EDWARDS COUNTY, KANSAS

FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
and
UNIFORM GUIDANCE REPORTS

YEAR ENDED DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
County of Edwards, Kansas

Adverse and Unmodified Opinions

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Edwards County, Kansas, as of and for the year ended December 31, 2024 and the related notes to 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 and Unmodified Opinions section of our report, the accompanying financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Edwards County, Kansas, as of December 31, 2024, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of Edwards County, Kansas, as of December 31, 2024, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), 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*. 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 Edwards 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 adverse and unmodified audit opinions.

Matter Giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As discussed in Note A of the financial statement, the financial statement is prepared by Edwards County, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

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 A; 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.

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Edwards County, Kansas' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 *Government Auditing Standards* 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 *Government Auditing Standards*, we:

- exercise professional judgement 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 Edwards County, Kansas' 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 Edwards County, Kansas' 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 fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures - actual and budget, individual fund schedules of regulatory basis receipts and expenditures, and summary of regulatory basis receipts and disbursements - agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however, are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The schedule of expenditures of federal awards is presented for additional analysis as required by the Title 2 *U.S. Code of Federal Regulations (CFR)* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Edwards County, Kansas as of and for the year ended December 31, 2023 (not presented herein), and have issued our report thereon dated September 5, 2024, which contained an unmodified opinion on the basic financial statement. The 2023 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the website of the Kansas Department of Administration at the following link: https://admin.ks.gov/offices/accounts-reports/local-government/municipal-services/municipal-audits. The 2023 actual column (2023 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended December 31, 2024 (Schedule 2 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 2023 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 2023 basic financial statement. The 2023 comparative information was subjected to the auditing procedures applied in the audit of the 2023 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 2023 basic financial statement or to the 2023 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 2023 comparative information is fairly stated in all material respects in relation to the 2023 basic financial statement as a whole for the year ended December 31, 2023, on the basis of accounting described in Note A.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2025, on our consideration of Edwards County, Kansas' 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 Edwards County, Kansas' 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 Edwards County, Kansas' internal control over financial reporting and compliance.

Kennedy McKee & Company LLP

November 13, 2025

EDWARDS COUNTY, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS

For the Year Ended December 31, 2024

Funds	Beginning unencumbered cash balance	Prior year canceled encumbrances	Receipts
General fund	$ 776,514	$ -	$ 3,176,958
Special purpose funds:			
Road and bridge	343,518	-	1,297,129
Noxious weed	4,700	-	117,978
Employee benefits	979,760	-	1,116,240
Health	39,622	-	222,475
Hospital maintenance	7,687	-	398,880
Special drug and alcohol	2,801	-	847
Special parks and recreation	1,592	-	770
Noxious weed capital outlay	59,320	-	20,000
Edwards County 911	140,946	-	70,025
Non-budgeted special purpose funds:			
Economic development	-	-	55,000
Special law enforcement	10,193	-	-
Kansas fights addiction	5,260	-	5,185
Lef and diversion	65,550	-	10,944
Special drug enforcement	39,696	-	-
Special highway improvement	231,770	-	50,000
Special machinery	308,785	-	100,000
Multi-year capital improvement	781,138	-	250,000
Equipment reserve	947,682	-	500,000
COPS grant	-	-	1,207,533
Deeds technology	55,456	-	6,956
Skybound IRB	-	-	750,000
Concealed carry handgun	6,378	-	390
COVID-19 grant	21,543	-	54,684
WFD	-	-	41,358
Emergency preparedness	7,207	-	720
Offender registration	9,719	-	1,560
Clerk technology	9,058	-	1,581
Treasurer technology	9,880	-	1,609
24th Judicial district drug-alcohol	-	-	702
KDOT grant	-	-	2,005,400
Prosecutor's training and assistance	6,137	-	703
Special motor vehicle	18,715	-	30,877
Total special purpose funds	4,114,113	-	8,319,546
Business fund:			
Risk management reserve	970,008	-	992,318
Bond and interest fund:			
Bond and interest	-	-	269,986
Capital project fund:			
Capital project	1,454,683	-	-
Total reporting entity - excluding agency funds	$ 7,315,318	$ -	$ 12,758,808
Composition of cash balance:			
Cash on hand			
Checking accounts			
Money market account			
Certificates of deposit			
Total cash			
Agency funds			
Total reporting entity - excluding agency funds			

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

STATEMENT 1

Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
$ 3,042,690	$ 910,782	$ 87,415	$ 998,197
1,394,349	246,298	13,897	260,195
106,040	16,638	1,351	17,989
1,380,879	715,121	8,462	723,583
130,674	131,423	-	131,423
404,500	2,067	-	2,067
1,925	1,723	-	1,723
-	2,362	-	2,362
-	79,320	-	79,320
48,756	162,215	-	162,215
55,000	-	-	-
-	10,193	-	10,193
-	10,445	-	10,445
10,479	66,015	-	66,015
-	39,696	-	39,696
175,297	106,473	-	106,473
261,360	147,425	37,507	184,932
291,420	739,718	42,728	782,446
402,476	1,045,206	-	1,045,206
1,209,985	(2,452)	2,452	-
-	62,412	-	62,412
178,588	571,412	32,200	603,612
-	6,768	-	6,768
76,227	-	-	-
58,764	(17,406)	-	(17,406)
3,206	4,721	-	4,721
1,182	10,097	-	10,097
-	10,639	-	10,639
-	11,489	-	11,489
687	15	-	15
3,000,000	(994,600)	994,600	-
338	6,502	-	6,502
33,548	16,044	-	16,044
9,225,680	3,207,979	1,133,197	4,341,176
887,506	1,074,820	232,773	1,307,593
178,277	91,709	-	91,709
1,400,000	54,683	-	54,683
$ 14,734,153	$ 5,339,973	$ 1,453,385	$ 6,793,358

$	37,687
	8,885,112
	3,010,724
	1,893,000
	13,826,523
	(7,033,165)
$	6,793,358

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the County's financial statement. The financial statement, notes, and schedules are the representations of the County's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Edwards County, Kansas, is a municipal corporation governed by an elected three-member commission. A related municipal entity is an entity established to benefit the County and/or its constituents. This regulatory financial statement does not include the following related municipal entities:

Edwards County Hospital. The members of the governing board of the Hospital are appointed by the County Commissioners. Although the County Commissioners do not have the authority to modify or approve the Hospital's operating budget, the Hospital is fiscally dependent on the County because the County provides substantial support.

Edwards County Historical Society. The Historical Society's governing body members are appointed by the County Commissioners. The Society is fiscally dependent upon the County because the operating budget is approved by the County Commissioners and the County provides substantial financial support to the Society.

Edwards County Fair Board. The Fair Board is fiscally dependent upon the County because the County provides substantial financial support.

2. Basis of Presentation – Fund Accounting

The accounts of the County are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the County for the year ended December 31, 2024:

REGULATORY BASIS FUND TYPES

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 regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Basis of Presentation – Fund Accounting (Continued)

REGULATORY BASIS FUND TYPES (CONTINUED)

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

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

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

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

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows other than those mentioned above.

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

4. Budgetary Information

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

a. Preparation of the budget for the succeeding calendar year on or before August 1st.

b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.

c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.

d. Adoption of the final budget on or before August 25th.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

If the municipality is holding a revenue neutral rate hearing, the budget timeline for the public hearing is adjusted to no sooner than August 20th and no later than September 20th, but at least ten days after all statutory notification and publication requirements have been meet. Municipal budgets requiring a hearing to exceed the revenue neutral rate should be adopted on or before October 1st but may not be adopted prior to the revenue neutral rate hearing. The County did hold a revenue neutral rate hearing for this year.

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

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

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory 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 municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for agency funds, the business fund, the capital project fund, and the following special purpose funds:

Economic Development
Special Law Enforcement
Kansas Fights Addiction
Lef and Diversion
Special Drug Enforcement
Special Highway Improvement
Special Machinery
Multi-Year Capital Improvement
Equipment Reserve
COPS Grant
Deeds Technology
Skybound IRB
Concealed Carry Handgun
COVID-19 Grant
WFD
Emergency Preparedness
Offender Registration
Clerk Technology
Treasurer Technology
24th Judicial District Drug-Alcohol
KDOT Grant
Prosecutor's Training and Assistance
Special Motor Vehicle

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

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law but are offered for consideration of the Director of Accounts and Reports, the Kansas Department of Administration, and legal representatives of the County.

K.S.A. 9-1402 requires the County to obtain security for deposits in excess of FDIC coverage. At year-end, the County had deposits at one financial institution that were in excess of FDIC coverage and pledged securities by $1,200.

The cash basis law provided by K.S.A. 10-1113 prohibits the creation of indebtedness in any fund in excess of monies available in that fund. At year end, the COPS Grant, WFD, and KDOT Grant funds had unencumbered cash deficits of $2,452, $17,406, and $994,600. According to K.S.A. 12-1664, the County is not prohibited from financing the federal share of a local program from current funds, if available.

C. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the County. The statute requires banks eligible to hold the County's funds to have a main or branch bank in the County, 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.

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. All deposits were legally secured at December 31, 2024.

At December 31, 2024 the County's carrying amount of deposits, including certificates of deposit, was $13,788,836 and the bank balance was $13,991,199. Of the bank balance, $6,536,443 was covered by federal depository insurance and $7,453,556 was collateralized with securities held by the pledging financial institution's agents in the County's name, and the balance of $1,200 was unsecured.

D. LONG-TERM DEBT

Changes in long-term liabilities for the County for the year ended December 31, 2024, were as follows:

Issue	Balance beginning of year	Additions/ net change	Reductions/ net change	Balance end of year	Interest paid
General obligation bond:					
Road Improvements					
Series 2023-A					
Issued October 24, 2023					
In the amount of $1,470,000					
At interest rate of 4.25%					
Maturing September 1, 2033	$1,470,000	$ -	$ 125,000	$1,345,000	$ 53,277

D. LONG-TERM DEBT (CONTINUED)

Issue	Balance beginning of year	Additions/ net change	Reductions/ net change	Balance end of year	Interest paid
Finance leases:					
2019 Caterpillar Motor Grader Issued July 15, 2019 In the amount of $199,856 At interest rate of 3.35% Maturing July 16, 2024	$ 42,649	$ -	$ 42,649	$ -	$ 1,429
ASTRO Site Repeater Issued June 23, 2023 In the amount of $1,495,698 At interest rate of 4.66% Maturing July 1, 2033	1,495,698	-	120,815	1,374,883	69,700
OFCI 300' GT Tower Issued October 15, 2023 In the amount of $447,332 At interest rate of 5.09% Maturing July 1, 2033	447,332	-	40,957	406,375	16,448
Total leases	1,985,679	-	204,421	1,781,258	87,577
Total long-term debt	$3,455,679	$ -	$ 329,421	$3,126,258	$ 140,854

Current maturities of the general obligation bond and interest for the next five years and through maturity are as follows:

	Principal due	Interest due	Total due
2025	$ 125,000	$ 57,163	$ 182,163
2026	130,000	51,850	181,850
2027	135,000	46,325	181,325
2028	140,000	40,587	180,587
2029	150,000	34,638	184,638
2030-2033	665,000	72,038	737,038
Total	$ 1,345,000	$ 302,601	$ 1,647,601

Current maturities of finance leases and interest for the next five years and through maturity are as follows:

	Principal due	Interest due	Total due
2025	$ 163,161	$ 84,758	$ 247,919
2026	170,923	76,996	247,919
2027	179,054	68,865	247,919
2028	187,573	60,347	247,920
2029	196,497	51,422	247,919
2030-2033	884,050	107,627	991,677
Total	$ 1,781,258	$ 450,015	$ 2,231,273

E. OPERATING LEASE

On February 24, 2023, the County entered into a lease agreement for a postage machine. The agreement calls for monthly payments of $337 for sixty-three months. Payments totaling $3,242 were made in 2024.

The following is a yearly schedule of future minimum rental payments under the operating leases:

2025	$ 4,043
2026	4,043
2027	4,043
2028	3,292
	$ 15,421

F. CAPITAL PROJECTS

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	Project commitments authorized	Cash disbursements and accounts payable to date	Remaining financial commitment
Road O Improvements	$ 3,097,124	$ 3,000,000	$ 97,124
Road S Improvements	1,454,683	1,400,000	54,683
Total	$ 4,551,807	$ 4,400,000	$ 151,807

G. TRANSFERS

Operating transfers were as follows:

From	To	Amount	Regulatory authority
General	Economic Development	$ 50,000	K.S.A. 19-4102
General	Multi-year Capital Improvement	250,000	K.S.A. 19-120
General	Equipment Reserve	500,000	K.S.A. 19-119
Road and Bridge	Special Highway Improvement	50,000	K.S.A. 68-590
Road and Bridge	Special Machinery	100,000	K.S.A. 68-141g
Noxious Weed	Noxious Weed Capital Outlay	20,000	K.S.A. 2-1318
Special Motor Vehicle	General	18,715	K.S.A. 8-145
Total operating transfers		$ 988,715	

Transfers to related municipal entities:

From	To	Amount
General	County Fair	$ 13,000
General	Historical Society	12,000
Hospital Maintenance	Edwards County Hospital	404,500
Total transfers to related municipal entities		$ 429,500

H. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

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

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by the County 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 the Death and Disability Program) and the statutory contribution rate was 9.26% for the fiscal year ended December 31, 2024. Contributions to the pension plan from the County were $171,915 for the year ended December 31, 2024.

Net Pension Liability

At December 31, 2024, the County's proportionate share of the collective net pension liability reported by KPERS was $1,725,682. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The County's proportion of the net pension liability was based on the ratio of the County's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

I. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other post-employment benefits. As provided by K.S.A. 12-5040, the County allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the County is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

I. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS (CONTINUED)

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.

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 was set at 1% and contributions were $17,710 for the year ended December 31, 2024.

Section 125 cafeteria plan. The County offers a Section 125 cafeteria plan for all employees electing to participate. It can be used for certain disability insurance premiums, dental, vision, and medical expenses. The plan is administered by an independent insurance company.

Vacation leave. The County's policies regarding vacations permit non-elected employees to accumulate and carry over up to 120 hours of vacation. Upon termination or resignation from service with the County, employees are entitled to payment for all accrued vacation earned prior to termination or resignation, provided two weeks' notice is given.

Sick leave. The County's policies regarding sick leave permit non-elected employees on permanent status to accumulate up to 720 hours of sick leave. Upon termination or resignation from service with the County, employees are entitled to payment for up to fifty percent of accrued sick leave earned prior to termination or resignation, provided two weeks' notice is given.

J. CONTINGENCIES

The County receives Federal and State grants for specific purposes that are subject to review and audit by Federal and State agencies. Such audits could result in a request for reimbursement for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of County management, such disallowances, if any, would be insignificant.

K. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and medical needs of employees. The County participates in public entity risk pools to cover property, liability, and worker's compensation claims. There have been no significant reductions in coverage from the prior year. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three years.

L. PUBLIC ENTITY RISK POOLS

The County is a member of the Kansas Workers Risk Cooperative for Counties (KWORCC), a group-funded pool for workers compensation coverage which was formed through the Kansas Municipal Group-Funded Pool Act, K.S.A. 12-2616, et seq. This is a public entity risk pool which operates as a common risk management and insurance program for member counties. The County pays an annual contribution to the Cooperative as determined by the Board of Trustees based upon experience modification factors, payroll audits and any other bases the Board considers appropriate. It is not possible to estimate the maximum contributions which could be required. KWORCC covers claims up to $850,000 each and aggregate excess reinsurance provides aggregate coverage up to $1,000,000. Except for required contributions, no member can be held responsible for any claims made against any other member.

The County is also a member of the Kansas County Association Multi-Line Pool (KCAMP), a group-funded pool for property, liability, crime, and surety coverage which was formed through the Kansas Municipal Group-Funded Pool Act, K.S.A. 12-2616, et seq. This is a public entity risk pool which operates as a common risk management and insurance program for member counties. The County pays an annual contribution to the Pool as determined by the Board of Trustees. It is not possible to estimate the maximum contributions which could be required. KCAMP covers property loss up to the scheduled amount of values on file, which is $36,332,629, $500,000 for liability and $1,000,000 for crime. Excess reinsurance provides aggregate coverage up to $3,000,000 for liability. Except for required contributions, no member can be held responsible for any claims made against any other member.

M. MEDICAL SELF-INSURANCE

The County maintains a self-insurance program that is handled by an outside administrator who determines claims to be paid by the County. A stop loss insurance policy is purchased by the County to cover claims above $40,000 per employee. Changes in claims liability for the past two years have been as follows:

	Beginning of year liability	Claims and changes in estimates	Stop loss reimbursement	Claim payments	End of year liability
2023	$ 61,166	$ 494,838	$ -	$ 515,056	$ 40,948
2024	40,948	592,964	-	401,139	232,773

N. COMMITMENTS

In September 2021, Edwards County entered into an agreement with Ford County to operate and maintain an emergency service communication center for Edwards County. The term of the agreement is five years and requires an annual payment of $30,000.

O. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 13, 2025, the date on which the financial statement was available to be used. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in the financial statement.

REGULATORY–REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE 1

EDWARDS COUNTY, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024

Funds	Certified budget	Adjustment for qualifying budget credits	Total budget for comparison	Expenditures chargeable to current year	Variance favorable (unfavorable)
General fund	$ 3,184,229	$ -	$ 3,184,229	$ 3,042,690	$ 141,539
Special purpose funds:					
Road and bridge	1,464,300	-	1,464,300	1,394,349	69,951
Noxious weed	117,600	-	117,600	106,040	11,560
Employee benefits	1,819,500	-	1,819,500	1,380,879	438,621
Health	251,000	-	251,000	130,674	120,326
Hospital maintenance	404,500	-	404,500	404,500	-
Special drug and alcohol	10,000	-	10,000	1,925	8,075
Special parks and recreation	8,000	-	8,000	-	8,000
Noxious weed capital outlay	65,320	-	65,320	-	65,320
Edwards County 911	290,000	-	290,000	48,756	241,244
Bond and interest fund:					
Bond and interest	189,230	-	189,230	178,277	10,953
Total	$ 7,803,679	$ -	$ 7,803,679	$ 6,688,090	$ 1,115,589

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	$ 1,791,598	$ 2,175,008	$ 2,157,119	$ 17,889
Delinquent tax	26,030	38,885	10,000	28,885
Motor vehicle tax	108,766	101,658	104,233	(2,575)
Recreational vehicle tax	1,988	1,889	1,861	28
16/20M truck tax	18,893	21,919	18,579	3,340
Commercial vehicle tax	8,521	8,402	8,512	(110)
Interest on delinquent tax	24,326	41,364	30,000	11,364
In lieu of tax	847	989	-	989
Motor vehicle excise tax	6	2	-	2
Shared revenue:				
Local sales tax	256,642	269,756	175,000	94,756
Mineral production tax	7,519	6,642	2,500	4,142
Local alcohol tax	2,874	770	2,204	(1,434)
State assistance	3,673	3,661	-	3,661
Licenses, permits and fees:				
County officer fees	31,891	39,063	30,000	9,063
Other fees	21,003	23,006	10,000	13,006
Charges for services:				
Law enforcement contract	160,000	160,000	120,000	40,000
Interest	197,060	247,494	20,000	227,494
Miscellaneous	39,816	35,831	10,000	25,831
Transfer from special motor vehicle	13,496	18,715	10,000	8,715
Neighborhood revitalization	(14,093)	(18,096)	(18,533)	437
Total receipts	2,700,856	3,176,958	$ 2,691,475	$ 485,483
Expenditures:				
General government:				
County commissioners	61,834	63,228	$ 65,000	$ 1,772
County clerk	105,838	112,196	113,000	804
County treasurer	88,996	96,689	121,000	24,311
County attorney	107,799	112,201	112,700	499
Register of deeds	80,519	88,056	95,400	7,344
District court	45,652	66,369	55,841	(10,528)
Courthouse general	464,679	416,720	412,000	(4,720)
Appraisal	128,136	108,176	155,900	47,724
Extension office	681	-	-	-

EDWARDS COUNTY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
General government (continued):				
Zoning	$ (12,798)	$ 18,795	$ 10,500	$ (8,295)
Election	29,678	39,726	56,000	16,274
Insurance cost	122,940	120,173	153,600	33,427
Soil conservation	29,320	29,320	29,320	-
	1,253,274	1,271,649	1,380,261	108,612
Public safety:				
Sheriff	497,441	554,312	573,721	19,409
Emergency preparedness	9,659	8,771	11,000	2,229
	507,100	563,083	584,721	21,638
Health and welfare:				
Ambulance	134,196	131,840	134,196	2,356
Mental health	28,551	28,551	28,551	-
Mental retardation	31,500	31,500	31,500	-
	194,247	191,891	194,247	2,356
Public works:				
Prairie dog	2,970	-	2,000	2,000
Culture and recreation:				
Fairgrounds maintenance	35,700	17,295	23,000	5,705
Sanitation:				
Transfer station	124,588	173,772	195,000	21,228
Transfers out:				
Equipment reserve	150,000	500,000	500,000	-
Multi-year capital improvement	150,000	250,000	230,000	(20,000)
Economic development	40,000	50,000	50,000	-
	340,000	800,000	780,000	(20,000)

EDWARDS COUNTY, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Transfers to related municipal entities:				
County fair	$ 13,000	$ 13,000	$ 13,000	$ -
Historical society	12,000	12,000	12,000	-
	25,000	25,000	25,000	-
Total expenditures	2,482,879	3,042,690	$ 3,184,229	$ 141,539
Receipts over (under) expenditures	217,977	134,268		
Unencumbered cash, beginning of year	558,537	776,514	$ 492,754	$ 283,760
Unencumbered cash, end of year	$ 776,514	$ 910,782		

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

ROAD AND BRIDGE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	$ 947,538	$ 847,191	$ 840,202	$ 6,989
Delinquent tax	13,206	17,566	10,000	7,566
Motor vehicle tax	54,637	53,671	55,125	(1,454)
Recreational vehicle tax	1,002	999	984	15
16/20M truck tax	8,353	11,048	9,825	1,223
Commercial vehicle tax	4,294	4,443	4,501	(58)
In lieu of tax	448	385	-	385
Shared revenue:				
Gasoline tax	271,016	271,780	268,628	3,152
Federal assistance	30,429	19,749	-	19,749
State assistance	34,447	42,147	-	42,147
Charges for services	21,743	35,198	-	35,198
Neighborhood revitalization	(7,454)	(7,048)	(7,218)	170
Total receipts	1,379,659	1,297,129	$ 1,182,047	$ 115,082
Expenditures:				
Highways, streets and bridges:				
Personal services	465,638	509,287	$ 550,000	$ 40,713
Commodities	422,587	626,914	655,400	28,486
Contractual services	118,981	97,477	208,900	111,423
Capital outlay	9,586	10,671	50,000	39,329
Transfers out:				
Special machinery	250,000	100,000	-	(100,000)
Special highway improvement	150,000	50,000	-	(50,000)
Total expenditures	1,416,792	1,394,349	$ 1,464,300	$ 69,951
Receipts over (under) expenditures	(37,133)	(97,220)		
Unencumbered cash, beginning of year	380,651	343,518	$ 282,253	$ 61,265
Unencumbered cash, end of year	$ 343,518	$ 246,298		

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

NOXIOUS WEED FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	$ 92,515	$ 109,700	$ 108,804	$ 896
Delinquent tax	1,306	1,921	500	1,421
Motor vehicle tax	5,435	5,243	5,381	(138)
Recreational vehicle tax	100	98	96	2
16/20M truck tax	899	1,097	959	138
Commercial vehicle tax	426	434	439	(5)
In lieu of tax	44	50	-	50
Licenses, permits and fees:				
Other fees	-	348	-	348
Neighborhood revitalization	(728)	(913)	(935)	22
Total receipts	99,997	117,978	$ 115,244	$ 2,734
Expenditures:				
Highways, streets and bridges:				
Personal services	47,899	49,853	$ 50,775	$ 922
Commodities	87,842	55,890	122,600	66,710
Contractual services	6,692	7,607	10,225	2,618
Capital outlay	-	1,790	5,000	3,210
Reimbursed expenditures	(46,394)	(29,100)	(71,000)	(41,900)
Transfers out:				
Noxious weed capital outlay	17,500	20,000	-	(20,000)
Total expenditures	113,539	106,040	$ 117,600	$ 11,560
Receipts over (under) expenditures	(13,542)	11,938		
Unencumbered cash, beginning of year	18,242	4,700	$ 2,356	$ 2,344
Unencumbered cash, end of year	$ 4,700	$ 16,638		

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

EMPLOYEE BENEFITS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	$ 1,486,343	$ 990,496	$ 982,324	$ 8,172
Delinquent tax	20,880	23,615	5,000	18,615
Motor vehicle tax	85,523	84,170	86,475	(2,305)
Recreational vehicle tax	1,568	1,566	1,544	22
16/20M truck tax	15,495	17,213	15,413	1,800
Commercial vehicle tax	6,692	6,969	7,061	(92)
In lieu of tax	703	450	-	450
Neighborhood revitalization	(11,692)	(8,239)	(8,439)	200
Total receipts	1,605,512	1,116,240	$ 1,089,378	$ 26,862
Expenditures:				
General government:				
Social security	120,411	133,257	$ 148,500	$ 15,243
KPERS	182,339	180,086	176,000	(4,086)
Vision and life insurance	9,069	9,617	15,000	5,383
Short-term disability	10,222	12,418	15,000	2,582
Health insurance premiums	837,055	972,582	1,375,000	402,418
Kansas unemployment tax	3,383	1,388	10,000	8,612
Worker's compensation insurance	21,787	24,898	25,000	102
Dental insurance	40,109	44,338	45,000	662
Flexible spending	2,653	2,295	10,000	7,705
Total expenditures	1,227,028	1,380,879	$ 1,819,500	$ 438,621
Receipts over (under) expenditures	378,484	(264,639)		
Unencumbered cash, beginning of year	601,276	979,760	$ 730,122	$ 249,638
Unencumbered cash, end of year	$ 979,760	$ 715,121		

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

HEALTH FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	$ 111,636	$ 128,437	$ 127,381	$ 1,056
Delinquent tax	1,658	2,405	-	2,405
Motor vehicle tax	6,836	6,336	6,493	(157)
Recreational vehicle tax	125	118	116	2
16/20M truck tax	1,317	1,373	1,157	216
Commercial vehicle tax	534	524	530	(6)
In lieu of tax	53	58	-	58
Shared revenue:				
Federal and state assistance	39,221	65,227	35,000	30,227
Charges for services	19,466	15,309	35,000	(19,691)
Other	1,707	3,757	-	3,757
Neighborhood revitalization	(878)	(1,069)	(1,094)	25
Total receipts	181,675	222,475	$ 204,583	$ 17,892
Expenditures:				
Health and welfare:				
Personal services	174,217	96,410	$ 195,000	$ 98,590
Commodities	2,736	4,275	28,000	23,725
Contractual services	21,841	26,575	28,000	1,425
Capital outlay	2,324	3,414	-	(3,414)
Total expenditures	201,118	130,674	$ 251,000	$ 120,326
Receipts over (under) expenditures	(19,443)	91,801		
Unencumbered cash, beginning of year	59,065	39,622	$ 46,417	$ (6,795)
Unencumbered cash, end of year	$ 39,622	$ 131,423		

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

HOSPITAL MAINTENANCE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem tax	$ 369,937	$ 367,722	$ 364,700	$ 3,022
Delinquent tax	4,875	6,570	1,000	5,570
Motor vehicle tax	21,528	20,967	21,521	(554)
Recreational vehicle tax	395	390	384	6
16/20M truck tax	2,265	4,388	3,836	552
Commercial vehicle tax	1,705	1,735	1,757	(22)
In lieu of tax	176	167	-	167
Neighborhood revitalization	(2,910)	(3,059)	(3,133)	74
Total receipts	397,971	398,880	$ 390,065	$ 8,815
Expenditures:				
Transfer to related municipal entity	404,500	404,500	$ 404,500	$ -
Receipts over (under) expenditures	(6,529)	(5,620)		
Unencumbered cash, beginning of year	14,216	7,687	$ 14,435	$ (6,748)
Unencumbered cash, end of year	$ 7,687	$ 2,067		

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

SPECIAL DRUG AND ALCOHOL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Local alcohol and liquor tax	$ 3,402	$ 847	$ 5,000	$ (4,153)
Expenditures:				
Health and welfare:				
Contractual services	2,475	1,925	$ 10,000	$ 8,075
Receipts over (under) expenditures	927	(1,078)		
Unencumbered cash, beginning of year	1,874	2,801	$ 5,000	$ (2,199)
Unencumbered cash, end of year	$ 2,801	$ 1,723		

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

SPECIAL PARKS AND RECREATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Local alcohol and liquor tax	$ 2,875	$ 770	$ 2,000	$ (1,230)
Expenditures:				
Culture and recreation:				
Contractual services	5,619	-	$ 8,000	$ 8,000
Receipts over (under) expenditures	(2,744)	770		
Unencumbered cash, beginning of year	4,336	1,592	$ 6,000	$ (4,408)
Unencumbered cash, end of year	$ 1,592	$ 2,362		

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

NOXIOUS WEED CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Transfer from noxious weed	$ 17,500	$ 20,000	$ -	$ 20,000
Expenditures:				
Highways, streets and bridges:				
Capital outlay	16,000	-	$ 65,320	$ 65,320
Receipts over (under) expenditures	1,500	20,000		
Unencumbered cash, beginning of year	57,820	59,320	$ 65,320	$ (6,000)
Unencumbered cash, end of year	$ 59,320	$ 79,320		

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

EDWARDS COUNTY 911 FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Licenses, permits and fees	$ 59,956	$ 64,977	$ 60,000	$ 4,977
Interest	7,260	5,048	5,000	48
Total receipts	67,216	70,025	$ 65,000	$ 5,025
Expenditures:				
Public safety:				
Contractual services	39,005	40,598	$ 60,000	$ 19,402
Capital outlay	102,568	8,158	230,000	221,842
Total expenditures	141,573	48,756	$ 290,000	$ 241,244
Receipts over (under) expenditures	(74,357)	21,269		
Unencumbered cash, beginning of year	215,303	140,946	$ 225,000	$ (84,054)
Unencumbered cash, end of year	$ 140,946	$ 162,215		

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024

	Economic development	Special law enforcement	Kansas fights addiction	Lef and diversion	Special drug enforcement
Receipts:					
Federal and state assistance	$ 5,000	$ -	$ 5,185	$ -	$ -
Local donation	-	-	-	-	-
Licenses, permits and fees	-	-	-	10,944	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
Transfers in	50,000	-	-	-	-
Total receipts	55,000	-	5,185	10,944	-
Expenditures:					
Personal services	50,000	-	-	-	-
Commodities	-	-	-	-	-
Contractual services	-	-	-	-	-
Capital outlay	-	-	-	10,479	-
Other	5,000	-	-	-	-
Debt service	-	-	-	-	-
Transfers out	-	-	-	-	-
Total expenditures	55,000	-	-	10,479	-
Receipts over (under) expenditures	-	-	5,185	465	-
Unencumbered cash, beginning of year	-	10,193	5,260	65,550	39,696
Unencumbered cash (deficit), end of year	$ -	$ 10,193	$ 10,445	$ 66,015	$ 39,696

Special highway improvement	Special machinery	Multi-year capital improvement	Equipment reserve	COPS grant	Deeds technology	Skybound IRB
$ -	$ -	$ -	$ -	$ 1,207,533	$ -	$ -
-	-	-	-	-	-	750,000
-	-	-	-	-	5,065	-
-	-	-	-	-	1,891	-
-	-	-	-	-	-	-
50,000	100,000	250,000	500,000	-	-	-
50,000	100,000	250,000	500,000	1,207,533	6,956	750,000
-	-	-	-	-	-	-
124,780	37,508	-	-	-	-	-
50,517	-	-	-	-	-	118,581
-	179,774	291,420	154,556	1,209,985	-	60,007
-	-	-	-	-	-	-
-	44,078	-	247,920	-	-	-
-	-	-	-	-	-	-
175,297	261,360	291,420	402,476	1,209,985	-	178,588
(125,297)	(161,360)	(41,420)	97,524	(2,452)	6,956	571,412
231,770	308,785	781,138	947,682	-	55,456	-
$ 106,473	$ 147,425	$ 739,718	$ 1,045,206	$ (2,452)	$ 62,412	$ 571,412

EDWARDS COUNTY, KANSAS

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024

	Concealed carry handgun	COVID-19 grant	WFD	Emergency prepared-ness	Offender registration
Receipts:					
Federal and state assistance	$ -	$ 54,684	$ 41,358	$ -	$ -
Local donation	-	-	-	-	-
Licenses, permits and fees	390	-	-	-	1,560
Interest	-	-	-	-	-
Other	-	-	-	720	-
Transfers in	-	-	-	-	-
Total receipts	390	54,684	41,358	720	1,560
Expenditures:					
Personal services	-	64,331	58,764	-	-
Commodities	-	7,672	-	-	-
Contractual services	-	1,590	-	206	1,182
Capital outlay	-	2,634	-	3,000	-
Other	-	-	-	-	-
Debt service	-	-	-	-	-
Transfers out	-	-	-	-	-
Total expenditures	-	76,227	58,764	3,206	1,182
Receipts over (under) expenditures	390	(21,543)	(17,406)	(2,486)	378
Unencumbered cash, beginning of year	6,378	21,543	-	7,207	9,719
Unencumbered cash (deficit), end of year	$ 6,768	$ -	$ (17,406)	$ 4,721	$ 10,097

See Independent Auditor's Report.

Clerk technology	Treasurer technology	24th Judicial district drug-alcohol	KDOT Grant	Prosecutor's training and assistance	Special motor vehicle	Total
$ -	$ -	$ -	$ 2,005,400	$ -	$ -	$ 3,319,160
-	-	-	-	-	-	750,000
1,266	1,267	702	-	703	30,877	52,774
315	342	-	-	-	-	2,548
-	-	-	-	-	-	720
-	-	-	-	-	-	950,000
1,581	1,609	702	2,005,400	703	30,877	5,075,202
-	-	-	-	-	6,166	179,261
-	-	-	-	-	2,922	172,882
-	-	687	-	338	5,745	178,846
-	-	-	3,000,000	-	-	4,911,855
-	-	-	-	-	-	5,000
-	-	-	-	-	-	291,998
-	-	-	-	-	18,715	18,715
-	-	687	3,000,000	338	33,548	5,758,557
1,581	1,609	15	(994,600)	365	(2,671)	(683,355)
9,058	9,880	-	-	6,137	18,715	2,534,167
$ 10,639	$ 11,489	$ 15	$ (994,600)	$ 6,502	$ 16,044	$ 1,850,812

EDWARDS COUNTY, KANSAS

RISK MANAGEMENT RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts:		
Premiums	$ 911,069	$ 983,616
Interest	7,433	8,702
Total receipts	918,502	992,318
Expenditures:		
Health and welfare:		
Contractual services	763,875	887,506
Receipts over (under) expenditures	154,627	104,812
Unencumbered cash, beginning of year	815,381	970,008
Unencumbered cash, end of year	$ 970,008	$ 1,074,820

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

BOND AND INTEREST

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

		2024		
	2023	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	$ -	$ 192,423	$ 190,842	$ 1,581
Delinquent tax	-	1,619	-	1,619
Interest	-	77,458	-	77,458
Other	-	87	-	87
Neighborhood revitalization	-	(1,601)	(1,612)	11
Total receipts	-	269,986	$ 189,230	$ 80,756
Expenditures:				
Debt service:				
Principal	-	125,000	$ 124,936	$ (64)
Interest	-	53,277	60,000	6,723
Issuance costs	-	-	4,294	4,294
Total expenditures	-	178,277	$ 189,230	$ 10,953
Receipts over (under) expenditures	-	91,709		
Unencumbered cash, beginning of year	-	-	$ -	$ -
Unencumbered cash, end of year	$ -	$ 91,709		

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

CAPITAL PROJECT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2024
(With Comparative Actual Totals for the Prior Year Ended December 31, 2023)

	2023	2024
Receipts:		
Bond proceeds	$ 1,470,000	$ -
Expenditures:		
Debt service:		
Issuance costs	15,317	-
Capital outlay	-	1,400,000
Total expenditures	15,317	1,400,000
Receipts over (under) expenditures	1,454,683	(1,400,000)
Unencumbered cash, beginning of year	-	1,454,683
Unencumbered cash, end of year	$ 1,454,683	$ 54,683

See Independent Auditor's Report.

EDWARDS COUNTY, KANSAS

AGENCY FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended December 31, 2024

Funds	Beginning cash balance	Receipts	Disbursements	Ending cash balance
County clerk	$ 314	$ 3,955	$ 3,978	$ 291
Register of deeds	-	52,512	52,512	-
District court	200	10,554	10,554	200
Law library	20,858	3,348	6,729	17,477
Sheriff	3,058	15,380	15,845	2,593
Tax collection accounts	7,198,352	12,448,292	12,664,240	6,982,404
Local taxing districts	-	6,275,996	6,275,996	-
Motor vehicle fees and sales tax collections	11,864	581,529	570,424	22,969
Heritage trust	464	2,533	2,501	496
Payroll clearing funds	5,024	1,909,177	1,907,466	6,735
Total	$ 7,240,134	$ 21,303,276	$ 21,510,245	$ 7,033,165

See Independent Auditor's Report.

APPENDICES

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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*

Board of County Commissioners
Edwards County, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of Edwards County, Kansas as of and for the year ended December 31, 2024, and the related notes to the financial statement, which collectively comprise Edwards County, Kansas' financial statement and have issued our report thereon dated November 13, 2025. Our report on the financial statement disclosed that, as described in Note A to the financial statement, the County has prepared this financial statement on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered Edwards County, Kansas' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County'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 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 or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Edwards County, Kansas' financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

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

Kennedy McKee & Company LLP

November 13, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of County Commissioners
Edwards County, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Edwards County, Kansas' compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2024. The 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 Edwards County, Kansas 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, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations 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 Edwards County, Kansas 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 for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Edwards County, Kansas' 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 Edwards County, Kansas' federal programs.

Auditor's Responsibilities 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 Edwards County, Kansas' 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 generally accepted auditing standards, *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 Edwards County, Kansas' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Edwards County, Kansas' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of Edwards County, Kansas' 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 Edwards County, Kansas' internal control over compliance. Accordingly, no such opinion is 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.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002. Our opinion on the major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on Edwards County, Kansas' response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Edwards County, Kansas' response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001, and 2024-002 to be significant deficiencies.

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 Edwards County, Kansas' response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. Edwards County, Kansas' 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.

Kennedy McKee & Company LLP

November 13, 2025

EDWARDS COUNTY, KANSAS

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2024

Federal grantor/ pass-through grantor/ program title	Federal CFDA number	Pass-through grantor's number	Expenditures	Passthrough to Subrecipients
U.S. Department of Justice				
Direct Award:				
Public Safety Partnership and Community Policing Grant	16.710	N/A	$ 1,209,985	$ -
U.S. Department of Transportation				
Passed through Kansas Department of Transportation:				
Highway Planning and Construction	20.205	C 519901	19,749	-
U.S. Department of Health and Environment				
Passed through Kansas Department of Health & Environment:				
Kansas PHEP Cooperative Agreement	93.069	NU90TP922049-05/06	9,481	-
Migrant	93.224	H80CS00131-22	193	-
Immunization Action Plan	93.268	NH23IP922627-05_25	972	-
COVID-19 - ELC: Enhancing Expansion	93.323	NU50CK000549-02	76,227	-
Workforce Development	93.967	NE11OE000106-01	58,764	-
Total U.S. Department of Health and Environment			145,637	-
Total federal awards			$ 1,375,371	$ -

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

EDWARDS COUNTY, KANSAS

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

December 31, 2024

A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Edwards County, Kansas under programs of the federal government for the year ended December 31, 2024. The information in the 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. The Schedule is presented using a regulatory basis of accounting prescribed by the *Kansas Municipal Audit and Accounting Guide* (as described in Note A to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

B. BASIS OF ACCOUNTING

Expenditures reported on the Schedule are prepared using the regulatory basis of accounting. 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. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances.

C. INDIRECT COST RATE

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

EDWARDS COUNTY, KANSAS

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended December 31, 2024

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an adverse opinion on whether the financial statements of Edwards County, Kansas was prepared in accordance with GAAP.

2. No significant deficiencies or material weaknesses relating to the audit of the financial statement are reported in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*.

3. No instances of noncompliance material to the financial statement of Edwards County, Kansas, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.

4. Two significant deficiencies in internal control over major federal award programs are reported in the Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance. No material weaknesses are reported.

5. The auditor's report on compliance for the major federal award programs for Edwards County, Kansas expresses an unqualified opinion on all major federal programs.

6. Audit findings required to be reported in accordance with 2 CFR section 200.516(a) are reported in this schedule.

7. The program tested as a major program was:

   Public Safety Partnership and Community Policing Grants CFDA 16.710

8. The threshold for distinguishing between Type A and Type B programs was $750,000.

9. Edwards County, Kansas did not qualify as a low-risk auditee.

B. FINDINGS - FINANCIAL STATEMENT AUDIT

None noted.

C . FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

U.S. DEPARTMENT OF JUSTICE

Public Safety Partnership and Community Policing Grant – CFDA 16.710

Grant period: Year Ended December 31, 2024

SIGNIFICANT DEFICIENCY

2024-001: Federal Financial Reporting

Condition and Context: During our audit of the Public Safety Partnership and Community Policing Grant (CFDA 16.710), we were unable to obtain a copy of the required SF-425 (Federal Financial Report) submitted by the County.

Criteria: Per 2 CFR 200.334, Non-Federal entities other than States, including those operating Federal programs as subrecipients of States, must retain financial records, supporting documents, and reports pertinent to federal awards for a period of three years from the date of submission of the final expenditure report. In addition, 2 CFR 200.327 and 200.328 require recipients to submit required financial reports, including the SF-425, to demonstrate accountability for grant expenditures.

Cause: The County does not have adequate recordkeeping procedures in place to ensure that copies of all submitted federal reports, including the SF-425, are retained and available for audit.

Effect: The inability to provide the SF-425 limited our ability to verify compliance with federal reporting requirements. Lack of adequate documentation may result in questioned costs, affect the granting agency's ability to monitor the use of federal funds, and may place the County at risk of administrative findings in future audits.

Recommendation: We recommend that the County implement procedures to ensure that copies of all required federal reports are retained in accordance with federal record retention requirements and made available for audit purposes.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and will establish procedures to ensure that all required federal reports are retained and readily available for future monitoring and audits.

C . FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS (CONTINUED)

U.S. DEPARTMENT OF JUSTICE

Public Safety Partnership and Community Policing Grant – CFDA 16.710

Grant period: Year Ended December 31, 2024

SIGNIFICANT DEFICIENCY

2024-002: Cash Management

Condition and Context: The County does not have a complete set of written cash management policies and procedures required by the Uniform Guidance. The lack of written procedures did not result in any material noncompliance, fraud or abuse with respect to the major program.

Criteria: The Uniform Guidance requires Non-Federal entities other than States, including those operating Federal programs as subrecipients of States, must follow the cash management standards set out at 2 CFR section 200.305. They must have a complete set of written cash management policies, which conform to applicable Federal statutes and the cash management requirements identified in 2 CFR part 200.

Cause: The County was unaware of the written cash management policy requirements required by the Uniform Guidance.

Effect: An important component of internal controls is the existence of operating policies and procedures and that they are clearly understood and communicated. Without clear written policies and procedures, there is a higher risk of noncompliance with program requirements.

Recommendation: Management should determine the scope of written policies needed for compliance with all federal programs and develop policies and procedures to comply with the Uniform Guidance.

Views of Responsible Officials and Planned Corrective Actions: Management agrees with the finding and recommendation. The County's existing policies are currently under review by management and staff to determine what updates/changes are necessary in order to meet the Uniform Guidance requirements. Once any updates/changes are drafted, the policy will be presented to the Governing Body for review and approval.