

**CITY OF LEAVENWORTH, KANSAS**

**SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

**City of Leavenworth, Kansas**  
**Single Audit Report**  
**For the Year Ended December 31, 2022**

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A copy of the City of Leavenworth, Kansas' Annual Comprehensive Financial Report for the year ended December 31, 2022 accompanies this report. The Independent Auditor's Report and the Basic Financial Statements are hereby incorporated by reference.	
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**Independent Auditor's Report on Schedule  
of Expenditures of Federal Awards**

To the Honorable Mayor and Members of the City Commission  
City of Leavenworth, Kansas

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Leavenworth, Kansas (the City), as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We did not audit the financial statements of the Leavenworth Public Library, a discretely presented component unit, which represent 100 percent of the assets, net position, and revenues of the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the report of the other auditors. We issued our report thereon dated June 28, 2023 which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. 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 statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

*Hood and Associates CPAs, PC*

Overland Park, Kansas  
June 28, 2023

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ADDITIONAL INFORMATION

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**Schedule of Expenditures of Federal Awards**  
**Year Ended December 31, 2022**  
**(With Unaudited Cumulative Totals from Inception of the Project)**

Federal Grantor/Program Title	Assistance Listing Number	Pass-Through Grantor's Number	Cumulative Awards Through December 31, 2022 (Unaudited)	Reported Expenditures			Passed Through to Subrecipients
				Cumulative Through December 31, 2021 (Unaudited)	Total for the Year ended December 31, 2022	Cumulative Through December 31, 2022	
<b>U.S. Department of Housing and Urban Development</b>							
CDBG - Entitlement Grants Cluster:							
2020 Community Development Block Grant-Entitlement	14.218		\$ 591,336	\$ 427,546	\$ (4,749)	\$ 422,797	\$ -
2021 Community Development Block Grant-Entitlement	14.218		419,700	134,901	181,103	316,004	30,536
2022 Community Development Block Grant-Entitlement	14.218		338,275	-	109,022	109,022	24,950
COVID-19 Community Development Block Grant	14.218		321,386	304,269	17,117	321,386	13,735
Total CDBG - Entitlement Grants Cluster			<u>1,670,697</u>	<u>866,716</u>	<u>302,493</u>	<u>1,169,209</u>	<u>69,221</u>
Passed through the Kansas Housing Resources Corporation:							
COVID-19 Emergency Solutions Grant	14.231	ESGCV-FFY2020	85,437	85,259	178	85,437	178
2020 Emergency Solutions Grant	14.231	ESG-FFY2020	43,135	21,413	21,722	43,135	20,587
2021 Emergency Solutions Grant	14.231	ESG-FFY2021	78,996	-	39,677	39,677	38,731
Home Investment Partnerships Program (TBRA)	14.239	M20SG200160	90,950	11,944	50,316	62,260	-
Public Housing	14.850	KS0680000122D	270,911	-	270,911	270,911	-
Capital Fund Program	14.872	KS01P06850120	146,692	37,543	-	37,543	-
Capital Fund Program	14.872	KS01P06850121	163,585	-	-	-	-
Capital Fund Program	14.872	KS01P06850122	200,495	-	-	-	-
Housing Voucher Cluster:							
Section 8 - Housing Choice Vouchers	14.871		2,419,311	-	2,277,652	2,277,652	-
<b>Total U.S. Department of Housing and Urban Development</b>			<u>8,691,953</u>	<u>1,022,875</u>	<u>2,962,949</u>	<u>3,985,824</u>	<u>128,717</u>
<b>U.S. Department of Justice</b>							
Bulletproof Vest Partnership Program - 2019	16.607		2,166	2,166	-	2,166	-
Bulletproof Vest Partnership Program - 2020	16.607		2,145	2,145	-	2,145	-
Bulletproof Vest Partnership Program - 2021	16.607		2,145	347	-	347	-
Bulletproof Vest Partnership Program - 2022	16.607		2,500	-	-	-	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA21GG01485JAGX	30,016	-	18,000	18,000	-
Byrne Discretionary Grants Program	16.753	15PBJA22GG00164BRND	20,000	-	20,000	20,000	-
COVID-19 Emergency Response & Mitigation Grant - 2020	16.034	2020VDBX0723	76,918	46,074	-	46,074	-
<b>Total U.S. Department of Justice</b>			<u>135,890</u>	<u>50,732</u>	<u>38,000</u>	<u>88,732</u>	<u>-</u>
<b>U.S. Department of Transportation</b>							
Passed through the Kansas Department of Transportation:							
Highway Safety Cluster:							
State and Community Highway Safety (A) (STEP)	20.600	PT-1008-22	3,500	-	-	-	-
State and Community Highway Safety (A) (STEP)	20.600	PT-1008-23	3,500	-	-	-	-
<b>Total U.S. Department of Transportation</b>			<u>7,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>U.S. Department of Treasury</b>							
American Rescue Plan Act	21.027		8,549,063	1,145,290	219,086	1,364,376	-
<b>Total expenditures of federal awards</b>			<u>\$ 17,383,906</u>	<u>\$ 2,218,897</u>	<u>\$ 3,220,035</u>	<u>\$ 5,438,932</u>	<u>\$ 128,717</u>

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**City of Leavenworth, Kansas**  
**Notes to the Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2022**

**Note 1. Organization**

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

**Note 2. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Leavenworth, Kansas, and is presented on the modified accrual basis of accounting. The information presented in this schedule is in accordance with the requirements of Title 2 U.S. *Code of Federal Regulation* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Note 3. Local Government Contributions**

Local cost sharing, as defined by Title 2 CFR Part 200, Subpart D, Section 200.306 is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

**Note 4. Additional Audits**

Grantor agencies reserve the right to conduct additional audits of the City's grant programs for economy and efficiency and program results that may result in disallowed costs to the City of Leavenworth, Kansas. However, management does not believe such audits would result in any disallowed costs that would be material to the City's financial position at December 31, 2022.

**Note 5. Indirect Cost Rate**

The City does not allocate indirect costs, and therefore has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

**City of Leavenworth, Kansas  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2022**

**Section 1 - Summary of Auditor's Results**

**Financial Statements:**

Type Audit Report Issued on the Basic Financial Statements of Auditee  
Unmodified

Internal Control Over Financial Reporting  
No significant deficiencies reported, no material weaknesses identified.

General Compliance  
The audit did not disclose any instances of noncompliance, which would be material to the basic financial statements.

**Federal Awards:**

Internal Control Over Major Programs  
No significant deficiencies reported, no material weaknesses identified.

Type Audit Report Issued on Compliance for Major Programs  
Unmodified

Audit Findings  
None

<u>Major Programs</u>	
<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.871	Section 8 Housing Choice Vouchers

Dollar Threshold Used to Distinguish Between Type A and Type B Program  
\$750,000

Auditee Qualified as a Low-risk Auditee  
Yes

**City of Leavenworth, Kansas**  
**Schedule of Findings and Questioned Costs (continued)**  
**For the Year Ended December 31, 2022**

**Section 2 – Financial Statement Findings**

Financial Statement Findings Required to be Reported in Accordance with Generally Accepted Government Auditing Standards

None

Summary Schedule of Prior Audit Findings

None

**Section 3 – Federal Award Findings and Questioned Costs**

Federal Award Findings Required to be Reported in Accordance with the Uniform Guidance

None

Summary Schedule of Prior Audit Findings

None



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COMPLIANCE REPORTS

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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***

To the Honorable Mayor and Members of the City Commission  
City of Leavenworth, 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 statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Leavenworth, Kansas (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 28, 2023. Our report includes a reference to other auditors who audited the financial statements of the Leavenworth Public Library, a discretely presented component unit, as described in our report on the City's financial statements. The financial statements of the Leavenworth Public Library were not audited in accordance with *Government Auditing Standards*.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Hood and Associates CPAs, PC*

Overland Park, Kansas  
June 28, 2023



**Independent Auditor's Report on Compliance for Each Major Program  
and on Internal Control Over Compliance Required by the Uniform Guidance**

To the Honorable Mayor and City Commission  
City of Leavenworth, Kansas

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the City of Leavenworth, Kansas' (the City) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the City's major federal program for the year ended December 31, 2022. The City's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2022.

***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 the City 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 City's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's 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 the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's 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 the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's 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.

## **Report on Internal Control over Compliance**

*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.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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.

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.

*Hood and Associates CPAs, PC*

Overland Park, Kansas  
June 28, 2023