Lyon County Conservation District

Lyon County, Kansas

December 31, 2023

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Table of Contents

	Page
Accountant's Agreed Upon Procedures Report	1-4
Accountant's Compilation Report	5
Combined Statement of Cash Receipts, Cash Disbursements, and Cash Balance	6

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Independent Accountant's Report on Applying Agreed Upon Procedures

Board of Supervisors
Lyon Co. Conservation District
3020 W 18th St., Ste A
Emporia, KS 66801

To the Board of Supervisors and Management of Lyon County Conservation District:

We have performed the procedures enumerated below in procedures 1 through 16, as detailed in the Kansas Municipal Audit and Accounting Guide, to the Combined Statement of Cash Receipts, Cash Disbursements, and Cash Balance-regulatory basis of the Lyon County Conservation District for the year ended December 31, 2023. The Board of Supervisors of the Lyon County Conservation District are responsible for the Combined Statement of Cash Receipts, Cash Disbursements, and Cash Balance.

The Board of Supervisors of the Lyon County Conservation District have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the Board in evaluating the Combined Statement of Cash Receipts, Cash Disbursements, and Cash Balance. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report, and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are summarized as follows:

Procedures:	Results:
Procedure 1: Tie the district's total cash per books at year end to source documents. This should include a review of the bank reconciliation for the last month of the year.	The district's cash per books at year end agree with the bank reconciliation and source documents with the exception of $56 of unrecorded interest income on the district general ledger. This unrecorded interest was paid into the certificate of deposit account which was not recorded on the books. The financial statement has been adjusted to include this interest income.
Procedure 2: Tie the year-end cash balance as shown on the Statement of Cash Receipts and Cash Disbursements to: 1) demand deposits at the district's official depository, 2) time deposits at the district's official depository, 3) investments in US Treasury bills; and other cash/investment accounts.	The district's cash balance as shown on the Statement of Cash Receipts, Cash Disbursements, and Cash Balance agrees with the adjusted reconciled deposit balances (as detailed in procedure one) at the official depository.
Procedure 3: Using the last bank statement of the year, compare total deposits in excess of FDIC insurance to securities pledged to secure the excess deposits, as evidenced by joint custody receipts.	The district's bank balance, as of the last bank statement of the year, was covered by FDIC insurance.

Procedures:	Results:
Procedure 4: For the last bank statement of the year, compare the name of the depository institution to an entry in the official minutes that designates the institution as the district's official depository.	The district's depository institution, used for the last bank statement of the year, agrees with an entry in the minutes designating the depository institution.
Procedure 5: For a minimum of two months (to be selected by the CPA) trace any interest income from the bank statement to the district's cash receipts records.	No exceptions were noted as a result of applying this procedure.
Procedure 6: For a minimum of two separate months (to be selected by the CPA), trace non-mail cash receipts from the receipt book to the bookkeeping records to determine if the receipts were properly recorded. Also, for the same two months, trace bookkeeping entries for cash receipts to the bank statement to determine if the receipts are deposited intact and on a timely basis.	We noted one check that was for the reimbursement of expenses. While there was a very detailed listing of the amounts reimbursed, the actual invoices were not attached.
Procedure 7: For approximately 10% of the non-payroll cash disbursements (to be selected by the CPA), trace disbursements from the bookkeeping records to the: related invoice, bank statement, and cancelled check. Also determine the propriety of the disbursements from the operations fund considering the following: The district supervisor shall receive no compensation for services but may receive travel expenses. Travel and expenses are permitted only for supervisors and district employees. Disbursements are not permitted for prizes or as incentives for achievements or attendance at meetings. Disbursements are not permitted for meals at the annual meeting.	No exceptions were noted as a result of applying this procedure.
Procedure 8: For a minimum of one month (to be selected by the CPA) compare the disbursements as recorded in the check register to an entry in the official minutes that approve the disbursements.	No exceptions were noted as a result of applying this procedure.
Procedure 9: Examine evidence of encumbrances and accounts payable and determine if they have been properly stated in the financial statements as of the end of the year. Evidence of encumbrances would include unpaid purchase orders and contracts. Evidence of accounts payable would include unpaid invoices and receiving reports.	The District maintains its records on the cash basis. The amounts reflected on the financial statement were derived from inquiry and a search for payables and encumbrances. The evidence is consistent with the related amount shown on the financial statement.

Procedures:	Results:
Procedure 10: Review the credit card policy and internal controls of the district. For a minimum of two months (to be selected by CPA), review the district's credit card transactions to determine if approvals, expenditure procedures, and proper classification of expenditures were followed. In the agreed upon procedure report, describe the credit card procedure, if the credit card procedures and internal controls are being followed, and if the district's credit cards are only in the name of the district.	The district's credit card policy authorizes the district employees and designated supervisors to use the credit cards for official business purchases only. The credit limit is $1,000. The cards are to be stored in a locked drawer. Monthly statements, including receipts for each transaction, are to be reviewed by the board of supervisors at their monthly meeting. For two months, I noted the use of two credit cards. For the two months chosen, we noted no exceptions. Policies were followed. We did note that the credit cards contain the district name with the former district manager's name also appearing on the statement.
Procedure 11: Review payroll for a minimum of one month (to be selected by CPA) to determine that proper deductions and employer contributions are being made.	For the month chosen, certain payroll taxes were paid based on when the employee worked rather than when the employee was paid resulting in a prepayment of the liability.
Procedure 12: For the last month of the year, review payroll records for each employee to determine if a deduction for KPERS was made.	The district employee's payroll included a deduction for KPERS on the last month of the year.
Procedure 13: Compare the following items in the current year financial statements to the same items in the prior year financial statements to determine if there is a variance of more than 25 percent per fund: 1) total cash receipts, 2) total cash disbursements. 3) encumbrances and accounts payable, and 4) ending unencumbered cash balance. For variances larger than 25%, examine the variance, then document and report the reason.	I compared the items as detailed in this procedure and noted that in the Operations fund-Receipts are up 40.2 % ($88,192) and accounts payables are up 76.4% ($89,434), which are primarily due to the State of Kansas tech positions. In the Enterprise fund-Receipts are up 149.1% ($18,653) which is primarily due to increased resale items and equipment rentals. Disbursement are up 131.0% ($19,732), which is primarily due to increased cost of sales and equipment costs. Payables are down 100% ($2.377) which is primarily due to a prior year outstanding seed bill.
Procedure 14: For a minimum of two months (to be selected by CPA), review the District's month-end statement of cash receipts and disbursements to determine that the ending unencumbered cash balance is greater than or equal to zero**.**	For the two months chosen, the district's unencumbered cash balance was greater than zero.

Procedures:	Results:
Procedure 15: For a minimum of two months (to be selected by CPA), review the official minutes to determine that the minutes have been signed by the chairperson of the board of supervisors.	For the two months chosen, the district's minutes were signed by the chairperson of the board of supervisors.
Procedure 16: Review the district's surety (fidelity) bonds to determine that all employees and officers entrusted with funds or property are covered by such a bond.	The district's public official bond indicates coverage for all employees.

We were engaged by the Board of Supervisors of the Lyon County Conservation District to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not perform an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Combined Statement of Cash Receipts, Cash Disbursements, and Cash Balance. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

This report is intended solely for the use of the Board of Supervisors of the Lyon County Conservation District and the State of Kansas, and is not intended to be, and should not be, used by anyone other than the specified parties.



Cindy Jensen, CPA
Council Grove, KS 66846

November 27, 2024

Cindy Jensen
Certified Public Accountant

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Accountant's Compilation Report

To the Board of Supervisors
Lyon Co. Conservation District
3020 W 18th St., Ste A
Emporia, KS 66801

Management is responsible for the accompanying Combined Statement of Cash Receipts, Cash Disbursements, and Cash Balances-regulatory basis of the Lyon County Conservation District for the year ended December 31, 2023 and for determining that the Kansas regulatory basis of accounting is an acceptable financial reporting framework in the circumstances. I have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statement nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on this financial statement.

The financial statement included in the accompanying prescribed form is presented in accordance with the Kansas Municipal Audit and Accounting Guide. The financial statement is prepared in accordance with the regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in a financial statement prepared on the Kansas regulatory basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the Organization's assets, liabilities, unencumbered cash balances, cash receipts, cash disbursements, and cash flows. Accordingly, this financial statement is not designed for those who are not informed about such matters.

This report is intended solely for the use of the Board of Supervisors and Management of Lyon County Conservation District and is not intended to be and should not be used by anyone other than the specified parties.

Cindy Jensen CPA

Cindy Jensen, CPA
November 27, 2024

Lyon County Conservation District
Combined Statement of Cash Receipts, Cash Disbursements and Cash Balance
Regulatory Basis
For the Year Ended December 31, 2023

	Operations Fund	Enterprise Fund	Total
Beginning Cash Balance, January 1	$ 332,789	$ 43,584	$ 376,373
Cash Receipts			
State of Kansas	256,012	0	256,012
Appropriation-County	35,000	0	35,000
Retail sales	0	22,080	22,080
Equipment rental	0	4,548	4,548
Interest	1,201	0	1,201
Chase County reimbursement	14,541	0	14,541
Annual meeting	0	700	700
Other	824	3,837	4,661
Total Cash Receipts	307,578	31,165	338,743
Total Available Cash	640,367	74,749	715,116
Cash Disbursements			
Cost of resale items	0	18,396	18,396
Salaries, benefits & taxes	183,584	0	183,584
Travel & meetings	11,224	603	11,827
Annual meeting	0	0	0
Other administration	3,927	4,371	8,298
Information & education	5,688	1,179	6,867
Equipment	0	10,013	10,013
Other	9	232	241
Total Cash Disbursements	204,432	34,794	239,226
Ending Cash Balance	435,935	39,955	475,890
Outstanding Encumbrances and Accounts Payable	206,477	0	206,477
Ending Unencumbered Cash, December 31	$ 229,458	$ 39,955	$ 269,413
Composition of Cash			
Checking account	$ 312,269	$ 39,955	$ 352,224
Money market account	58,733	0	58,733
Certificates of deposit	64,933	0	64,933
Total Cash	$ 435,935	$ 39,955	$ 475,890

See accompanying accountant's compilation report.