and Bridge	Special Highway	68-590	390,560
Rural Fire District	Special Fire Equipment	19-119	40,000
Motor Vehicle Operating	General	8-145	12,210
Bond & Interest	General	10-117a	1,354
Total			$ 519,124

4. Other information

A. Risk management and self-insurance

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. The County has been unable to obtain property, liability, crime and surety insurance at a cost it considered to be economically justifiable. For this reason, the County joined together with other counties in the State to participate in Kansas County Association Multi-Line Pool, a public entity risk pool currently operating as a common risk management and insurance program for 101 participating members.

The County pays an annual premium to Kansas County Association Multi-Line Pool for its insurance coverage. The agreement to participate provides that the Kansas County Association Multi-Line Pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $500,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by the Kansas County Association Multi-Line Pool.

The County has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the County joined together with other counties in the State to participate in Kansas Workers Risk Cooperative for Counties, a public entity risk pool currently operating as a common risk management and insurance program for 77 participating members.

The County pays an annual premium to Kansas Workers Risk Cooperative for Counties for its insurance coverage. The agreement to participate provides that the Kansas Workers Risk Cooperative of Kansas will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of $1,000,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by Kansas Workers Risk Cooperative of Kansas management.

B. Municipal solid waste landfill

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste, and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Closure and post closure care $300,570 reported as landfill closure and post-closure care liability at December 31, 2021, represents the cumulative amount reported to date based on the use of 12 percent of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and post-closure care of $2,106,681 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and post-closure care in 2021. The County estimates approximately 377.65 years remain prior to the closure of the landfill. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Closure and post-closure care financial assurance requirements are being met through reserve amounts in the County's annual budget.

4. Other information (continued)

C. Post-employment health care benefits

Other Post Employment Benefits

As provided by K.S.A. 12-5040, the local County allows retirees and their spouses to participate in the group health insurance plan if the retiree was employed by the County prior to May 1, 2017. The premium for the retiree is paid for by the County in accordance with the County's policy's work table while the spouse's premium is their own responsibility to pay. All retirees employed after May 1, 2017, are not eligible for retiree insurance benefits.

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 direct 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, 2021.

D. Compensated absences

The County's policy regarding vacation leave pay permits employees to accumulate vacation leave days based on length of service. Annual vacation leave days are accrued as follows:

Length of Service	Days of Vacation Accrued Annually
1st year	# of months worked previous year x .833
2-5 years	10 days
6-10 years	15 days
11+ years	20 days

The County's policy is to recognize the costs of vacation leave when actually paid. Upon leaving employment in good standing, the employee shall be entitled to compensation for any accrued vacation after one year of full employment.

The County's policy regarding sick leave pay permits employees to accumulate leave days at a maximum rate of 12 days per year up to 90 days. The County's policy is to recognize the costs of sick leave when actually paid since employees are not reimbursed for unused sick leave when they leave the County's employment.

E. Defined benefit pension plan

Plan description: Morton County, Kansas, 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.

4. Other information (continued)

E. Defined benefit pension plan (continued)

Contributions: K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for Death and Disability Program) and the statutory contribution rate was 8.87% for the fiscal year ended December 31, 2021. Contributions to the pension plan from Morton County, Kansas were $186,079 for the year ended December 31, 2021.

Net pension liability: At December 31, 2021, the County's proportionate share of the collective net pension liability reported by KPERS was $1,238,175. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021. 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 *Kansas Municipal Audit and Accounting Guide* regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

F. Commitments and contingencies

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 disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the 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 at December 31, 2021.

4. Other information (continued)

G. COVID-19

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

As a result of the COVID-19 outbreak, numerous Federal and State grants have been made available to the County to assist with the risks and help offset incurred costs of the County.

H. Subsequent events

Subsequent to December 31, 2021, the County agreed to bridge repairs and equipment purchases totaling up to $318,198.

Regulatory Required Supplemental Information

MORTON COUNTY, KANSAS
Summary of Expenditures - Actual and Budget
(Budgeted Funds Only)
Regulatory Basis
For the Year Ended December 31, 2021

	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget	Expenditures Chargeable to Current Year	Variance Over (Under)
General					
General	$ 2,765,065	$ -	$ 2,765,065	$ 2,277,473	$ (487,592)
Special Purpose Funds					
Airport	77,750	584,954	662,704	561,731	(100,973)
Council on Aging	87,853	-	87,853	83,999	(3,854)
County Building	592,089	-	592,089	70,838	(521,251)
County Fair	85,500	-	85,500	82,041	(3,459)
County Health	363,328	-	363,328	289,375	(73,953)
Developmental Disabled	3,990	-	3,990	3,990	-
Emergency Services	457,071	-	457,071	457,071	-
Employee Benefits	1,247,363	-	1,247,363	894,278	(353,085)
Extension Council	114,000	-	114,000	109,331	(4,669)
Historical Records	104,500	-	104,500	100,255	(4,245)
Hospital	950,000	-	950,000	898,978	(51,022)
Library	191,900	-	191,900	184,095	(7,805)
Mental Health	15,200	-	15,200	14,597	(603)
Noxious Weed	203,784	-	203,784	197,636	(6,148)
Road and Bridge	1,562,239	-	1,562,239	1,077,803	(484,436)
Rural Fire District	105,584	-	105,584	94,111	(11,473)
Sheriff	920,693	-	920,693	868,674	(52,019)
Soil Conservation	23,750	-	23,750	22,799	(951)
Equipment Reserve	98,341	-	98,341	31,444	(66,897)
Bond and Interest Fund					
Debt Service	1,354	-	1,354	1,354	-

General Fund

Fund Description
The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

The General Fund functions are reported in three categories as follows:

General Government
- *Courthouse general
- *County Commission
- *County Clerk
- *County Treasurer
- *County Appraiser
- *Register of Deeds
- *Election
- *Data processing
- *Civic Center
- *Golf Course
- *Purchasing
- *Other

Public Safety
- *County Attorney
- *District Court
- *Diversion

Health and Sanitation
- *Solid Waste
- *Emergency Management
- *Other

MORTON COUNTY, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes	$ 2,086,653	$ 1,820,229	$ 1,854,768	$ (34,539)
Intergovernmental	26,958	44,808	45,000	(192)
Licenses and fees	174,514	280,406	144,000	136,406
Use of money and property	98,096	60,733	92,100	(31,367)
Other	32,614	125,514	25,000	100,514
Transfers in	26,097	13,564	1,354	12,210
Total receipts	2,444,932	2,345,254	$ 2,162,222	$ 183,032
Expenditures:				
General government:				
Courthouse general	273,779	423,552	$ 401,061	$ 22,491
County Commission	113,588	130,668	120,937	9,731
County Clerk	119,930	125,326	126,354	(1,028)
County Treasurer	135,171	136,574	139,768	(3,194)
County Appraiser	206,986	205,101	220,816	(15,715)
Register of Deeds	85,449	92,062	91,583	479
Election	35,303	11,327	36,795	(25,468)
Data Processing	138,790	101,756	146,867	(45,111)
Civic Center	92,100	92,925	103,500	(10,575)
Golf Course	176,892	187,297	213,555	(26,258)
Purchasing	19,423	22,806	23,750	(944)
Other	-	-	6,500	(6,500)
Public safety:				
County Attorney	104,779	105,252	104,250	1,002
District Court	43,639	43,552	70,300	(26,748)
Diversion	6,519	24,328	21,000	3,328
Health and sanitation:				
Solid waste	389,266	217,621	272,728	(55,107)
Emergency management	-	79,573	-	79,573
Other	233,513	202,753	363,699	(160,946)
Transfers out	220,283	75,000	301,602	(226,602)
Total expenditures	2,395,410	2,277,473	$ 2,765,065	$ (487,592)
Receipts over expenditures	49,522	67,781		
Unencumbered cash, beginning	724,464	773,986		
Unencumbered cash, ending	$ 773,986	$ 841,767		

Special Purpose Funds

Fund Descriptions

Special Purpose Funds are used to account for specific receipts that are legally restricted to expenditures for particular purposes.

The Special Purpose Funds used by Morton County, Kansas, are:

Airport:
This fund is used to account for monies for operating the airport facilities.

Council on Aging:
This fund is used to account for taxes levied to provide programs for the elderly in the County.

County Building:
This fund is used to account for monies levied to maintain County buildings.

County Fair:
This fund is used to account for monies levied to provide programs for the fair in the County.

County Health:
This fund is used to account for monies used to operate the Morton County Health Department, including operation of the general clinic and providing matching funds for health grants.

Developmental Disabled:
This fund is used to account for monies levied to provide programs for the developmentally disabled in the County.

Emergency Services:
This fund is used to account for monies used for the operation of emergency services within the County.

Employee Benefits:
This fund is used to account for monies levied to pay for various retirement benefits provided to County employees.

Extension Council:
This fund is used to account for monies for the purpose of instruction in agriculture, marketing, home economics, 4-H club and youth work, community and resource development, and economic development initiatives for the citizens of Morton County through practical demonstrations, meetings, publications and other means.

Historical Records:
This fund was established to provide monies to assist in maintaining the historical records of the County.

Hospital:
This fund is used to account for monies for the maintenance of the hospital.

Library:
This fund is used to account for monies for the maintenance of library facilities.

Mental Health:
This fund is used to account for monies levied to provide mental health programs in the County.

(continued)

Special Purpose Funds

(continued)

Noxious Weed:
This fund is used to account for monies for controlling the spread of and eradication of noxious weeds in the County.

Road and Bridge:
This fund is used to account for monies used in the operation of the Road and Bridge department, which is responsible for the building and maintenance of roads and bridges in the County.

Rural Fire District:
This fund is used to account for monies needed to carry out the operations of the Fire department.

Sheriff:
This fund is used to account for monies used for the operation of the Morton County Sheriff department.

Soil Conservation:
This fund is used to account for monies for soil conservation in the County.

Equipment Reserve:
This fund is used to account for monies used for purchasing equipment for the County.

Bio-Terrorism:
This fund is used to account for grant funds received for the prevention of bio-terrorism.

Coronavirus Grants:
This fund is used to account for grant funds received to help cover local expenditures incurred due to the public health emergency caused by the Coronavirus Disease 2019 (COVID-19).

County Clerk's Technology:
This fund is used to account for monies used to acquire equipment and technological services for the office of the County Clerk.

County Treasurer's Technology:
This fund is used to account for monies used to acquire equipment and technological services for the office of the County Treasurer.

E-Community Loan:
This fund is used to account for e-community loans.

Emergency 911:
This fund is used to account for monies levied to provide E911 services in the County.

Golf Course Gifts and Donations:
This fund is used to account for monies received which are to be used for the purchase, establishment, maintenance or expansion of the golf course.

(continued)

Special Purpose Funds

(continued)

Motor Vehicle Operating:

This fund is used to account for monies received from the registration fees collected for the State of Kansas motor vehicle department. The monies are appropriated for the use of the County Treasurer in paying for necessary personnel and expenses incidental to the administration of duties in accordance with the provisions of law. The monies are also used for the extra compensation to the County Treasurer for the services performed in administering the motor vehicle department.

Prosecutor's Training:

This fund is used to account for fees used exclusively for the training of prosecutor attorneys and costs related thereto.

Register of Deeds' Technology:

This fund is used to account for monies used to acquire equipment and technological services for the storing, recording, archiving, retrieving, maintaining and handling of data recorded or stored in the office of the Register of Deeds.

Revolving Micro Loan:

This fund is used to account for revolving loans provided through a Community Development Block Grant.

Special Alcohol and Drug Program:

This fund is used to account for monies used to provide education and assistance for alcohol and drug programs.

Special Ambulance:

This fund is used to account for monies from the Ambulance fund used for purchasing equipment for the ambulance department within the County.

Special Economic Development:

This fund is used to account for fees used exclusively for economic development programs within the County.

Special Fire Equipment:

This fund is used to account for monies from the Rural Fire District fund used for purchasing equipment for the fire department within the County.

Special Highway:

This fund is used to account for monies to finance specified improvement projects involving the construction or reconstruction of highways, bridges, roads, streets and related incidental facilities.

Special Law Enforcement Trust:

This fund is used to account for special fees, taxes imposed on controlled substances and proceeds from the sale of property seized and forfeited due to certain criminal activities. The funds are to be used solely for law enforcement and criminal prosecution purposes.

Special Noxious Weed Equipment:

This fund is used to account for monies from the Noxious Weed fund used for purchasing equipment for the noxious weed department within the County.

(continued)

Special Purpose Funds

(continued)

Special Road Machinery:

This fund is used to account for monies from the Road and Bridge fund used for purchasing construction equipment for the Road and Bridge department or building bridges within the County.

Note: The County budgets all special purpose funds except for Bio-Terrorism, Coronavirus Grants, County Clerk's Technology, County Treasurer's Technology, E-Community Loan, Emergency 911, Golf Course Gifts and Donations, Motor Vehicle Operating, Prosecutor's Training, Register of Deeds' Technology, Revolving Micro Loan, Special Alcohol and Drug Program, Special Ambulance, Special Economic Development, Special Fire Equipment, Special Highway, Special Law Enforcement Trust, Special Noxious Weed Equipment, and Special Road Machinery funds.

MORTON COUNTY, KANSAS
Airport Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 39,343	$ 27,947	$ 28,413	$ (466)
Motor vehicle	992	1,514	3,292	(1,778)
Recreational vehicle	14	31	45	(14)
Delinquent property	324	343	-	343
Intergovernmental	157,123	488,059	584,954	(96,895)
Fuel sales	20,617	27,333	-	27,333
Use of money and property	12,040	10,570	10,000	570
Total receipts	230,453	555,797	$ 626,704	$ (70,907)
Expenditures:				
General government:				
Personnel	8,400	8,400	$ 8,400	$ -
Contractual	186,160	529,079	613,454	(84,375)
Commodities	21,975	24,252	21,850	2,402
Capital outlay	12,275	-	19,000	(19,000)
Total expenditures	228,810	561,731	$ 662,704	$ (100,973)
Receipts over (under) expenditures	1,643	(5,934)		
Unencumbered cash, beginning	63,205	64,848		
Unencumbered cash, ending	$ 64,848	$ 58,914		

MORTON COUNTY, KANSAS
Council on Aging Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 91,152	$ 78,707	$ 80,117	$ (1,410)
Motor vehicle	4,401	4,323	7,631	(3,308)
Recreational vehicle	81	78	105	(27)
Delinquent property	881	891	-	891
Total receipts	96,515	83,999	$ 87,853	$ (3,854)
Expenditures:				
Health and sanitation:				
Contractual	96,515	83,999	$ 87,853	$ (3,854)
Total expenditures	96,515	83,999	$ 87,853	$ (3,854)
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	$ -	$ -		

MORTON COUNTY, KANSAS
County Building Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Motor vehicle	$ 3,321	$ 815	$ -	$ 815
Recreational vehicle	59	6	-	6
Delinquent property	410	197	-	197
Other	-	1,406	-	1,406
Transfer in	131,301	-	226,602	(226,602)
Total receipts	135,091	2,424	$ 226,602	$ (224,178)
Expenditures:				
General government:				
Capital outlay	27,691	70,838	$ 592,089	$ (521,251)
Total expenditures	27,691	70,838	$ 592,089	$ (521,251)
Receipts over (under) expenditures	107,400	(68,414)		
Unencumbered cash, beginning	475,012	582,412		
Unencumbered cash, ending	$ 582,412	$ 513,998		

MORTON COUNTY, KANSAS
County Fair Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 79,852	$ 77,330	$ 78,719	$ (1,389)
Motor vehicle	4,093	3,824	6,689	(2,865)
Recreational vehicle	74	69	92	(23)
Delinquent property	792	818	-	818
Total receipts	84,811	82,041	$ 85,500	$ (3,459)
Expenditures:				
Culture and recreation:				
Contractual	84,811	82,041	$ 85,500	$ (3,459)
Total expenditures	84,811	82,041	$ 85,500	$ (3,459)
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	$ -	$ -		

MORTON COUNTY, KANSAS
County Health Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 173,134	$ 147,780	$ 150,519	$ (2,739)
Motor vehicle	8,589	8,412	14,502	(6,090)
Recreational vehicle	164	150	199	(49)
Delinquent property	1,473	1,549	-	1,549
Intergovernmental	28,390	26,316	5,000	21,316
Charges for services	202,963	172,520	125,000	47,520
Total receipts	414,713	356,727	$ 295,220	$ 61,507
Expenditures:				
Health and sanitation:				
Personnel	217,107	190,107	$ 199,332	$ (9,225)
Contractual	29,118	38,488	39,270	(782)
Commodities	91,733	60,422	105,250	(44,828)
Capital outlay	-	358	19,476	(19,118)
Total expenditures	337,958	289,375	$ 363,328	$ (73,953)
Receipts over expenditures	76,755	67,352		
Unencumbered cash, beginning	98,370	175,125		
Unencumbered cash, ending	$ 175,125	$ 242,477		

MORTON COUNTY, KANSAS
Developmental Disabled Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 3,789	$ 3,653	$ 3,672	$ (19)
Motor vehicle	234	177	314	(137)
Recreational vehicle	4	3	4	(1)
Delinquent property	51	46	-	46
Other	-	23	-	23
Total receipts	4,078	3,902	$ 3,990	$ (88)
Expenditures:				
General government:				
Contractual	3,990	3,990	$ 3,990	$ -
Total expenditures	3,990	3,990	$ 3,990	$ -
Receipts over (under) expenditures	88	(88)		
Unencumbered cash, beginning	-	88		
Unencumbered cash, ending	$ 88	$ -		

MORTON COUNTY, KANSAS
Emergency Services Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 412,495	$ 274,018	$ 279,079	$ (5,061)
Motor vehicle	5,087	15,677	34,553	(18,876)
Recreational vehicle	94	326	474	(148)
Delinquent property	2,169	2,815	-	2,815
Intergovernmental	13,763	27,295	-	27,295
Licenses and fees	161,726	162,666	88,000	74,666
Total receipts	595,334	482,797	$ 402,106	$ 80,691
Expenditures:				
Health and sanitation:				
Salaries	394,883	357,330	$ 253,220	$ 104,110
Contractual	37,372	36,182	36,660	(478)
Commodities	34,292	63,559	39,300	24,259
Transfer out	-	-	127,891	(127,891)
Total expenditures	466,547	457,071	$ 457,071	$ -
Receipts over expenditures	128,787	25,726		
Unencumbered cash, beginning	54,965	183,752		
Unencumbered cash, ending	$ 183,752	$ 209,478		

MORTON COUNTY, KANSAS
Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 1,177,233	$ 854,341	$ 870,177	$ (15,836)
Motor vehicle	71,906	60,190	98,623	(38,433)
Recreational vehicle	1,342	1,042	1,352	(310)
Delinquent property	12,965	11,777	-	11,777
Other	4,038	545	-	545
Total receipts	1,267,484	927,895	$ 970,152	$ (42,257)
Expenditures:				
General government:				
Social Security	124,463	109,235	$ 185,000	$ (75,765)
KPERS	183,971	155,005	230,000	(74,995)
Unemployment	4,402	1,944	3,000	(1,056)
Workmans compensation	32,673	24,248	50,000	(25,752)
Life insurance	8,071	10,287	6,500	3,787
Health insurance	805,458	593,559	737,863	(144,304)
Retirement benefits	-	-	35,000	(35,000)
Total expenditures	1,159,038	894,278	$ 1,247,363	$ (353,085)
Receipts over expenditures	108,446	33,617		
Unencumbered cash, beginning	313,703	422,149		
Unencumbered cash, ending	$ 422,149	$ 455,766		

MORTON COUNTY, KANSAS
Extension Council Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 106,446	$ 103,055	$ 104,962	$ (1,907)
Motor vehicle	5,280	5,105	8,916	(3,811)
Recreational vehicle	98	92	122	(30)
Delinquent property	1,030	1,079	-	1,079
Total receipts	112,854	109,331	$ 114,000	$ (4,669)
Expenditures:				
General government:				
Contractual	112,854	109,331	$ 114,000	$ (4,669)
Total expenditures	112,854	109,331	$ 114,000	$ (4,669)
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	$ -	$ -		

MORTON COUNTY, KANSAS
Historical Records Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 97,628	$ 94,480	$ 96,212	$ (1,732)
Motor vehicle	4,913	4,674	8,176	(3,502)
Recreational vehicle	90	84	112	(28)
Delinquent property	986	1,017	-	1,017
Total receipts	103,617	100,255	$ 104,500	$ (4,245)
Expenditures:				
Culture and recreation:				
Contractual	103,617	100,255	$ 104,500	$ (4,245)
Total expenditures	103,617	100,255	$ 104,500	$ (4,245)
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	$ -	$ -		

MORTON COUNTY, KANSAS
Hospital Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 1,330,976	$ 821,736	$ 836,967	$ (15,231)
Motor vehicle	67,713	63,663	111,504	(47,841)
Recreational vehicle	1,233	1,146	1,529	(383)
Delinquent property	14,111	12,433	-	12,433
Total receipts	1,414,033	898,978	$ 950,000	$ (51,022)
Expenditures:				
Health and sanitation:				
Contractual	1,414,033	898,978	$ 950,000	$ (51,022)
Total expenditures	1,414,033	898,978	$ 950,000	$ (51,022)
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	$ -	$ -		

MORTON COUNTY, KANSAS
Library Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 179,272	$ 173,504	$ 176,679	$ (3,175)
Motor vehicle	9,138	8,579	15,015	(6,436)
Recreational vehicle	166	154	206	(52)
Delinquent property	1,814	1,858	-	1,858
Total receipts	190,390	184,095	$ 191,900	$ (7,805)
Expenditures:				
General government:				
Contractual	190,390	184,095	$ 191,900	$ (7,805)
Total expenditures	190,390	184,095	$ 191,900	$ (7,805)
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	$ -	$ -		

MORTON COUNTY, KANSAS
Mental Health Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 14,055	$ 13,762	$ 14,012	$ (250)
Motor vehicle	729	674	1,172	(498)
Recreational vehicle	13	12	16	(4)
Delinquent property	147	149	-	149
Total receipts	14,944	14,597	$ 15,200	$ (603)
Expenditures:				
Health and sanitation:				
Contractual	15,094	14,597	$ 15,200	$ (603)
Total expenditures	15,094	14,597	$ 15,200	$ (603)
Receipts under expenditures	(150)	-		
Unencumbered cash, beginning	150	-		
Unencumbered cash, ending	$ -	$ -		

MORTON COUNTY, KANSAS
Noxious Weed Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 130,489	$ 91,780	$ 93,448	$ (1,668)
Motor vehicle	5,966	6,173	10,928	(4,755)
Recreational vehicle	113	112	150	(38)
Delinquent property	1,088	1,095	-	1,095
Intergovernmental	13,296	-	-	-
Charges for services	49,649	38,197	43,500	(5,303)
Miscellaneous	1,607	3,007	-	3,007
Total receipts	202,208	140,364	$ 148,026	$ (7,662)
Expenditures:				
Public works:				
Personnel	46,665	73,779	$ 73,384	$ 395
Contractual	1,825	4,554	3,400	1,154
Commodities	100,045	119,303	122,000	(2,697)
Capital outlay	-	-	5,000	(5,000)
Transfer out	57,524	-	-	-
Total expenditures	206,059	197,636	$ 203,784	$ (6,148)
Receipts under expenditures	(3,851)	(57,272)		
Unencumbered cash, beginning	77,436	73,585		
Unencumbered cash, ending	$ 73,585	$ 16,313		

MORTON COUNTY, KANSAS
Road and Bridge Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 707,900	$ 295,931	$ 301,426	$ (5,495)
Motor vehicle	47,810	37,268	59,302	(22,034)
Recreational vehicle	886	635	813	(178)
Delinquent property	7,471	5,833	-	5,833
Intergovernmental	543,363	398,079	161,346	236,733
Other	120,003	21,618	200,000	(178,382)
Total receipts	1,427,433	759,364	$ 722,887	$ 36,477
Expenditures:				
Public works:				
Salaries	412,329	368,773	$ 442,706	$ (73,933)
Contractual	48,874	52,294	134,270	(81,976)
Commodities	291,531	266,176	785,263	(519,087)
Capital outlay	-	-	200,000	(200,000)
Transfers out	690,654	390,560	-	390,560
Total expenditures	1,443,388	1,077,803	$ 1,562,239	$ (484,436)
Receipts under expenditures	(15,955)	(318,439)		
Unencumbered cash, beginning	1,129,258	1,113,303		
Unencumbered cash, ending	$ 1,113,303	$ 794,864		

MORTON COUNTY, KANSAS
Rural Fire District Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 112,716	$ 45,785	$ 46,589	$ (804)
Motor vehicle	3,988	4,994	9,439	(4,445)
Recreational vehicle	75	94	129	(35)
Delinquent property	843	769	-	769
Intergovernmental	26,228	-	-	-
Other	5,750	-	-	-
Total receipts	149,600	51,642	$ 56,157	$ (4,515)
Expenditures:				
Public safety:				
Salaries	22,744	22,802	$ 23,584	$ (782)
Contractual	26,509	19,234	23,000	(3,766)
Commodities	20,672	12,075	42,000	(29,925)
Capital outlay	20,000	-	17,000	(17,000)
Transfer out	29,661	40,000	-	40,000
Total expenditures	119,586	94,111	$ 105,584	$ (11,473)
Receipts over (under) expenditures	30,014	(42,469)		
Unencumbered cash, beginning	50,029	80,043		
Unencumbered cash, ending	$ 80,043	$ 37,574		

MORTON COUNTY, KANSAS
Sheriff Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 796,958	$ 837,510	$ 853,014	$ (15,504)
Motor vehicle	-	-	66,763	(66,763)
Recreational vehicle	-	28,292	916	27,376
Delinquent property	3,312	6,158	-	6,158
Intergovernmental	3,871	4,910	-	4,910
Licenses and fees	32,674	34,150	-	34,150
Other	1,074	224	-	224
Transfer in	76,557	-	-	-
Total receipts	914,446	911,244	$ 920,693	$ (9,449)
Expenditures:				
Public safety:				
Salaries	735,437	709,912	$ 750,693	$ (40,781)
Contractual	63,916	67,256	63,000	4,256
Commodities	29,691	48,952	54,500	(5,548)
Capital outlay	-	42,554	52,500	(9,946)
Total expenditures	829,044	868,674	$ 920,693	$ (52,019)
Receipts over expenditures	85,402	42,570		
Unencumbered cash, beginning	-	85,402		
Unencumbered cash, ending	$ 85,402	$ 127,972		

MORTON COUNTY, KANSAS
Soil Conservation Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 22,185	$ 21,490	$ 21,868	$ (378)
Motor vehicle	1,140	1,063	1,857	(794)
Recreational vehicle	21	19	25	(6)
Delinquent property	219	227	-	227
Total receipts	23,565	22,799	$ 23,750	$ (951)
Expenditures:				
General government:				
Contractual	23,565	22,799	$ 23,750	$ (951)
Total expenditures	23,565	22,799	$ 23,750	$ (951)
Receipts over expenditures	-	-		
Unencumbered cash, beginning	-	-		
Unencumbered cash, ending	$ -	$ -		

MORTON COUNTY, KANSAS
Equipment Reserve Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Miscellaneous	$ 6,720	$ 7,944	$ -	$ 7,944
Transfer in	88,982	75,000	75,000	-
Total receipts	95,702	82,944	$ 75,000	$ 7,944
Expenditures:				
General government:				
Contractual	-	-	$ 23,341	$ (23,341)
Capital outlay	32,346	31,444	75,000	(43,556)
Transfer out	76,557	-	-	-
Total expenditures	108,903	31,444	$ 98,341	$ (66,897)
Receipts over (under) expenditures	(13,201)	51,500		
Unencumbered cash, beginning	93,537	80,336		
Unencumbered cash, ending	$ 80,336	$ 131,836		

MORTON COUNTY, KANSAS
Bio-Terrorism Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Intergovernmental	$ 12,923	$ 28,391
Total receipts	12,923	28,391
Expenditures:		
Public safety:		
Contractual	10,292	7,105
Commodities	2,439	21,360
Total expenditures	12,731	28,465
Receipts over (under) expenditures	192	(74)
Unencumbered cash, beginning of year	7,102	7,294
Unencumbered cash, end of year	$ 7,294	$ 7,220

MORTON COUNTY, KANSAS
Coronavirus Grants Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Intergovernmental	$ 521,995	$ 251,247
Total receipts	521,995	251,247
Expenditures:		
Public safety:		
Contractual	184,734	266,929
Commodities	237,261	-
Total expenditures	421,995	266,929
Receipts over (under) expenditures	100,000	(15,682)
Unencumbered cash, beginning of year	-	100,000
Unencumbered cash, end of year	$ 100,000	$ 84,318

MORTON COUNTY, KANSAS
County Clerk's Technology Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Licenses and fees	$ 1,304	$ 1,455
Total receipts	1,304	1,455
Expenditures:		
General government:		
Commodities	1,676	-
Total expenditures	1,676	-
Receipts over (under) expenditures	(372)	1,455
Unencumbered cash, beginning of year	6,833	6,461
Unencumbered cash, end of year	$ 6,461	$ 7,916

MORTON COUNTY, KANSAS
County Treasurer's Technology Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Licenses and fees	$ 1,304	$ 1,455
Total receipts	1,304	1,455
Expenditures:		
General government:		
Capital outlay	-	-
Total expenditures	-	-
Receipts over expenditures	1,304	1,455
Unencumbered cash, beginning of year	6,959	8,263
Unencumbered cash, end of year	$ 8,263	$ 9,718

MORTON COUNTY, KANSAS
E-Community Loan Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Intergovernmental	$ 5,300	$ 400
Total receipts	5,300	400
Expenditures:		
Other public service:		
Contractual	1,800	2,231
Total expenditures	1,800	2,231
Receipts over (under) expenditures	3,500	(1,831)
Unencumbered cash, beginning of year	3,784	7,284
Unencumbered cash, end of year	$ 7,284	$ 5,453

MORTON COUNTY, KANSAS
Emergency 911 Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Licenses and fees	$ 60,041	$ 60,009
Total receipts	60,041	60,009
Expenditures:		
Public safety:		
Contractual	28,763	30,172
Commodities	-	21,600
Total expenditures	28,763	51,772
Receipts over expenditures	31,278	8,237
Unencumbered cash, beginning of year	216,332	247,610
Unencumbered cash, end of year	$ 247,610	$ 255,847

MORTON COUNTY, KANSAS
Golf Course Gifts and Donations Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Donations	$ 7,024	$ 3,500
Total receipts	7,024	3,500
Expenditures:		
General government:		
Commodities	4,691	5,162
Total expenditures	4,691	5,162
Receipts over (under) expenditures	2,333	(1,662)
Unencumbered cash, beginning of year	6,504	8,837
Unencumbered cash, end of year	$ 8,837	$ 7,175

MORTON COUNTY, KANSAS
Motor Vehicle Operating Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Licenses and fees	$ 24,105	$ 24,334
Other	349	-
Total receipts	24,454	24,334
Expenditures:		
General government:		
Contractual	6,460	6,535
Commodities	2,582	2,647
Capital outlay	1,685	2,942
Transfer out	13,727	12,210
Total expenditures	24,454	24,334
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	-	-
Unencumbered cash, end of year	$ -	$ -

MORTON COUNTY, KANSAS
Prosecutor's Training Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Licenses and fees	$ 613	$ 649
Total receipts	613	649
Expenditures:		
Public safety:		
Contractual	-	589
Total expenditures	-	589
Receipts over expenditures	613	60
Unencumbered cash, beginning of year	7,509	8,122
Unencumbered cash, end of year	$ 8,122	$ 8,182

MORTON COUNTY, KANSAS
Register of Deeds' Technology Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Licenses and fees	$ 5,216	$ 5,822
Total receipts	5,216	5,822
Expenditures:		
General government:		
Contractual	900	-
Commodities	546	640
Capital outlay	-	4,671
Total expenditures	1,446	5,311
Receipts over expenditures	3,770	511
Unencumbered cash, beginning of year	18,388	22,158
Unencumbered cash, end of year	$ 22,158	$ 22,669

MORTON COUNTY, KANSAS
Revolving Micro Loan Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Intergovernmental	$ -	$ -
Total receipts	-	-
Expenditures:		
Other public service:		
Contractual	-	-
Total expenditures	-	-
Receipts over expenditures	-	-
Unencumbered cash, beginning of year	1,723	1,723
Unencumbered cash, end of year	$ 1,723	$ 1,723

MORTON COUNTY, KANSAS
Special Alcohol and Drug Program Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Intergovernmental	$ 250	$ 318
Total receipts	250	318
Expenditures:		
Health and sanitation:		
Contractual	-	-
Total expenditures	-	-
Receipts over expenditures	250	318
Unencumbered cash, beginning of year	117	367
Unencumbered cash, end of year	$ 367	$ 685

MORTON COUNTY, KANSAS
Special Ambulance Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Other	$ -	$ 5,975
Total receipts	-	5,975
Expenditures:		
Health and sanitation:		
Contractual	25,499	2,455
Commodities	18,700	10,378
Total expenditures	44,199	12,833
Receipts under expenditures	(44,199)	(6,858)
Unencumbered cash, beginning of year	185,904	141,705
Unencumbered cash, end of year	$ 141,705	$ 134,847

MORTON COUNTY, KANSAS
Special Economic Development Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Use of money and property	$ 9,200	$ 1,500
Total receipts	9,200	1,500
Expenditures:		
General government:		
Contractual	11,172	5,295
Capital outlay	7,974	930
Total expenditures	19,146	6,225
Receipts under expenditures	(9,946)	(4,725)
Unencumbered cash, beginning of year	137,090	127,144
Unencumbered cash, end of year	$ 127,144	$ 122,419

MORTON COUNTY, KANSAS
Special Fire Equipment Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Transfer in	$ 29,661	$ 40,000
Total receipts	29,661	40,000
Expenditures:		
Public safety:		
Capital outlay	69,914	-
Total expenditures	69,914	-
Receipts over (under) expenditures	(40,253)	40,000
Unencumbered cash, beginning of year	158,712	118,459
Unencumbered cash, end of year	$ 118,459	$ 158,459

MORTON COUNTY, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Other	$ -	$ 176,879
Transfer in	360,847	390,560
Total receipts	360,847	567,439
Expenditures:		
Public works:		
Commodities	645,154	108,549
Total expenditures	645,154	108,549
Receipts over (under) expenditures	(284,307)	458,890
Unencumbered cash, beginning of year	1,068,397	784,090
Unencumbered cash, end of year	$ 784,090	$ 1,242,980

MORTON COUNTY, KANSAS
Special Law Enforcement Trust Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Licenses and fees	$ 4,120	$ 5,140
Total receipts	4,120	5,140
Expenditures:		
Public safety:		
Contractual	400	-
Total expenditures	400	-
Receipts over expenditures	3,720	5,140
Unencumbered cash, beginning of year	28,441	32,161
Unencumbered cash, end of year	$ 32,161	$ 37,301

MORTON COUNTY, KANSAS
Special Noxious Weed Equipment Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Transfer in	$ 57,524	$ -
Total receipts	57,524	-
Expenditures:		
Public safety:		
Commodities	13,630	-
Total expenditures	13,630	-
Receipts over expenditures	43,894	-
Unencumbered cash, beginning of year	39,342	83,236
Unencumbered cash, end of year	$ 83,236	$ 83,236

MORTON COUNTY, KANSAS
Special Road Machinery Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual
Receipts:		
Other	$ -	$ 9,520
Transfer in	329,807	-
Total receipts	329,807	9,520
Expenditures:		
Public works:		
Capital outlay	-	33,118
Total expenditures	-	33,118
Receipts over (under) expenditures	329,807	(23,598)
Unencumbered cash, beginning of year	655,928	985,735
Unencumbered cash, end of year	$ 985,735	$ 962,137

Bond and Interest Funds

Fund Description

The Bond and Interest Fund is used to account for the accumulation of resources to be used for the payment of principal, interest and related costs of the general obligation bonds and certain other long-term obligations of the County.

MORTON COUNTY, KANSAS
Debt Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 21	$ -	$ -	$ -
Motor vehicle	15,661	-	-	-
Recreational vehicle	225	-	-	-
Delinquent property	2,864	-	-	-
Total receipts	18,771	-	$ -	$ -
Expenditures:				
General government:				
Transfer out	12,370	1,354	$ 1,354	$ -
Total expenditures	12,370	1,354	$ 1,354	$ -
Receipts over (under) expenditures	6,401	(1,354)		
Unencumbered cash, beginning	3,007	9,408		
Unencumbered cash, ending	$ 9,408	$ 8,054		

Agency Funds

Fund Description
The Agency Funds are used to account for assets held by the County as an agent for other funds.

The Agency Funds used by Morton County, Kansas, are:

District Court:
This fund is used to account for the collections of fines, fees and related court costs along with the collection and payment of child support and other payments as ordered by the Court.

Law Library:
This fund is used to account for funds used in the operation of the County's law library.

Sheriff Special Investigations:
This fund is used to account for special investigations' transactions by the Sheriff's department.

County Treasurer – Check Clearance:
This fund is used to account for returned checks received back as a result of insufficient funds.

County Treasurer – Civic Center Deposits:
This fund is used to account for the fees collected from and remitted to individuals for use of the Civic Center.

County Treasurer – Payroll:
This fund is used to account for all federal and state income tax withheld from County employees. These taxes are remitted routinely to the federal government and State of Kansas.

County Treasurer – Motor Vehicle Fees and Sales Tax Collections:
This fund is used to account for fees assessed to register certain motor vehicles with the State of Kansas; reports and remittances are made to the State daily. This fund is also used to account for taxes collected on the sale of motor vehicles and trailers.

County Treasurer – Tax Collections:
This fund is used to account for collections of County ad valorem taxes. The funds included are: current tax, protested tax, advanced tax, motor vehicle registration tax, recreational vehicle tax, and rental and excise tax.

County Treasurer – Tax Distributions:
This fund is used to account for distribution of County ad valorem taxes collected to the various taxing entities in the County. Distributions are made in January, March, June, September and October. Delinquent personal property taxes are distributed once a year, generally in March.

MORTON COUNTY, KANSAS
Agency Funds
Schedule of Receipts and Disbursements
Regulatory Basis
For the Year Ended December 31, 2021

Agency Funds	Balance 01-01-21	Receipts	Disburse-ments	Balance 12-31-21
District Court	$ 8,984	$ 177,356	$ 163,455	$ 22,885
Law Library	284	3,372	3,212	444
Sheriff Special Investigations	173	-	-	173
County Treasurer:				
Check Clearance	-	17,453	17,453	-
Civic Center Deposits	3,945	22,435	23,165	3,215
Payroll	26,539	648,414	645,068	29,885
Motor Vehicle Fees and Sales Tax Collections	7,637	576,921	560,345	24,213
Tax Collections	5,545,972	10,161,222	9,820,132	5,887,062
Tax Distributions	11,368	3,772,665	3,762,936	21,097
Total	$ 5,604,902	$ 15,379,838	$ 14,995,766	$ 5,988,974

Other Supplemental Information

MORTON COUNTY, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
Receipts:				
Taxes:				
Ad valorem property	$ 1,741,220	$ 1,459,806	$ 1,486,900	$ (27,094)
Motor vehicle	79,016	81,223	145,867	(64,644)
Recreational vehicle	2,423	2,630	2,001	629
Delinquent property	18,455	19,592	-	19,592
Interest and fees:				
Current	30,881	34,826	20,000	14,826
Local sales	214,658	222,152	200,000	22,152
Total taxes	2,086,653	1,820,229	1,854,768	(34,539)
Intergovernmental:				
Mineral production tax	22,151	44,614	45,000	(386)
Federal and State grants	4,807	194	-	194
Total intergovernmental	26,958	44,808	45,000	(192)
Licenses and fees:				
Golf fees	47,847	71,228	60,000	11,228
Court fees	6,742	9,186	21,000	(11,814)
Landfill fees	48,494	114,079	5,000	109,079
Miscellaneous fees	4,712	8,082	-	8,082
Mortgage registration fees	5	-	-	-
Civic Center Fees	4,986	9,765	10,000	(235)
Officers' fees	61,728	68,066	48,000	20,066
Total licenses and fees	174,514	280,406	144,000	136,406
Use of money and property:				
Lease income	47,074	35,408	38,500	(3,092)
Royalties	1,922	4,538	3,600	938
Interest on investments	49,100	20,787	50,000	(29,213)
Total use of money and property	98,096	60,733	92,100	(31,367)
Other:				
Other	32,614	125,514	25,000	100,514
Transfers in	26,097	13,564	1,354	12,210
Total receipts	**$ 2,444,932**	**$ 2,345,254**	**$ 2,162,222**	**$ 183,032**

(continued)

MORTON COUNTY, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
(continued)				
Expenditures:				
General government:				
Courthouse general:				
Personnel services	$ 53,670	$ 55,398	$ 54,311	$ 1,087
Contractual services	209,380	354,122	332,500	21,622
Commodities	10,729	14,032	14,250	(218)
Total courthouse general	273,779	423,552	401,061	22,491
County Commission:				
Personnel services	62,550	62,550	64,427	(1,877)
Contractual services	50,730	66,464	56,083	10,381
Commodities	308	1,654	427	1,227
Total County Commission	113,588	130,668	120,937	9,731
County Clerk:				
Personnel services	113,444	116,151	117,961	(1,810)
Contractual services	4,268	5,036	5,562	(526)
Commodities	2,218	4,139	2,831	1,308
Total County Clerk	119,930	125,326	126,354	(1,028)
County Treasurer:				
Personnel services	120,064	120,749	123,918	(3,169)
Contractual services	11,362	12,333	11,100	1,233
Commodities	3,745	3,492	3,325	167
Capital outlay	-	-	1,425	(1,425)
Total County Treasurer	135,171	136,574	139,768	(3,194)
County Appraiser:				
Personnel services	155,061	145,570	111,816	33,754
Contractual services	50,391	57,979	93,700	(35,721)
Commodities	1,534	1,552	15,300	(13,748)
Total County Appraiser	206,986	205,101	220,816	(15,715)
Register of Deeds:				
Personnel services	75,383	79,411	77,810	1,601
Contractual services	8,705	11,782	11,993	(211)
Commodities	1,361	869	1,780	(911)
Total Register of Deeds	85,449	92,062	91,583	479
Election:				
Contractual services	20,828	8,447	36,245	(27,798)
Commodities	1,222	2,880	550	2,330
Capital outlay	13,253	-	-	-
Total election	35,303	11,327	36,795	(25,468)

(continued)

MORTON COUNTY, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
(continued)				
Expenditures (continued):				
General government (continued):				
Data processing:				
Personnel services	$ 50,367	$ 16,950	$ 50,026	$ (33,076)
Contractual services	75,460	79,228	51,791	27,437
Commodities	2,880	5,578	5,050	528
Capital outlay	10,083	-	40,000	(40,000)
Total data processing	138,790	101,756	146,867	(45,111)
Civic Center:				
Personnel services	58,316	54,316	60,000	(5,684)
Contractual services	32,792	38,266	41,000	(2,734)
Commodities	682	343	2,500	(2,157)
Capital outlay	310	-	-	-
Total Civic Center	92,100	92,925	103,500	(10,575)
Golf Course:				
Personnel services	104,432	107,135	110,275	(3,140)
Contractual services	44,230	47,918	40,930	6,988
Commodities	28,230	32,244	37,350	(5,106)
Capital outlay	-	-	25,000	(25,000)
Total Golf Course	176,892	187,297	213,555	(26,258)
Purchasing:				
Commodities	19,423	22,806	23,750	(944)
Other:				
WEKANDO	-	-	6,500	(6,500)
Total general government	**1,397,411**	**1,529,394**	**1,631,486**	**(102,092)**
Public safety:				
County Attorney:				
Personnel services	35,918	35,714	36,050	(336)
Contractual services	68,775	68,530	68,200	330
Commodities	86	1,008	-	1,008
Total County Attorney	104,779	105,252	104,250	1,002

(continued)

MORTON COUNTY, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year Ended December 31, 2021
(With Comparative Actual Totals for the Prior Year Ended December 31, 2020)

	Prior Year Actual	Current Year Actual	Current Year Budget	Current Year Variance Over (Under)
(continued)				
Expenditures (continued):				
Public safety (continued):				
District Court:				
Contractual services	$ 37,117	$ 32,778	$ 61,800	$ (29,022)
Commodities	6,522	10,774	2,500	8,274
Capital outlay	-	-	6,000	(6,000)
Total District Court	43,639	43,552	70,300	(26,748)
Diversion	6,519	24,328	21,000	3,328
Total public safety	**154,937**	**173,132**	**195,550**	**(22,418)**
Health and sanitation:				
Solid waste:				
Personnel services	69,470	49,597	44,928	4,669
Contractual services	81,637	88,734	99,800	(11,066)
Commodities	30,618	27,587	73,000	(45,413)
Capital outlay	207,541	51,703	55,000	(3,297)
Total solid waste	389,266	217,621	272,728	(55,107)
Emergency management:				
Personnel services	-	79,573	-	79,573
Other:				
Hospital	233,513	202,753	200,000	2,753
Landfill closure	-	-	163,699	(163,699)
Total other	233,513	202,753	363,699	(160,946)
Total health and sanitation	**622,779**	**499,947**	**636,427**	**(136,480)**
Transfers out:				
Equipment Reserve	88,982	75,000	75,000	-
County Building	131,301	-	226,602	(226,602)
Total transfers out	**220,283**	**75,000**	**301,602**	**(226,602)**
Total expenditures	**$ 2,395,410**	**$ 2,277,473**	**$ 2,765,065**	**$ (487,592)**

MORTON COUNTY, KANSAS
Reconciliation of 2020 Tax Roll
Regulatory Basis
For the Year Ended December 31, 2021

2020 Tax Roll as Adjusted:		
County clerk's abstract of taxes levied		$ 9,029,300
Supplemental tax roll		34,267
2020 taxes abated		417
2020 tax roll as adjusted		$ 9,063,984
2020 Tax Roll Accounted For:		
2020 current tax collections		$ 8,895,289
Delinquent taxes:		
Personal property tax warrants	$ 25,646	
Real estate taxes	143,049	168,695
2020 total tax roll		$ 9,063,984

MORTON COUNTY, KANSAS
Schedule of Expenditures of Federal Awards
Regulatory Basis
For the Year Ended December 31, 2021

Federal Agency / Program	Federal Assistance Listing Number	Additional Identification	Grant Number	Passed through to Subrecipients	Disbursements/Expenditures	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Passed through Kansas Department of Health and Environment:						
Public Health Emergency Preparedness	93.069	2021	NU90TP922049-02	$ -	$ 5,080	
Public Health Emergency Preparedness	93.069	2022	NU90TP922049-03	-	3,551	$ 8,631
Family Planning Services Program	93.217	2020	FPHPA006448-02	-	2,011	
Family Planning Services Program	93.217	2021	FPHPA006448-03	-	6,433	8,444
COVID-19 Consolidated Health Centers - Migrant Health Centers	93.224		H8DCS36202	-	99	
Consolidated Health Centers - Migrant Health Centers	93.224	2019	H80CS00131-19	-	2,265	
COVID-19 Consolidated Health Centers - Migrant Health Centers	93.224		H8CCS34800-01	-	32	
Consolidated Health Centers - Migrant Health Centers	93.224	2020	H80CS00131-20	-	831	3,227
Immunization Cooperative Agreements	93.268	2021	NH23IP922627-02-00	-		1,123
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases	93.323		NU50CK000549-02	-		19,760
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						41,185
U.S. DEPARTMENT OF TRANSPORTATION						
Direct:						
COVID-19 Airport Improvement Program	20.106	2021	3-20-0019-009-2021	-		485,998
TOTAL U.S. DEPARTMENT OF TRANSPORTATION						485,998
U.S. DEPARTMENT OF TREASURY						
Direct:						
COVID-19 Coronavirus Relief Fund	21.019			-		183,647
Direct:						
COVID-19 Coronavirus State and Local Fiscal Recovery Fund	21.027			150,000		166,929
TOTAL U.S. DEPARTMENT OF TREASURY						350,576
TOTAL FEDERAL GRANTS						$ 877,759

The accompanying Notes to Schedule of Expenditures of Federal Awards are an integral part of this statement.

MORTON COUNTY, KANSAS
Notes to Schedule of Expenditures of Federal Awards
December 31, 2021

1. General
The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity programs of Morton County, Kansas, under programs of the federal government for the year ended December 31, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the County.

2. Basis of accounting
Expenditures reported on the Schedule are reported on the regulatory basis of accounting, which is described in Note 1 to the County's regulatory basis financial statement. However, no encumbrances are included in the expenditures for federal programs. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. De minimis cost rate
The County has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

SINGLE AUDIT

SECTION

LEWIS, HOOPER & DICK LLC
certified public accountants

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

The County Commissioners
Morton County, Kansas
Elkhart, Kansas 67950

We have audited, 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 *Kansas Municipal Audit and Accounting Guide*, issued by the State of Kansas, the regulatory basis fund summary statement of receipts, expenditures and unencumbered cash of Morton County, Kansas, as of and for the year ended December 31, 2021, and the related notes to the financial statement which collectively comprise the County's basic financial statement as listed in the table of contents, and have issued our report thereon dated May 11, 2022. The County prepares its financial statement on a regulatory basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered Morton County's internal control over financial reporting (internal control) as a basis for designing 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 Morton County's internal control. Accordingly, we do not express an opinion on the effectiveness of Morton 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 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 that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control 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 Morton County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of Morton County in a separate letter dated May 11, 2022.

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 Morton County's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Morton County's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

Lewis, Hooper + Dick, LLC

LEWIS, HOOPER & DICK, LLC

May 11, 2022

LEWIS, HOOPER & DICK LLC
certified public accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

The County Commissioners
Morton County, Kansas
Elkhart, Kansas 67950

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Morton County, Kansas, compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Morton County's major federal programs for the year ended December 31, 2021. Morton County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Morton County complied, in all material respects, with the 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, 2021.

Basis for Opinion on Each Major Federal Program

We have conducted our audit of compliance in accordance with the auditing standards generally accepted in the United States of America (GAAS); the *Kansas Municipal Audit and Accounting Guide*; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Morton County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Morton County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the County's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Morton County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, the *Kansas Municipal Audit and Accounting Guide, Government Auditing Standards,* and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, the *Kansas Municipal Audit and Accounting Guide, Government Auditing Standards,* and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion on expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their The

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 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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on Morton County's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Morton County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Lewis, Hooper + Dick, LLC

LEWIS, HOOPER & DICK, LLC

May 11, 2022

MORTON COUNTY, KANSAS
Schedule of Findings and Questioned Costs
December 31, 2021

I. SUMMARY OF AUDITOR'S RESULTS

A. Financial Statement

- Type of auditor's report issued: Adverse (GAAP Basis)
  Unmodified (Regulatory Basis)

- Internal control over financial reporting as reported in the INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*:

Are any material weaknesses identified?	No
Are any significant deficiencies identified?	None reported
Is any noncompliance material to the financial statement noted?	No

B. Federal Awards

- Internal control over major programs as reported in the INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE:

Are any material weaknesses identified?	No
Are any significant deficiencies identified?	None reported

- Type of auditor's report issued on compliance for major programs: Unmodified

- Are there any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)? No

- Identification of major programs:

Federal Assistance Listing Number	Program	Expenditures
20.106	COVID-19 Airport Improvement Program	$ 485,998

- Dollar threshold used to distinguish between type A and B programs: $750,000

- Auditee qualified as low-risk auditee? No

II. FINANCIAL STATEMENT FINDINGS

None noted

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None noted

Office of the County Clerk

Gina Shores, Morton County Clerk
P.O. Box 1116 1025 Morton St.
Elkhart, KS 67950
(620)697-2157 Fax (620)697-4105
mortoncountyclerk@elkhart.com

Corrective Action Plan
and Summary Schedule of Prior Audit Findings
Relating to the Federal Award Programs
December 31, 2021

May 11, 2022

Morton County, Kansas, respectfully submits the following corrective action plan for the year ended December 31, 2022.

Name and address of independent accounting firm: Lewis, Hooper & Dick, LLC
PO Box 699
Garden City, KS 67846

Audit period: January 1, 2021, through December 31, 2021

The findings from the December 31, 2021, Schedule of Findings and Questioned Costs related to the federal award programs are discussed below. The findings are numbered consistently with the number assigned in the Schedule. Section I of the Schedule, Summary of Auditor's Results, does not include findings and is not addressed.

II. FINANCIAL STATEMENT FINDINGS

None.

III. FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None.

IV. SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

None.

If there are any questions regarding this plan, please call Gina Shores at 620-697-2157.

Sincerely,

Gina Shores

Gina Shores
County Clerk