

**GRAHAM COUNTY, KANSAS**

Hill City, Kansas

Financial Statement and Regulatory-Required  
Supplementary Information with Independent Auditor's Report  
For the Year Ended December 31, 2020

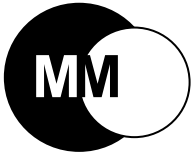
**MAPES & MILLER LLP**

Certified Public Accountants  
Norton, Kansas

**GRAHAM COUNTY, KANSAS**  
Financial Statement and Regulatory-Required  
Supplementary Information with Independent Auditor's Report  
For the Year Ended December 31, 2020

TABLE OF CONTENTS

	Page Number
Independent Auditor's Report	1
<u>Financial Section</u>	
STATEMENT 1	
Summary of Receipts, Expenditures, and Unencumbered Cash	4
Notes to the Financial Statement	8
<u>Regulatory-Required Supplementary Information</u>	
SCHEDULE 1	
Summary of Expenditures – Actual and Budget	17
SCHEDULE 2	
Schedule of Receipts and Expenditures – Actual and Budget	
General Fund	18
Special Purpose Funds	20
Bond and Interest Funds	52
Business Funds	53
Related Municipal Entities	56
SCHEDULE 3	
Summary of Receipts and Disbursements	
Agency Funds	58
<u>Single Audit Section</u>	
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 <i>Government Auditing Standards</i>	61
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	63
SCHEDULE 4	
Schedule of Expenditures of Federal Awards	65
SCHEDULE 5	
Schedule of Findings and Questioned Costs	67
SCHEDULE 6	
Summary Schedule of Prior Year Audit Findings	69



# Mapes & Miller LLP

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### INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners  
Graham County, Kansas  
Hill City, Kansas 67642

We have audited the accompanying summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of Graham County, Kansas, a Municipal Financial Reporting Entity, as of and for the year ended December 31, 2020, and the related notes to the financial statement.

#### *Management's Responsibility for the Financial Statement*

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

As described in Note 1 of the financial statement, the financial statement is prepared by Graham 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 1 and the accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

*Adverse Opinion on U.S. Generally Accepted Accounting Principles*

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the 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 Graham County, Kansas, as of December 31, 2020, 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 financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of Graham County, Kansas, as of December 31, 2020, 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 1.

*Other Matters*

*Report on 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 balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget and regulatory basis summary of 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*. 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 financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

*Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statement that collectively comprise Graham County, Kansas' basic financial statement. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations 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.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. Such information has been subjected to the auditing procedures applied in the audit of the 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 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statement taken as a whole, on the basis of accounting described in Note 1.

To the Board of County Commissioners  
Graham County, Kansas  
Page Two

*Other Reporting Required by Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated September 14, 2021, on our consideration of Graham County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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 Graham County's internal control over financial reporting and compliance.

*Mapes & Miller LLP*

Certified Public Accountants

Norton, Kansas  
September 14, 2021

**GRAHAM COUNTY, KANSAS**  
Summary Statement of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2020

STATEMENT 1  
Page 1

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:						
General Funds						
General Fund	\$ 753,917	1,528,757	1,365,457	917,217	31,051	948,268
Special Purpose Funds						
Road and Bridge Fund	159,314	1,855,094	1,574,602	439,806	0	439,806
Fair Fund	3,278	45,737	45,737	3,278	0	3,278
Home for the Aged Maintenance Fund	13,086	107	107	13,086	0	13,086
Conservation District Fund	1,727	26,957	26,957	1,727	0	1,727
County Library Fund	7,554	117,985	117,985	7,554	0	7,554
Election Fund	21,666	41,885	35,930	27,621	0	27,621
Extension Council Fund	7,229	958	958	7,229	0	7,229
Community College Fund	48	0	0	48	0	48
Appraiser's Cost Fund	58,527	123,704	140,447	41,784	844	42,628
Noxious Weed Fund	16,269	110,252	92,235	34,286	6,406	40,692
Noxious Weed Capital Outlay Fund	50,372	0	14,650	35,722	0	35,722
Community Involvement Center Fund	1,316	19,559	19,559	1,316	0	1,316
Fire Fund	3,114	147,028	145,900	4,242	2,043	6,285
Employee Benefits Fund	277,754	1,424,275	1,311,870	390,159	0	390,159
County Health Fund	160,162	421,143	300,803	280,502	1,100	281,602
Special Alcohol Programs Fund	4,852	1,364	800	5,416	0	5,416
Special Parks and Recreation Fund	2,229	536	500	2,265	0	2,265
Graham Co 911 Fund	51,419	60,441	107,360	4,500	0	4,500
County Hospital Fund	34,946	658,476	658,476	34,946	0	34,946
Mental Health Fund	0	18,862	18,862	0	0	0
Mental Retardation Fund	0	52,535	52,535	0	0	0
Antelope Lake Trust Fund	15,124	2,400	38	17,486	0	17,486
Health Care Sales Tax Fund	888,147	390,764	249,121	1,029,790	0	1,029,790
County Health Capital Outlay Fund	42,760	13,652	39,345	17,067	0	17,067
Fire Equipment Fund	339,383	48,018	0	387,401	0	387,401
Special Machinery and Equipment Fund	613,672	0	16,592	597,080	0	597,080
Equipment Reserve Fund	234,507	91,942	94,481	231,968	0	231,968
Special Auto Licenses Fund	18,807	29,129	10,126	37,810	0	37,810

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

**GRAHAM COUNTY, KANSAS**  
Summary Statement of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2020

STATEMENT 1  
Page 2

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
County Attorney Check Trust Fund	\$ 5,395	35	0	5,430	0	5,430
Prosecutor's Training Assistance Fund	2,024	460	0	2,484	0	2,484
Radar/LPR Trailer Grant Fund	0	48,750	48,750	0	0	0
Register of Deeds Technology Fund	48,788	6,174	3,286	51,676	0	51,676
County Treasurer Technology Fund	8,870	1,543	0	10,413	0	10,413
County Clerk Technology Fund	4,783	1,543	3,095	3,231	0	3,231
Special Road & Bridge Improvements	719,835	0	0	719,835	0	719,835
Emergency Preparedness Grant Fund	(6,822)	6,822	6,822	(6,822)	0	(6,822)
Multi-Year Capital Improvement Fund	1,331,060	0	28,000	1,303,060	0	1,303,060
Kraf Grant-EMS Fund	0	17,040	17,040	0	0	0
Summer Food Program Fund	4,432	101,478	65,609	40,301	0	40,301
Reserve Deputy Fund	2,948	1,865	0	4,813	0	4,813
Sheriffs Special Permit Fund	8,818	6,678	853	14,643	0	14,643
Sheriff Firearm Permit Fund	4,635	98	0	4,733	0	4,733
Sheriff Offender Registration Fund	5,332	620	552	5,400	0	5,400
Sheriff Seatbelt Grant Fund	1,749	672	0	2,421	0	2,421
SAFE Program Grant Fund	1,286	0	0	1,286	0	1,286
Northwest Bioterrorism Fund	3,624	37,054	35,955	4,723	0	4,723
Fire District Donations Fund	11,224	250	0	11,474	0	11,474
EMS Donation Fund	5,684	1,925	0	7,609	0	7,609
Livestock Building Donation Fund	32	0	0	32	0	32
Industrial Park Fund	2,500	0	0	2,500	0	2,500
SPARK Grant Fund	0	490,062	480,242	9,820	0	9,820
CDBG Grant Fund	0	128,250	128,250	0	0	0
EOC Grant Fund	0	21,781	21,781	0	0	0
COVID-19 Grant Fund	0	11,833	11,833	0	0	0
Bond and Interest Funds						
Hospital Bond Debt Service Fund	29,009	46	0	29,055	0	29,055
Hospital No Fund Warrants Fund	5,969	3	0	5,972		5,972
Business Funds						
Landfill Fund	70,030	139,668	209,698	0	1,092	1,092
EMS (Ambulance) Fund	192,940	207,005	155,850	244,095	0	244,095
Ambulance Equipment Fund	61,223	29,812	17,172	73,863	0	73,863
Total Primary Government	\$ 6,306,547	8,493,027	7,676,221	7,123,353	42,536	7,165,889

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

**GRAHAM COUNTY, KANSAS**  
Summary Statement of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2020

STATEMENT 1  
Page 3

Funds	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Related Municipal Entities:						
Graham County Fair Board	80,512	105,020	160,539	24,993	0	24,993
Graham County Public Library:						
General Fund	158,743	129,934	126,502	162,175	0	162,175
State Aid Fund	0	719	719	0	0	0
Memorials Fund	103,139	136	0	103,275	0	103,275
Total Graham County Library	261,882	130,789	127,221	265,450	0	265,450
Total Related Municipal Entities	342,394	235,809	287,760	290,443	0	290,443
Total Reporting Entity (Excluding Agency Funds)	\$ <u><u>6,648,941</u></u>	<u><u>8,728,836</u></u>	<u><u>7,963,981</u></u>	<u><u>7,413,796</u></u>	<u><u>42,536</u></u>	<u><u>7,456,332</u></u>

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



**GRAHAM COUNTY, KANSAS**  
Composition of Cash  
Regulatory Basis  
For the Year Ended December 31, 2020

STATEMENT 1  
Page 4

Primary Government:	
Cash on Hand	
Treasurer	\$ 170,932
Sheriff	300
First State Bank - Hill City, Kansas	
NOW Accounts	11,387,849
Certificates of Deposit	100,000
Peoples State Bank - Hill City, Kansas	
Money Market Accounts	2,882
Certificates of Deposit	400,000
Solutions North Bank - Hill City, Kansas	
NOW Account	503,325
Certificates of Deposit	166,000
Total Cash and Investments	<u>12,731,288</u>
Less Agency Funds - SCHEDULE 3	<u>(5,565,399)</u>
Total Primary Government	<u>7,165,889</u>
Related Municipal Entities:	
Graham County Fair Association	
Solutions North Bank - Hill City, Kansas	
Checking Account	9,898
Savings Account	13,714
Certificates of Deposit	1,381
Graham County Public Library	
First State Bank - Hill City, Kansas	
NOW Account	3,323
Savings Account	8,012
Certificates of Deposit	66,640
Peoples State Bank - Hill City, Kansas	
Certificates of Deposit	106,172
Solutions North Bank - Hill City, Kansas	
Certificates of Deposit	81,153
Cash on Hand	<u>150</u>
Total Related Municipal Entities	<u>290,443</u>
Total Reporting Entity per Statement 1, Page 3	<u>\$ 7,456,332</u>

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

**GRAHAM COUNTY, KANSAS**  
Notes to the Financial Statement  
For the Year Ended December 31, 2020

**1. Summary of Significant Accounting Policies**

**Municipal Financial Reporting Entity**

Graham County, Kansas, is a municipal corporation governed by an elected three-member commission. This regulatory financial statement presents Graham County (the municipality) and certain related municipal entities. The following related municipal entities are included in the county's reporting entity because it was established to benefit the county and/or its constituents:

Fair Association. The Graham County Fair Board administers the Graham County Free Fair. The County annually levies a tax for the fair association.

Library Board. The Graham County Library Board operates the County's public library. Acquisition or disposition of real property by the board must be approved the County. Bond issuances must also be approved by the County. The County annually levies a tax for the library board.

**Payments Between the County and Related Municipal Entities**

Resource flows between a primary government and its related municipal entities are reported as external transactions – that is as receipts and expenditures.

**Regulatory Basis Fund Types**

The following types of funds comprise the financial activities of the County for the year 2020:

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

Special Purpose fund – 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.

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.

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

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

**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 regularly 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 municipality 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 municipality to use the regulatory basis of accounting.

#### Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5<sup>th</sup> of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15<sup>th</sup>, but at least ten days after publication of notice of hearing.
4. Adoption of final budget on or before August 25<sup>th</sup>.

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. The Landfill Fund was amended in this manner during the year ended December 31, 2020.

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 statements 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 capital project funds, trust funds and the following special purpose funds:

Mental Health Fund	Register of Deeds Technology Fund
Mental Retardation Fund	County Treasurer Technology Fund
Antelope Lake Trust Fund	County Clerk Technology Fund
Fire Equipment Fund	Emergency Preparedness Grant Fund
Multi-Year Capital Improvement Fund	EMS Donation Fund
Special Machinery and Equipment dFund	Sheriff Special Permit Fund
Equipment Reserve Fund	SAFE Program Grant Fund
Special Auto Licenses Fund	Sheriff Firearm Permit Fund
Fire District Donations Fund	County Attorney Check Trust Fund
Livestock Building Donation Fund	Sheriff Offender Registration Fund
Prosecutor's Training Assistance Fund	Industrial Park Fund
Reserve Deputy Fund	Sheriff Seatbelt Grant Fund
Northwest Bioterrorism Fund	SPARK Grant Fund
CDBG Grant Fund	EOC Grant Fund
COVID-19 Grant Fund	Kraf Grant – EMS Fund
Radar/LPR Trailer Grant Fund	

A legal operating budget is not required for the following business fund: Ambulance Equipment Fund.

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.

## 2. **Stewardship, Compliance and Accountability**

**Quarterly Statements.** K.S.A. 19-520 *et seq.* requires the county treasurer to publish quarterly statements showing the amount in the treasury on the day of making the statement and the different funds to which it belongs. The County did not publish such quarterly statements. This appears to be a violation of this statute.

**Outstanding Warrants.** K.S.A. 10-815 states that outstanding warrants/checks for two years or more shall be canceled and restored to the fund originally charged. At year-end there were outstanding checks for more than two years. This appears to be a violation of this statute.

**Special Vehicle Fund.** K.S.A. 8-145 states that the balance remaining in such fund at the close of any calendar year shall be withdrawn and credited to the general fund of the county prior to June 1 of the following calendar year. The 2019 balance in the special vehicle fund was not transferred to the general fund in 2020. This appears to be a violation of this statute.

**Tax Distributions.** K.S.A. 12-1678a states tax distributions shall be made timely to taxing subdivisions: January 20, March 20, June 5, September 20, and October 31. Some distributions were made subsequent to these dates which appears to be a violation of this statute.

**Cash Basis Compliance.** K.S.A. 10-1113 requires that no indebtedness be created for a fund in excess of available monies in that fund. The Insufficient Check Clearing fund incurred indebtedness in excess of available cash balances by \$794. This appear to be in violation of this statute.

**Heritage Trust Fees.** K.S.A. 28-115 requires the county treasurer to remit Heritage Trust Fees quarterly to the state treasurer. The County did not remit these fees to the state as required. This appears to be a violation of this statute.

Cash Basis Compliance. K.S.A 10-1113 requires that no indebtedness be created for a fund in excess of available monies in that fund. The Emergency Preparedness Grant Fund incurred indebtedness in excess of the available cash balances by \$6,822. This grant requires the County to expend the monies and request reimbursement from the available awarded funds. This grant has sufficient remaining available grant award to cover their respective deficit cash balances as of December 31, 2020. The deficient cash balances will be eliminated when the grant proceeds are received subsequent to December 31, 2020. Although not specifically allowed as an exception to the cash basis law in the statutes, that State of Kansas, Division of Accounts and Reports, as a matter of practice, has allowed deficit fund balances as long as the fund is subsequently reimbursed by federal or state grant proceeds.

Budget Violation. K.S.A. 79-2935 states that it is unlawful for expenditures to exceed the County's published budget. Expenditures in the Graham County 911 fund has exceeded the published budget amount. This appears to be a violation of this statute.

### 3. 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 have a main or branch bank in the county in which the municipality is located, 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 the funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The County has no other policies that would further limit interest rate risk.

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

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

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. State statutes require the County's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The County's designated "peak periods" are from December 15 through February 13, and May 10 through July 9. All deposits were legally secured at December 31, 2020.

At December 31, 2020, the County's carrying amount of deposits was \$12,560,056 and the bank balance was \$12,995,680. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$757,118 was covered by federal depository insurance, \$7,816,932 was collateralized with securities held by the pledging financial institution's agents in the County's name, and \$4,421,630 was unsecured under a designated peak period.

At December 31, 2020, the Fair Association's carrying amount of deposits was \$24,993 and the bank balance was \$25,347. The bank balance was held by one bank resulting in a concentration of credit risk. The bank balance was covered by federal depository insurance.

At December 31, 2020, the Public Library's carrying amount of deposits was \$265,300 and the bank balance was \$264,696. The bank balance was held by three banks resulting in a concentration of credit risk. The bank balance was covered by federal depository insurance.

*Custodial Credit Risk – Investments.* For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured. At December 31, 2020, the County held no investments except for certificates of deposit which are considered as a component of deposits.

#### 4. **Defined Benefit Pension Plan**

*Plan Description.* Graham 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 Comprehensive Annual Financial Report which can be found on the KPERS website at [www.kpers.org](http://www.kpers.org) or by writing to KPERS (611 South Kansas, Suite 100, Topeka, Kansas 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 their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for Death and Disability Program) and the statutory contribution rate was 8.61% for the fiscal year ended December 31, 2020. Contributions to the pension plan from Graham County, Kansas, were \$207,013 for the year ended December 31, 2020.

#### **Net Pension Liability**

At December 31, 2020, the county's proportionate share of the collective net pension liability reported by KPERS was \$1,945,212. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. 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 valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

Employees of the selected related municipal entity, the Graham County Public Library, also contribute to the Kansas Public Employees Retirement System. All contribution requirements were met by the related municipal entity and their employees. Contributions to the pension plan from Graham County Public Library were \$8,795 for the year ended December 31, 2020, and the Library's proportionate share of the collective net pension liability reported by KPERS was \$50,987.

##### 5. **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.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the County makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the County under this program.

**Death and Disability Other Post Employment Benefits.** As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2020.

##### **Compensated Absences**

##### **Graham County**

***Vacation Leave.*** After six months of continuous service with the County, each full-time employee or appointed official earns paid vacation at the rate of one day per month for the remainder of the first year of employment. Thereafter, each full-time employee or appointed official earns vacation days according to the following schedule for calendar years of completed service.

Completed Years of Service	Vacation Hours Earned
1 - 10 Years	1 Day per Month
11 - 20 Years	1 1/2 Days per Month
Over 20 Years	20 Days per Year

Any vacation days earned but not taken during each year are converted to sick leave unless the maximum of 120 sick leave days has been accrued, upon which the unused vacation days are forfeited without compensation. Accumulated vacation time is payable at the time of termination.

***Sick Leave.*** Full-time employees and appointed officials earn one day of sick leave for each month of continuous employment, with a total accumulation of 120 days allowed. Sick leave is paid only for time lost for personal illness, accidents, funerals, or two days per year personal leave. Upon termination, any unused sick leave is paid to employees based upon their time of service, but shall not exceed one month's salary in total reimbursement.

Graham County Public Library

*Vacation Leave.* After six months of continuous service with the Library, each full-time employee earns paid vacation at the rate of one day per month for the remainder of the first year of employment. Thereafter, each full-time employee earns vacation days according to the following schedule for calendar years of completed service.

Completed Years of Service	Vacation Hours Earned
1 - 10 Years	1 Day per Month
11 - 20 Years	1 1/2 Days per Month
Over 20 Years	20 Days per Year

Any vacation days earned but not taken during each year cannot be carried over to the next year without consent of the Board. Accumulated vacation time is payable at the time of termination.

*Sick Leave.* Full-time employees earn one day of sick leave for each month of continuous employment, with a total accumulation of 120 days allowed. Sick leave is paid only for time lost for personal illness, accidents, funerals, or two days per year personal leave. Upon termination, any unused sick leave is paid to employees based upon their time of service, but shall not exceed one month's salary in total reimbursement.

#### 6. Interfund Transfers

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis as authorized by Kansas Statutes. The County's operating transfers and statutory authority for December 31, 2020, were as follows:

From	To	Authority	Amount
General Fund	Equipment Reserve Fund	K.S.A. 19-119	\$ 60,390
Landfill Fund	Equipment Reserve Fund	K.S.A. 19-119	31,552
Fire Fund	Fire Equipment Fund	K.S.A. 19-119	48,018
EMS (Ambulance) Fund	Ambulance Equipment Fund	K.S.A. 12-110d	29,812
County Health Fund	County Health Capital Outlay Fund	K.S.A. 65-204	13,652
Multi-Year Capital Outlay	General	K.S.A. 19-120	28,000

#### 7. Risk Management

The County is exposed to various risks of loss related to torts; theft, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For this purpose the County purchases commercial insurance, including general liability, property, and workers compensation. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

#### 8. Claims and Judgments

The County participates in federal, state and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. As of the date of this report, the grant expenditures have not been audited, but the County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual government funds or the overall financial position of the County.



During the ordinary course of its operations the County is a party to various claims, legal actions, and complaints. It is the opinion of the County's management and legal counsel that these matters are not anticipated to have a material financial impact on the County.

9. **Liability for Landfill Closure and Post Closure Costs**

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County is incurring a liability based on the future closure and post closure care costs that will be incurred. The estimate of closure and post closure care liability at year-end is \$639,712. This liability is based on the use of 100% of the estimated capacity of the landfill. These amounts are based on what it would cost to perform all closure and post closure care in 2019. Actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. The County has not restricted any of its assets for payment of closure and post closure care costs. The County has opened a temporary transfer station due to the closure of the site, which was closed by the Kansas Department of Health and Environment for contamination.

The County is meeting the financial assurance requirements through the Local Government Financial Test. This test involves four components: financial, public notice, record keeping and reporting, and calculation of costs to be assured. The County has satisfied all four requirements.

10. **COVID-19**

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

11. **CRF and Cares Act Funding**

As a result of COVID-19, the State of Kansas has received Coronavirus Relief Funds (CRF) under the Coronavirus Aid, Relief and Economic Security (CARES) Act. The CRF were passed through to the counties of Kansas through Strengthening People and Revitalizing Kansas (SPARK). SPARKS's first round distribution was to local governments in the amount of \$400 million. The County received CRF in the amount of \$490,062 during 2020 of which \$480,242 was expended during 2020. The CRF are to be used to strengthen health, to allow the economy to reopen safely and to remain open. The goals are to be fair, impactful and timely. Additional information and updates on SPARK, the CARES Act and CRF, which includes audit requirements, can be found at <https://covid.ks.gov/>.

12. **Subsequent Events**

Management has evaluated the effects of the financial statement of subsequent events occurring through the date of this report, which is the date as which the financial statement was available to be issued.

**GRAHAM COUNTY, KANSAS**  
Regulatory-Required  
Supplementary Information  
For the Year Ended December 31, 2020

**GRAHAM COUNTY, KANSAS**  
Summary of Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 1  
Page 1

Description	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds:					
General Funds					
General Fund	\$ 1,754,455	245	1,754,700	1,365,457	(389,243)
Special Purpose Funds					
Road and Bridge Fund	1,900,000	41,830	1,941,830	1,574,602	(367,228)
Fair Fund	46,715	0	46,715	45,737	(978)
Home for the Aged Maintenance Fund	13,311	0	13,311	107	(13,204)
Conservation District Fund	27,500	0	27,500	26,957	(543)
County Library Fund	119,600	0	119,600	117,985	(1,615)
Election Fund	41,200	4,116	45,316	35,930	(9,386)
Extension Council Fund	1,935	0	1,935	958	(977)
Community College Fund	43	0	43	0	(43)
Appraiser's Cost Fund	156,410	0	156,410	140,447	(15,963)
Noxious Weed Fund	144,527	0	144,527	92,235	(52,292)
Noxious Weed Capital Outlay Fund	34,000	0	34,000	14,650	(19,350)
Community Involvement Center Fund	20,000	0	20,000	19,559	(441)
Fire Fund	145,900	0	145,900	145,900	0
Employee Benefits Fund	1,494,800	0	1,494,800	1,311,870	(182,930)
County Health Fund	325,000	0	325,000	300,803	(24,197)
Special Alcohol Programs Fund	6,500	0	6,500	800	(5,700)
Special Parks and Recreation Fund	2,000	0	2,000	500	(1,500)
Graham Co 911 Fund	100,000	0	100,000	107,360	7,360
County Hospital Fund	693,833	0	693,833	658,476	(35,357)
Mental Health Fund	18,868	0	18,868	18,862	*
Mental Retardation Fund	52,500	0	52,500	52,535	*
Antelope Lake Trust Fund	6,779	0	6,779	38	*
Health Care Sales Tax Fund	810,000	0	810,000	249,121	(560,879)
County Health Capital Outlay Fund	43,000	0	43,000	39,345	(3,655)
Bond and Interest Funds					
Hospital Bond Debt Service Fund	30,442	0	30,442	0	(30,442)
Hospital No Fund Warrants Fund	6,180	0	6,180	0	(6,180)
Business Funds					
Landfill Fund	211,150	0	211,150	209,698	(1,452)
EMS (Ambulance) Fund	155,850	0	155,850	155,850	0

\* Exempt from Budget Law

**GRAHAM COUNTY, KANSAS**  
**GENERAL FUND**

SCHEDULE 2  
Page 1

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 1,227,008	1,241,299	(14,291)
Delinquent Tax	13,448	0	13,448
Motor Vehicle Tax	47,148	49,271	(2,123)
Recreational Vehicle Tax	1,122	980	142
16/20M Vehicle Tax	7,328	5,680	1,648
Commercial Vehicle Tax	4,505	3,819	686
Intergovernmental			
Mineral Production Tax	10,683	15,000	(4,317)
Licenses, Fees and Permits			
County Officer Fees	45,558	45,000	558
Other Permits and Fees	0	400	(400)
Charges for Services			
Dispatching Services	18,128	27,192	(9,064)
Jail Care	1,710	0	1,710
Copies and Other Charges	3,432	3,000	432
Miscellaneous	45,550	0	45,550
Interest on Idle Funds	12,050	0	12,050
LEPP Receipts	600	0	600
Penalties and Interest	41,595	55,000	(13,405)
Transfer from Special Auto Licenses Fund	0	0	0
Transfer from Community College	0	48	(48)
Transfer from Hospital NFW	0	6,180	(6,180)
Transfer from Multi-Year Capital Improvement	28,000	0	28,000
Diverson Agreement Reimbursement	3,840	0	3,840
Reimbursement from SPARK Grant Fund	16,807	0	16,807
Reimbursements	245	0	245
Transfer from Hospital Bonds	0	30,442	(30,442)
Total Receipts	\$ 1,528,757	1,483,311	45,446

**GRAHAM COUNTY, KANSAS**  
**GENERAL FUND**

SCHEDULE 2  
Page 2

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Expenditures:			
County Commissioners	\$ 58,293	55,871	2,422
County Clerk	123,982	112,921	11,061
County Treasurer	118,356	101,950	16,406
County Attorney	95,570	91,326	4,244
Register of Deeds	78,974	82,545	(3,571)
Sheriff	472,999	499,765	(26,766)
Unified Court - Operating	14,251	24,000	(9,749)
Unified Court - Attorney Fees	23,922	19,200	4,722
Courthouse General	141,847	157,690	(15,843)
Janitorial	72,835	72,270	565
Data Processing	83,418	76,917	6,501
Local Environment Protection Group	4,512	4,500	12
Juvenile Detention	0	25,000	(25,000)
Northwest Kansas Area Agency on Aging	3,500	3,500	0
Historical Society	2,500	2,500	0
Emergency Preparedness	10,108	12,000	(1,892)
Indigent Burial	0	2,500	(2,500)
Economic Development - Chamber of Commerce	0	10,000	(10,000)
Transfer to Equipment Reserve Fund	60,390	400,000	(339,610)
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	<u>0</u>	<u>245</u>	<u>(245)</u>
Total Expenditures	<u>1,365,457</u>	<u>1,754,700</u>	<u>(389,243)</u>
Receipts Over (Under) Expenditures	163,300		
Unencumbered Cash, Beginning	<u>753,917</u>		
Unencumbered Cash, Ending	\$ <u>917,217</u>		

**GRAHAM COUNTY, KANSAS  
ROAD AND BRIDGE FUND**

SCHEDULE 2  
Page 3

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 1,465,995	1,483,065	(17,070)
Delinquent Tax	17,317	0	17,317
Motor Vehicle Tax	61,826	64,607	(2,781)
Recreational Vehicle Tax	1,471	1,287	184
16/20M Vehicle Tax	6,874	7,447	(573)
Commercial Vehicle Tax	5,908	5,006	902
Intergovernmental			
Special City/County Highway	235,107	246,599	(11,492)
Equalization Aid	2,199	0	2,199
Kansas Department of Transportation	41,830	0	41,830
Fuel Tax Refund	12,230	0	12,230
Miscellaneous	4,337	0	4,337
Total Receipts	<u>1,855,094</u>	<u>1,808,011</u>	<u>47,083</u>
Expenditures:			
Personal Services	931,951	925,000	6,951
Commodities	523,927	762,000	(238,073)
Contractual Services	117,710	158,000	(40,290)
Capital Outlay	1,014	55,000	(53,986)
Adjustment for Qualifying Budget Credit:			
KDOT Reimbursement	<u>0</u>	<u>41,830</u>	<u>(41,830)</u>
Total Expenditures	<u>1,574,602</u>	<u>1,941,830</u>	<u>(367,228)</u>
Receipts Over (Under) Expenditures	280,492		
Unencumbered Cash, Beginning	<u>159,314</u>		
Unencumbered Cash, Ending	\$ <u>439,806</u>		

**GRAHAM COUNTY, KANSAS**  
**FAIR FUND**

SCHEDULE 2  
Page 4

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 43,047	43,533	(486)
Delinquent Tax	502	0	502
Motor Vehicle Tax	1,740	1,816	(76)
Recreational Vehicle Tax	41	36	5
16/20M Vehicle Tax	241	209	32
Commercial Vehicle Tax	166	141	25
	<u>45,737</u>	<u>45,735</u>	<u>2</u>
Total Receipts			
Expenditures:			
Appropriations	45,737	46,715	(978)
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	3,278		
Unencumbered Cash, Ending	\$ 3,278		

**GRAHAM COUNTY, KANSAS**  
**HOME FOR THE AGED MAINTENANCE FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 5

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Delinquent Tax	\$ 107	225	(118)
16/20M Vehicle Tax	<u>0</u>	<u>0</u>	<u>0</u>
Total Receipts	<u>107</u>	<u>225</u>	<u>(118)</u>
Expenditures:			
Appropriations	<u>107</u>	<u>13,311</u>	<u>(13,204)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>13,086</u>		
Unencumbered Cash, Ending	\$ <u>13,086</u>		



**GRAHAM COUNTY, KANSAS  
CONSERVATION DISTRICT FUND**

SCHEDULE 2  
Page 6

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 25,369	25,649	(280)
Delinquent Tax	293	0	293
Motor Vehicle Tax	1,030	1,076	(46)
Recreational Vehicle Tax	25	21	4
16/20M Vehicle Tax	142	124	18
Commercial Vehicle Tax	98	83	15
	<u>26,957</u>	<u>26,953</u>	<u>4</u>
Total Receipts			
Expenditures:			
Appropriations	<u>26,957</u>	<u>27,500</u>	<u>(543)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>1,727</u>		
Unencumbered Cash, Ending	\$ <u>1,727</u>		

**GRAHAM COUNTY, KANSAS  
COUNTY LIBRARY FUND**

SCHEDULE 2  
Page 7

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 111,089	112,380	(1,291)
Delinquent Tax	1,272	0	1,272
Motor Vehicle Tax	4,511	4,713	(202)
Recreational Vehicle Tax	107	94	13
16/20M Vehicle Tax	575	543	32
Commercial Vehicle Tax	431	365	66
Total Receipts	<u>117,985</u>	<u>118,095</u>	<u>(110)</u>
Expenditures:			
Appropriations	<u>117,985</u>	<u>119,600</u>	<u>(1,615)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>7,554</u>		
Unencumbered Cash, Ending	\$ <u>7,554</u>		

**GRAHAM COUNTY, KANSAS  
ELECTION FUND**

SCHEDULE 2  
Page 8

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 35,666	36,048	(382)
Delinquent Tax	398	0	398
Motor Vehicle Tax	1,365	1,424	(59)
Recreational Vehicle Tax	32	28	4
16/20M Vehicle Tax	178	164	14
Commercial Vehicle Tax	130	110	20
Reimbursed Expense	4,116	0	4,116
	<u>41,885</u>	<u>37,774</u>	<u>4,111</u>
Total Receipts	<u>41,885</u>	<u>37,774</u>	<u>4,111</u>
Expenditures:			
Personal Services	9,326	10,000	(674)
Contractual Services	26,604	30,000	(3,396)
Commodities	0	1,200	(1,200)
Adjustments for Qualifying Budget Credits:			
Reimbursed Expenses	0	4,116	(4,116)
	<u>35,930</u>	<u>45,316</u>	<u>(9,386)</u>
Total Expenditures	<u>35,930</u>	<u>45,316</u>	<u>(9,386)</u>
Receipts Over (Under) Expenditures	5,955		
Unencumbered Cash, Beginning	21,666		
Unencumbered Cash, Ending	\$ 27,621		

**GRAHAM COUNTY, KANSAS**  
**EXTENSION COUNCIL FUND**

SCHEDULE 2  
Page 9

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Delinquent Tax	\$ 293	400	(107)
16/20M Vehicle Tax	<u>665</u>	<u>0</u>	<u>665</u>
Total Receipts	<u>958</u>	<u>400</u>	<u>558</u>
Expenditures:			
Appropriations	<u>958</u>	<u>1,935</u>	<u>(977)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>7,229</u>		
Unencumbered Cash, Ending	\$ <u>7,229</u>		

**GRAHAM COUNTY, KANSAS  
COMMUNITY COLLEGE FUND**

SCHEDULE 2  
Page 10

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Delinquent Tax	\$ <u>0</u>	<u>0</u>	<u>0</u>
Expenditures			
Transfer to General	<u>0</u>	<u>43</u>	<u>0</u>
Receipts Over (Under) Expenditures	<u>0</u>		
Unencumbered Cash, Beginning	<u>48</u>		
Unencumbered Cash, Ending	\$ <u><u>48</u></u>		

**GRAHAM COUNTY, KANSAS**  
**APPRAISER'S COST FUND**

SCHEDULE 2  
Page 11

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 113,695	114,971	(1,276)
Delinquent Tax	1,423	0	1,423
Motor Vehicle Tax	5,023	5,248	(225)
Recreational Vehicle Tax	120	105	15
16/20M Vehicle Tax	732	605	127
Commercial Vehicle Tax	480	407	73
Miscellaneous	<u>2,231</u>	<u>0</u>	<u>2,231</u>
Total Receipts	<u>123,704</u>	<u>121,336</u>	<u>2,368</u>
Expenditures:			
Personal Services	117,073	120,510	(3,437)
Commodities	4,555	7,400	(2,845)
Contractual Services	<u>18,819</u>	<u>28,500</u>	<u>(9,681)</u>
Total Expenditures	<u>140,447</u>	<u>156,410</u>	<u>(15,963)</u>
Receipts Over (Under) Expenditures	<b>(16,743)</b>		
Unencumbered Cash, Beginning	<u>58,527</u>		
Unencumbered Cash, Ending	\$ <u>41,784</u>		

**GRAHAM COUNTY, KANSAS**  
**NOXIOUS WEED FUND**

SCHEDULE 2  
Page 12

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 93,101	94,098	(997)
Delinquent Tax	1,064	181	883
Motor Vehicle Tax	3,753	3,920	(167)
Recreational Vehicle Tax	89	78	11
16/20M Vehicle Tax	465	452	13
Commercial Vehicle Tax	359	304	55
Charges for Services	11,271	45,494	(34,223)
Miscellaneous	150	0	150
Total Receipts	<u>110,252</u>	<u>144,527</u>	<u>(34,275)</u>
Expenditures:			
Personal Services	43,115	79,139	(36,024)
Commodities	34,091	44,350	(10,259)
Contractual Services	15,029	20,538	(5,509)
Capital Outlay	0	500	(500)
Total Expenditures	<u>92,235</u>	<u>144,527</u>	<u>(52,292)</u>
Receipts Over (Under) Expenditures	18,017		
Unencumbered Cash, Beginning	<u>16,269</u>		
Unencumbered Cash, Ending	\$ <u>34,286</u>		

**GRAHAM COUNTY, KANSAS**  
**NOXIOUS WEED CAPITAL OUTLAY FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 13

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Transfer from Noxious Weed Fund	\$ <u>0</u>	<u>0</u>	<u>0</u>
Expenditures:			
Capital Outlay	<u>14,650</u>	<u>34,000</u>	<u>(19,350)</u>
Receipts Over (Under) Expenditures	<b>(14,650)</b>		
Unencumbered Cash, Beginning	<u>50,372</u>		
Unencumbered Cash, Ending	\$ <u><u>35,722</u></u>		



**GRAHAM COUNTY, KANSAS**  
**COMMUNITY INVOLVEMENT CENTER FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 14

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 18,361	18,572	(211)
Delinquent Tax	229	0	229
Motor Vehicle Tax	735	767	(32)
Recreational Vehicle Tax	17	15	2
16/20M Vehicle Tax	147	88	59
Commercial Vehicle Tax	70	59	11
	<u>19,559</u>	<u>19,501</u>	<u>58</u>
Total Receipts			
Expenditures:			
Appropriations	<u>19,559</u>	<u>20,000</u>	<u>(441)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>1,316</u>		
Unencumbered Cash, Ending	\$ <u>1,316</u>		

**GRAHAM COUNTY, KANSAS**  
**FIRE FUND**

SCHEDULE 2  
Page 15

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 140,499	141,151	(652)
Delinquent Tax	1,572	0	1,572
Motor Vehicle Tax	3,533	3,509	24
Recreational Vehicle Tax	91	81	10
16/20M Vehicle Tax	797	903	(106)
Commercial Vehicle Tax	536	533	3
Total Receipts	<u>147,028</u>	<u>146,177</u>	<u>851</u>
Expenditures:			
Personal Services	46,365	53,000	(6,635)
Commodities	23,137	25,600	(2,463)
Contractual Services	28,380	35,300	(6,920)
Capital Outlay	0	32,000	(32,000)
Transfer to Fire Equipment Fund	48,018	0	48,018
Total Expenditures	<u>145,900</u>	<u>145,900</u>	<u>0</u>
Receipts Over (Under) Expenditures	1,128		
Unencumbered Cash, Beginning	<u>3,114</u>		
Unencumbered Cash, Ending	\$ <u>4,242</u>		

**GRAHAM COUNTY, KANSAS  
EMPLOYEE BENEFITS FUND**

SCHEDULE 2  
Page 16

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 1,312,664	1,327,968	(15,304)
Delinquent Tax	14,688	0	14,688
Motor Vehicle Tax	51,402	53,713	(2,311)
Recreational Vehicle Tax	1,223	1,070	153
16/20M Vehicle Tax	7,181	6,191	990
Commercial Vehicle Tax	4,912	4,162	750
Miscellaneous	32,205	0	32,205
Total Receipts	<u>1,424,275</u>	<u>1,393,104</u>	<u>31,171</u>
Expenditures:			
Social Security	170,550	168,000	2,550
Retirement	207,013	210,000	(2,987)
Life Insurance	3,132	3,300	(168)
Workers' Compensation	54,953	86,000	(31,047)
Unemployment	3,141	7,500	(4,359)
Health Insurance	873,081	1,020,000	(146,919)
Total Expenditures	<u>1,311,870</u>	<u>1,494,800</u>	<u>(182,930)</u>
Receipts Over (Under) Expenditures	112,405		
Unencumbered Cash, Beginning	<u>277,754</u>		
Unencumbered Cash, Ending	\$ <u>390,159</u>		

**GRAHAM COUNTY, KANSAS  
COUNTY HEALTH FUND**

SCHEDULE 2  
Page 17

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 49,064	49,595	(531)
Delinquent Tax	577	100	477
Motor Vehicle Tax	2,045	2,135	(90)
Recreational Vehicle Tax	49	43	6
16/20M Vehicle Tax	268	246	22
Commercial Vehicle Tax	195	165	30
Grants and Donations			
WIC Federal Aid	17,573	14,000	3,573
State Formula	9,500	7,000	2,500
M and I	8,036	9,000	(964)
Other Grants and Donations	22,807	17,300	5,507
COVID-19	3,239	0	3,239
Reimbursement from SPARK Grant Fund	158,940	0	158,940
Reimbursement from COVID-19 Grant Fund	1,721	0	1,721
Charges for Services	147,129	175,729	(28,600)
Total Receipts	<u>421,143</u>	<u>275,313</u>	<u>145,830</u>
Expenditures:			
Personal Services	156,009	140,000	16,009
Commodities	97,996	151,200	(53,204)
Contractual Services	31,806	32,800	(994)
Capital Outlay	1,340	1,000	340
Transfer to County Health Capital Outlay Fund	13,652	0	13,652
Total Expenditures	<u>300,803</u>	<u>325,000</u>	<u>(24,197)</u>
Receipts Over (Under) Expenditures	120,340		
Unencumbered Cash, Beginning	<u>160,162</u>		
Unencumbered Cash, Ending	\$ <u>280,502</u>		

**GRAHAM COUNTY, KANSAS**  
**SPECIAL ALCOHOL PROGRAMS FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 18

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Intergovernmental			
Local Alcoholic Liquor Tax	\$ <u>1,364</u>	<u>3,191</u>	<u>(1,827)</u>
Expenditures:			
Contractual Services	<u>800</u>	<u>6,500</u>	<u>(5,700)</u>
Receipts Over (Under) Expenditures	<u>564</u>		
Unencumbered Cash, Beginning	<u>4,852</u>		
Unencumbered Cash, Ending	\$ <u>5,416</u>		

**GRAHAM COUNTY, KANSAS**  
**SPECIAL PARKS AND RECREATION FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 19

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Intergovernmental			
Local Alcoholic Liquor Tax	\$ <u>536</u>	<u>300</u>	<u>236</u>
Expenditures:			
Contractual Services	<u>500</u>	<u>2,000</u>	<u>(1,500)</u>
Receipts Over (Under) Expenditures	<u>36</u>		
Unencumbered Cash, Beginning	<u>2,229</u>		
Unencumbered Cash, Ending	\$ <u>2,265</u>		

**GRAHAM COUNTY, KANSAS**  
**GRAHAM COUNTY 911 FUND**

SCHEDULE 2  
Page 20

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
911 Tax	\$ 60,441	50,000	10,441
Transfer from General Fund	<u>0</u>	<u>0</u>	<u>0</u>
Total Receipts	<u>60,441</u>	<u>50,000</u>	<u>10,441</u>
Expenditures:			
Contractual Services	107,360	100,000	7,360
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>107,360</u>	<u>100,000</u>	<u>7,360</u>
Receipts Over (Under) Expenditures	<b>(46,919)</b>		
Unencumbered Cash, Beginning	<u>51,419</u>		
Unencumbered Cash, Ending	\$ <u>4,500</u>		

**GRAHAM COUNTY, KANSAS  
COUNTY HOSPITAL FUND**

SCHEDULE 2  
Page 21

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 620,326	627,320	(6,994)
Delinquent Tax	7,054	9,500	(2,446)
Motor Vehicle Tax	25,010	26,135	(1,125)
Recreational Vehicle Tax	595	521	74
16/20M Vehicle Tax	3,101	3,013	88
Commercial Vehicle Tax	<u>2,390</u>	<u>2,025</u>	<u>365</u>
Total Receipts	<u>658,476</u>	<u>668,514</u>	<u>(10,038)</u>
Expenditures:			
Appropriations	<u>658,476</u>	<u>693,833</u>	<u>(35,357)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>34,946</u>		
Unencumbered Cash, Ending	\$ <u>34,946</u>		



**GRAHAM COUNTY, KANSAS**  
**MENTAL HEALTH FUND**

SCHEDULE 2  
Page 22

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>*Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 17,739	17,923	(184)
Delinquent Tax	202	0	202
Motor Vehicle Tax	748	779	(31)
Recreational Vehicle Tax	18	16	2
16/20M Vehicle Tax	84	90	(6)
Commercial Vehicle Tax	71	60	11
	<u>18,862</u>	<u>18,868</u>	<u>(6)</u>
Total Receipts	<u>18,862</u>	<u>18,868</u>	<u>(6)</u>
Expenditures:			
Appropriations	<u>18,862</u>	<u>18,868</u>	<u>(6)</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

\*Exempt from Budget Law per K.S.A. 19-4007.

**GRAHAM COUNTY, KANSAS  
MENTAL RETARDATION FUND**

SCHEDULE 2  
Page 23

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>*Budget</u>	<u>Variance Over (Under)</u>
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 49,373	49,892	(519)
Delinquent Tax	582	0	582
Motor Vehicle Tax	2,058	2,150	(92)
Recreational Vehicle Tax	49	43	6
16/20M Vehicle Tax	276	248	28
Commercial Vehicle Tax	197	167	30
Total Receipts	<u>52,535</u>	<u>52,500</u>	<u>35</u>
Expenditures:			
Appropriations	<u>52,535</u>	<u>52,500</u> *	<u>35</u>
Receipts Over (Under) Expenditures	0		
Unencumbered Cash, Beginning	<u>0</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

\*Exempt from Budget Law per K.S.A. 19-4007.

**GRAHAM COUNTY, KANSAS**  
**ANTELOPE LAKE TRUST FUND**

SCHEDULE 2  
Page 24

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	Actual	*Budget	Variance Over (Under)
Receipts:			
Grants - State Aid	\$ 2,400	0	2,400
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>
Total Receipts	<u>2,400</u>	<u>0</u>	<u>2,400</u>
Expenditures:			
Contractual Services	<u>38</u>	<u>6,779</u> *	<u>(6,741)</u>
Receipts Over (Under) Expenditures	2,362		
Unencumbered Cash, Beginning	<u>15,124</u>		
Unencumbered Cash, Ending	\$ <u>17,486</u>		

\*Exempt from Budget Law per K.S.A. 12-16,111.

**GRAHAM COUNTY, KANSAS**  
**HEALTH CARE SALES TAX FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 25

	Actual	Budget	Variance Over (Under)
Receipts:			
Sales Tax	\$ <b>390,764</b>	400,000	(9,236)
Expenditures:			
Appropriations	<b>1,268</b>	642,500	(641,232)
Nursing Home Appropriations	<b>164,415</b>	167,500	(3,085)
Hospital Appropriations	<b>83,438</b>	0	83,438
Total Expenditures	<b>249,121</b>	810,000	(560,879)
Receipts Over (Under) Expenditures	<b>141,643</b>		
Unencumbered Cash, Beginning	<b>888,147</b>		
Unencumbered Cash, Ending	\$ <b>1,029,790</b>		

**GRAHAM COUNTY, KANSAS**  
**COUNTY HEALTH CAPITAL OUTLAY FUND**  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 26

	Actual	Budget	Variance Over (Under)
Receipts:			
Transfer from County Health Equipment Fund	\$ <u>13,652</u>	<u>0</u>	<u>13,652</u>
Expenditures:			
Capital Outlay	<u>39,345</u>	<u>43,000</u>	<u>(3,655)</u>
Receipts Over (Under) Expenditures	<b>(25,693)</b>		
Unencumbered Cash, Beginning	<u>42,760</u>		
Unencumbered Cash, Ending	\$ <u><u>17,067</u></u>		

**GRAHAM COUNTY, KANSAS**  
Nonbudgeted Funds  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 27

**Fire Equipment Fund**

	<u>Actual</u>
Receipts:	
Transfer from Fire Fund	\$ 48,018
Grants	<u>0</u>
Total Receipts	<u>48,018</u>
Expenditures:	
Contractual Services	0
Capital Outlay	<u>0</u>
Total Expenditures	<u>0</u>
Receipts Over (Under) Expenditures	48,018
Unencumbered Cash, Beginning	<u>339,383</u>
Unencumbered Cash, Ending	\$ <u><u>387,401</u></u>

**Special Machinery and Equipment Fund**

Receipts:	
Transfer from Road and Bridge Fund	\$ <u>0</u>
Expenditures:	
Capital Outlay	<u>16,592</u>
Receipts Over (Under) Expenditures	(16,592)
Unencumbered Cash, Beginning	<u>613,672</u>
Unencumbered Cash, Ending	\$ <u><u>597,080</u></u>

**Equipment Reserve Fund**

Receipts:	
Transfer from Appraiser's Cost Fund	\$ 0
Transfer from Landfill Fund	31,552
Transfer from Election Fund	0
Transfer from General Fund	<u>60,390</u>
Total Receipts	<u>91,942</u>
Expenditures:	
Transfer to Landfill	0
Capital Outlay	<u>94,481</u>
Total Expenditures	94,481
Receipts Over (Under) Expenditures	(2,539)
Unencumbered Cash, Beginning	<u>234,507</u>
Unencumbered Cash, Ending	\$ <u><u>231,968</u></u>

**GRAHAM COUNTY, KANSAS**  
Nonbudgeted Funds  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 28

**Special Auto Licenses Fund**

	<u>Actual</u>
Receipts:	
Fees	\$ <u>29,129</u>
Expenditures:	
Personal Services	5,090
Commodities	3,095
Contractual Services	1,941
Transfer to General Fund	<u>0</u>
Total Expenditures	<u>10,126</u>
Receipts Over (Under) Expenditures	19,003
Unencumbered Cash, Beginning	<u>18,807</u>
Unencumbered Cash, Ending	\$ <u><u>37,810</u></u>

**County Attorney Check Trust Fund**

Receipts:	
Fees	\$ <u>35</u>
Expenditures	<u>0</u>
Receipts Over (Under) Expenditures	35
Unencumbered Cash, Beginning	<u>5,395</u>
Unencumbered Cash, Ending	\$ <u><u>5,430</u></u>

**Prosecutor's Training Assistance Fund**

Receipts:	
Fees	\$ <u>460</u>
Expenditures:	
Contractual Services	<u>0</u>
Receipts Over (Under) Expenditures	460
Unencumbered Cash, Beginning	<u>2,024</u>
Unencumbered Cash, Ending	\$ <u><u>2,484</u></u>

**Radar/LPR Grant Fund**

Receipts:	
Federal Aid	\$ <u>48,750</u>
Expenditures:	
Expenditures	<u>48,750</u>
Receipts Over (Under) Expenditures	0
Unencumbered Cash, Beginning	<u>0</u>
Unencumbered Cash, Ending	\$ <u><u>0</u></u>

**GRAHAM COUNTY, KANSAS**  
Nonbudgeted Funds  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 29

**Register of Deeds Technology Fund**

	<u>Actual</u>
Receipts:	
Fees	\$ <u>6,174</u>
Expenditures:	
Commodities	20
Contractual Services	3,266
Capital Outlay	<u>0</u>
Total Expenditures	<u>3,286</u>
Receipts Over (Under) Expenditures	2,888
Unencumbered Cash, Beginning	<u>48,788</u>
Unencumbered Cash, Ending	\$ <u><u>51,676</u></u>

**County Treasurer Technology Fund**

Receipts:	
Fees	\$ <u>1,543</u>
Expenditures:	
Contractual Services	0
Capital Outlay	<u>0</u>
Total Expenditures	<u>0</u>
Receipts Over (Under) Expenditures	1,543
Unencumbered Cash, Beginning	<u>8,870</u>
Unencumbered Cash, Ending	\$ <u><u>10,413</u></u>

**County Clerk Technology Fund**

Receipts:	
Fees	\$ <u>1,543</u>
Expenditures:	
Contractual Services	0
Capital Outlay	<u>3,095</u>
Total Expenditures	<u>3,095</u>
Receipts Over (Under) Expenditures	(1,552)
Unencumbered Cash, Beginning	<u>4,783</u>
Unencumbered Cash, Ending	\$ <u><u>3,231</u></u>



**GRAHAM COUNTY, KANSAS**  
Nonbudgeted Funds  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 30

**Special Road & Bridge Improvements**

	<u>Actual</u>
Receipts:	
Miscellaneous	\$ 0
Transfer from Road & Bridge	<u>0</u>
Total Receipts	<u>0</u>
Expenditures:	
Project Expenses	<u>0</u>
Receipts Over (Under) Expenditures	0
Unencumbered Cash, Beginning	<u>719,835</u>
Unencumbered Cash, Ending	\$ <u><u>719,835</u></u>

**Emergency Preparedness Grant Fund**

Receipts:	
Grants - Federal Aid	\$ <u>6,822</u>
Expenditures:	
Grant Disbursements	6,822
Reimbursement to EMS (Ambulance Fund)	<u>0</u>
Total Expenditures	<u>6,822</u>
Receipts Over (Under) Expenditures	0
Unencumbered Cash, Beginning	<u>(6,822)</u>
Unencumbered Cash, Ending	\$ <u><u>(6,822)</u></u>

**Multi-Year Capital Improvement Fund**

Receipts:	
Transfer from General	\$ <u>0</u>
Expenditures	
Transfer to General	<u>28,000</u>
Receipts Over (Under) Expenditures	(28,000)
Unencumbered Cash, Beginning	<u>1,331,060</u>
Unencumbered Cash, Ending	\$ <u><u>1,303,060</u></u>

**Kraf Grant-EMS Fund**

Receipts:	
Grants	\$ <u>17,040</u>
Expenditures:	
Expenditures	<u>17,040</u>
Receipts Over (Under) Expenditures	0
Unencumbered Cash, Beginning	<u>0</u>
Unencumbered Cash, Ending	\$ <u><u>0</u></u>

**GRAHAM COUNTY, KANSAS**  
Nonbudgeted Funds  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 31

**Summer Food Program Fund**

	<u>Actual</u>
Receipts:	
Federal Aid	\$ 79,044
Donations	<u>22,434</u>
Total Receipts	<u>101,478</u>
Expenditures	<u>65,609</u>
Receipts Over (Under) Expenditures	35,869
Unencumbered Cash, Beginning	<u>4,432</u>
Unencumbered Cash, Ending	\$ <u><u>40,301</u></u>

**Reserve Deputy Fund**

Receipts:	
Donations	\$ <u>1,865</u>
Expenditures	<u>0</u>
Receipts Over (Under) Expenditures	1,865
Unencumbered Cash, Beginning	<u>2,948</u>
Unencumbered Cash, Ending	\$ <u><u>4,813</u></u>

**Sheriff Special Permit Fund**

Receipts:	
VIN Fees	\$ <u>6,678</u>
Expenditures	<u>853</u>
Receipts Over (Under) Expenditures	5,825
Unencumbered Cash, Beginning	<u>8,818</u>
Unencumbered Cash, Ending	\$ <u><u>14,643</u></u>

**Sheriff Firearm Permit Fund**

Receipts:	
Fees	\$ <u>98</u>
Expenditures	<u>0</u>
Receipts Over (Under) Expenditures	98
Unencumbered Cash, Beginning	<u>4,635</u>
Unencumbered Cash, Ending	\$ <u><u>4,733</u></u>

**GRAHAM COUNTY, KANSAS**  
Nonbudgeted Funds  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 32

**Sheriff Offender Registration Fund**

	<u>Actual</u>
Receipts:	
Fees	\$ <u>620</u>
Expenditures	<u>552</u>
Receipts Over (Under) Expenditures	68
Unencumbered Cash, Beginning	<u>5,332</u>
Unencumbered Cash, Ending	\$ <u><u>5,400</u></u>

**Sheriff Seatbelt Grant Fund**

Receipts:	
Grants	\$ <u>672</u>
Expenditures	<u>0</u>
Receipts Over (Under) Expenditures	672
Unencumbered Cash, Beginning	<u>1,749</u>
Unencumbered Cash, Ending	\$ <u><u>2,421</u></u>

**SAFE Program Grant Fund**

Receipts:	
Grants	\$ <u>0</u>
Expenditures:	
Grant Disbursements	<u>0</u>
Receipts Over (Under) Expenditures	0
Unencumbered Cash, Beginning	<u>1,286</u>
Unencumbered Cash, Ending	\$ <u><u>1,286</u></u>

**Northwest Bioterrorism Fund**

Receipts:	
Grants	\$ <u>37,054</u>
Expenditures	<u>35,955</u>
Receipts Over (Under) Expenditures	1,099
Unencumbered Cash, Beginning	<u>3,624</u>
Unencumbered Cash, Ending	\$ <u><u>4,723</u></u>

**GRAHAM COUNTY, KANSAS**  
Nonbudgeted Funds  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 33

**Fire District Donations Fund**

	<u>Actual</u>
Receipts:	
Donations	\$ <u>250</u>
Expenditures	<u>0</u>
Receipts Over (Under) Expenditures	250
Unencumbered Cash, Beginning	<u>11,224</u>
Unencumbered Cash, Ending	\$ <u><u>11,474</u></u>

**EMS Donation Fund**

Receipts:	
Hansen Foundation	\$ <u>1,925</u>
Expenditures	<u>0</u>
Receipts Over (Under) Expenditures	1,925
Unencumbered Cash, Beginning	<u>5,684</u>
Unencumbered Cash, Ending	\$ <u><u>7,609</u></u>

**Livestock Building Donation Fund**

Receipts:	
Donations	\$ <u>0</u>
Expenditures	<u>0</u>
Receipts Over (Under) Expenditures	0
Unencumbered Cash, Beginning	<u>32</u>
Unencumbered Cash, Ending	\$ <u><u>32</u></u>

**Industrial Park Fund**

Receipts:	
Sale of Lot	\$ <u>0</u>
Expenditures	<u>0</u>
Receipts Over (Under) Expenditures	0
Unencumbered Cash, Beginning	<u>2,500</u>
Unencumbered Cash, Ending	\$ <u><u>2,500</u></u>

**GRAHAM COUNTY, KANSAS**  
Nonbudgeted Funds  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 34

**SPARK Grant Fund**

	<u>Actual</u>
Receipts:	
Federal Aid	\$ <u>490,062</u>
Expenditures:	
Grant Expenditures - County	102,662
Reimbursement to County Heath Fund	158,940
Reimbursement to EMS (Ambulance) Fund	4,209
Reimbursement to General Fund	16,807
Payments to Other Local Governments & Non-profits	<u>197,624</u>
Total Expenditures	<u>480,242</u>
Receipts Over (Under) Expenditures	9,820
Unencumbered Cash, Beginning	<u>0</u>
Unencumbered Cash, Ending	\$ <u><u>9,820</u></u>

**CDBG Grant Fund**

Receipts:	
Federal Aid	\$ <u>128,250</u>
Expenditures:	
Grant Expenses	<u>128,250</u>
Receipts Over (Under) Expenditures	0
Unencumbered Cash, Beginning	<u>0</u>
Unencumbered Cash, Ending	\$ <u><u>0</u></u>

**EOC Grant Fund**

Receipts:	
Federal Aid	\$ <u>21,781</u>
Expenditures:	
Grant Expenses	<u>21,781</u>
Receipts Over (Under) Expenditures	0
Unencumbered Cash, Beginning	<u>0</u>
Unencumbered Cash, Ending	\$ <u><u>0</u></u>

**COVID-19 Grant Fund**

Receipts:	
Federal Aid	\$ <u>11,833</u>
Expenditures:	
Grant Expenses	927
Reimbursement to EMS (Ambulance) Fund	9,185
Reimbursement to County Health Fund	<u>1,721</u>
Total Expenditures	<u>11,833</u>
Receipts Over (Under) Expenditures	0
Unencumbered Cash, Beginning	<u>0</u>
Unencumbered Cash, Ending	\$ <u><u>0</u></u>

**GRAHAM COUNTY, KANSAS**  
Bond and Interest Funds  
Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 35

	<b>Actual</b>	<b>Budget</b>	<b>Variance Over (Under)</b>
<b><u>Hospital Bond Debt Service Fund</u></b>			
Receipts:			
Taxes			
Delinquent Tax	\$ 46	763	(717)
16/20M Vehicle Tax	0	0	0
Total Receipts	<u>46</u>	<u>763</u>	<u>(717)</u>
Expenditures:			
Principal	0	0	0
Interest and Fees	0	0	0
Transfer to General	0	30,442	(30,442)
Total Expenditures	<u>0</u>	<u>30,442</u>	<u>(30,442)</u>
Receipts Over (Under) Expenditures	46		
Unencumbered Cash, Beginning	<u>29,009</u>		
Unencumbered Cash, Ending	\$ <u>29,055</u>		
<b><u>Hospital No Fund Warrants Fund</u></b>			
Receipts:			
Delinquent Tax	\$ 3	109	(106)
16/20M Vehicle Tax	0	0	0
Total Receipts	<u>3</u>	<u>109</u>	<u>(106)</u>
Expenditures:			
Transfer to General	0	6,180	(6,180)
Interest	0	0	0
Total Expenditures	<u>0</u>	<u>6,180</u>	<u>(6,180)</u>
Receipts Over (Under) Expenditures	3		
Unencumbered Cash, Beginning	<u>5,969</u>		
Unencumbered Cash, Ending	\$ <u>5,972</u>		

**GRAHAM COUNTY, KANSAS**  
**LANDFILL FUND**

SCHEDULE 2  
Page 36

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Taxes			
Ad Valorem Property Tax	\$ 69,347	70,126	(779)
Delinquent Tax	1,096	0	1,096
Motor Vehicle Tax	4,473	4,672	(199)
Recreational Vehicle Tax	106	93	13
16/20M Vehicle Tax	597	539	58
Commercial Vehicle Tax	427	362	65
Charges for Services	<u>63,622</u>	<u>65,328</u>	<u>(1,706)</u>
Total Receipts	<u>139,668</u>	<u>141,120</u>	<u>(1,452)</u>
Expenditures:			
Personal Services	51,212	65,000	(13,788)
Commodities	17,529	40,950	(23,421)
Contractual Services	99,504	60,000	39,504
Capital Outlay	9,901	3,100	6,801
Transfer to Equipment Reserve Fund	<u>31,552</u>	<u>42,100</u>	<u>(10,548)</u>
Total Expenditures	<u>209,698</u>	<u>211,150</u>	<u>(1,452)</u>
Receipts Over (Under) Expenditures	<u>(70,030)</u>		
Unencumbered Cash, Beginning	<u>70,030</u>		
Unencumbered Cash, Ending	\$ <u>0</u>		

**GRAHAM COUNTY, KANSAS**  
**EMS (AMBULANCE) FUND**

SCHEDULE 2  
Page 37

Schedule of Receipts and Expenditures - Actual and Budget  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over (Under)
Receipts:			
Taxes			
Delinquent Tax	\$ 30	0	30
Reimbursement from SPARK Grant Fund	4,209	0	4,209
Reimbursement from Covid-19 Grant Fund	9,185	0	9,185
Miscellaneous	88	0	88
Charges for Services	<u>193,493</u>	<u>120,883</u>	<u>72,610</u>
Total Receipts	<u>207,005</u>	<u>120,883</u>	<u>86,122</u>
Expenditures:			
Personal Services	68,147	80,000	(11,853)
Commodities	23,891	23,650	241
Contractual Services	34,000	50,900	(16,900)
Capital Outlay	0	1,300	(1,300)
Transfer to Ambulance Equipment Fund	<u>29,812</u>	<u>0</u>	<u>29,812</u>
Total Expenditures	<u>155,850</u>	<u>155,850</u>	<u>0</u>
Receipts Over (Under) Expenditures	51,155		
Unencumbered Cash, Beginning	<u>192,940</u>		
Unencumbered Cash, Ending	\$ <u>244,095</u>		



**GRAHAM COUNTY, KANSAS**  
**AMBULANCE EQUIPMENT FUND**  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 2  
Page 38

	<u><b>Actual</b></u>
Receipts:	
Transfer from EMS (Ambulance) Fund	\$ <u><b>29,812</b></u>
Expenditures:	
Capital Outlay	<u><b>17,172</b></u>
Receipts Over (Under) Expenditures	<b>12,640</b>
Unencumbered Cash, Beginning	<u><b>61,223</b></u>
Unencumbered Cash, Ending	\$ <u><u><b>73,863</b></u></u>

**GRAHAM COUNTY, KANSAS  
RELATED MUNICIPAL ENTITY  
GRAHAM COUNTY FAIR BOARD**

SCHEDULE 2  
Page 39

Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year End December 31, 2020

	<u>Actual</u>
Receipts:	
County Appropriation	\$ 44,538
Gates, Rentals, and Sales	9,896
Premium Auction	50,444
Donations and Memorials	0
Interest on Idle Funds	47
Miscellaneous	<u>95</u>
Total Receipts	<u>105,020</u>
Expenditures:	
Administration	62,585
Advertising	1,905
Utilities	7,876
Supplies, Repairs and Maintenance	14,166
Labor	9,915
Insurance, Bond, and Taxes	2,598
Rodeo	0
Premium Auction	50,444
Prize Money and Judges	1,762
Entertainment	0
Extension Council	4,342
Miscellaneous	<u>4,946</u>
Total Expenditures	<u>160,539</u>
Receipts Over (Under) Expenditures	(55,519)
Unencumbered Cash, Beginning	<u>80,512</u>
Unencumbered Cash, Ending	<u>\$ 24,993</u>

**GRAHAM COUNTY, KANSAS**  
**RELATED MUNICIPAL ENTITY**  
**GRAHAM COUNTY PUBLIC LIBRARY**  
Schedule of Receipts and Expenditures - Actual  
Regulatory Basis  
For the Year End December 31, 2020

SCHEDULE 2  
Page 40

	<u>General</u>	<u>State Aid</u>	<u>Memorials</u>
Receipts:			
County Appropriation	\$ 114,911	0	0
Fines and Fees	2,068	0	0
Donations and Grants	10,003	0	0
Interest on Idle Funds	2,589	0	136
Miscellaneous	363	0	0
Intergovernmental Receipts	0	719	0
	<u>129,934</u>	<u>719</u>	<u>136</u>
Total Receipts			
	<u>129,934</u>	<u>719</u>	<u>136</u>
Expenditures:			
Salaries and Wages	58,061	0	0
Employee Benefits	24,578	0	0
Books and Periodicals	2,024	719	0
Equipment	0	0	0
Supplies	1,032	0	0
Utilities	6,766	0	0
Repairs	8,300	0	0
Miscellaneous	25,741	0	0
	<u>126,502</u>	<u>719</u>	<u>0</u>
Total Expenditures			
	<u>126,502</u>	<u>719</u>	<u>0</u>
Receipts Over (Under) Expenditures	3,432	0	136
Unencumbered Cash, Beginning	158,743	0	103,139
	<u>162,175</u>	<u>0</u>	<u>103,275</u>
Unencumbered Cash, Ending	\$ 162,175	0	103,275

**GRAHAM COUNTY, KANSAS**  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 3  
Page 1

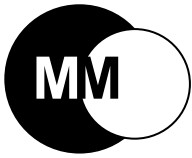
Fund	Beginning Cash Balance	Receipts	Disburse- ments	Ending Cash Balance
Distributable Funds:				
Current Tax	\$ 6,309,486	8,619,267	9,584,619	5,344,134
Advance Tax	1,968	16,305	18,045	228
Neighborhood Revitalization	4,689	34,737	33,000	6,426
Motor Vehicle Licenses	2,973	250,625	251,448	2,150
Sales Tax	10,006	172,688	167,084	15,610
Motor Vehicle Tax	79,392	530,081	538,034	71,439
Recreational Vehicle Tax	1,153	9,753	9,779	1,127
Delinquent Tax	40,068	128,617	111,847	56,838
Special Mineral Tax	12,253	29,898	21,366	20,785
Groundwater Management	(4)	14,687	14,683	0
Stray Animal	1,253	0	0	1,253
Alcohol/Drug Testing	64	1,433	1,433	64
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Total Distributable Funds	6,463,301	9,808,091	10,751,338	5,520,054
	<hr/>	<hr/>	<hr/>	<hr/>
State Funds:				
State Education Building	0	66,097	66,097	0
Institutional Building	0	33,049	33,049	0
	<hr/>	<hr/>	<hr/>	<hr/>
Total State Funds	0	99,146	99,146	0
	<hr/>	<hr/>	<hr/>	<hr/>
Subdivision Funds:				
Cities	0	684,627	684,627	0
Townships	0	73,049	73,049	0
School Districts	70	3,402,428	3,402,428	70
Cemeteries	0	8,659	8,659	0
	<hr/>	<hr/>	<hr/>	<hr/>
Total Subdivision Funds	\$ 70	4,168,763	4,168,763	70
	<hr/>	<hr/>	<hr/>	<hr/>

**GRAHAM COUNTY, KANSAS**  
Agency Funds  
Summary of Receipts and Disbursements  
Regulatory Basis  
For the Year Ended December 31, 2020

SCHEDULE 3  
Page 2

Fund	Beginning Cash Balance	Receipts	Disburse- ments	Ending Cash Balance
County Officer Accounts:				
Sheriff	\$ 1,405	11,951	11,779	1,577
Clerk of District Court	12,888	545,088	557,426	550
County Treasurer				
Heritage Trust	18,482	3,087	0	21,569
Candidate Registration Fees	0	550	50	500
Cereal Malt Beverage Stamp	0	100	75	25
Diversion Agreement	20,675	7,385	7,628	20,432
DMV Modernization	253	16,068	16,063	258
Driver's Licenses	1,121	6,129	6,092	1,158
Over & Short	0	14,589	14,589	0
Insufficient Check Clearing	(7,905)	7,111	0	(794)
Total Officer Accounts	46,919	612,058	613,702	45,275
 Total Agency Funds	 \$ 6,510,290	 14,688,058	 15,632,949	 5,565,399

**GRAHAM COUNTY, KANSAS**  
**SINGLE AUDIT SECTION**  
**FOR THE YEAR ENDED DECMEBER 31, 2020**



**Mapes & Miller LLP**  
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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**

The Board of Commissioners  
Graham County, Kansas  
Hill City, KS 67642

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, and the *Kansas Municipal Audit and Accounting Guide*, the financial statement of Graham County, Kansas, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise Graham County, Kansas' basic financial statements, and have issued our report thereon dated September 14, 2021. Our report on the financial statement disclosed that, as described in Note 1 to the financial statements, Graham County, Kansas prepares its financial statements on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Kansas, which is a comprehensive basis of accounting other than generally accepted accounting principles.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Graham County, Kansas' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of Graham County, Kansas' internal control. Accordingly, we do not express an opinion on the effectiveness of Graham County, Kansas' 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 entity'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Board of Commissioners  
Graham County, Kansas  
Page Two

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants 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**

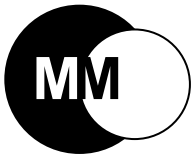
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance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

*Mapes & Miller LLP*

Certified Public Accountants

Norton, Kansas  
September 14, 2021





# Mapes & Miller LLP

## Certified Public Accountants

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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

The Board of Commissioners  
Graham County, Kansas  
Hill City, KS 67642

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

We have audited Graham County, Kansas' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Graham County, Kansas' major federal programs for the year ended December 31, 2020. Graham County, Kansas' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

#### Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

#### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Graham County, Kansas' major federal programs based on our audit of the types of compliance requirements referred to above. 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 Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program have occurred. An audit includes examining, on a test basis, evidence about Graham County, Kansas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on Graham County, Kansas' compliance.

#### Opinion on Each Major Federal Program

In our opinion, Graham County, Kansas complied, in all material respects, with the types of 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, 2020.

## **Report on Internal Control Over Compliance**

Management of Graham County, Kansas is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered Graham County, Kansas' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Graham County, Kansas' internal control over compliance.

*A deficiency in internal control over compliance* 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, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance*, is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* in internal control over compliance is a deficiency, or 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 the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing on 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.

*Mapes & Miller LLP*

Certified Public Accountants

Norton, Kansas  
September 14, 2021

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended December 31, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Passed-through to Subrecipients	Federal Expenditures
U.S. Department of Homeland Security				
Passed through the Kansas Division of Emergency Management				
Emergency Management Performance Grants	97.042	n/a	\$ -	6,822
U.S. Department of Health and Human Services				
Passed through the Kansas Department of Health & Environment				
Public Health Emergency Preparedness	93.069	n/a	-	14,110
Hospital Prepared Program and Public Health Emergency Preparedness	93.074	n/a	-	33,777
Immunization Grants	93.268	n/a	-	696
Public Health Emergency Response	93.354	n/a	-	3,239
Provider Relief Fund	93.498	n/a	-	11,833
Total U.S. Department of Health and Human Services			-	63,655
U.S. Department of Agriculture				
Passed through the Kansas Department of Health & Environment				
WIC Special Supplemental Nutritional Program for Women, Infants, and Children	10.557	n/a	-	17,573
Passed through the Kansas State Department of Education				
Child Nutrition Cluster				
Summer Food Service Program for Children	10.559	n/a	-	79,044
Total U.S. Department of Agriculture			-	96,617
U.S. Department of Justice				
Passed through the Kansas Criminal Justice Coordinating Council	16.738	n/a	-	48,750
Edward Byrne Memorial Justice Assistance Grant				
U.S. Department of Housing and Urban Development				
Passed through the Kansas Department of Commerce				
Community Development Block Grant	14.228	n/a	-	128,250
U.S. Department of the Treasury				
Passed through the Kansas Division of Emergency Management				
COVID-19 Funding				
Coronavirus Relief Fund	21.019	n/a	-	21,781
Passed through the Kansas Office of Recovery				
COVID-19 Funding				
Coronavirus Relief Fund	21.019	n/a	197,624	480,242 *
Total U.S. Department of the Treasury			197,624	502,023
Total Expenditures of Federal Awards			\$ 197,624	846,117

\* Federal expenditures were expended in the SPARK Grant Fund.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Year Ended December 31, 2020**Note A - Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Graham County, Kansas (the County), under programs of the federal government for the year ended December 31, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administration 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 1 to the financial statement), which is the same basis of accounting as the financial statement accompanying this schedule.

**Note B - Summary of Significant Accounting Policies**

Expenditures reported on the Schedule is 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.

**Note C – Indirect Cost Rate**

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

**Note D – Loan and Loan Guarantee Programs**

The County did not have any loan or loan guarantee programs outstanding at December 31, 2020

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2020

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SECTION 1 – SUMMARY OF AUDITORS' RESULTS

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FINANCIAL STATEMENT

Type of auditors' report issued:

In accordance with Generally Accepted Accounting Principles

Adverse

In accordance with the statutory basis of accounting described in Note 1

Unmodified

Internal control over financial reporting:

- Material weaknesses identified?

\_\_\_ Yes x No

Significant deficiencies identified?

\_\_\_ Yes x None Reported

- Noncompliance material to financial statement noted?

\_\_\_ Yes x NoFEDERAL AWARDS

Internal control over major programs:

- Material weaknesses identified?

\_\_\_ Yes x No

- Significant deficiencies identified?

\_\_\_ Yes x None Reported

Type of auditors' report issued on compliance for major programs:

UnmodifiedAny audit findings disclosed that are required to be reported in  
accordance with 2 CFR 200.516(a)?\_\_\_ Yes x No

Identification of major programs:

CFDA NUMBER  
21.019NAME OF FEDERAL PROGRAM  
Coronavirus Relief FundDollar threshold used to distinguish between type A and  
type B programs:\$750,000

Auditee qualified as low-risk auditee?

\_\_\_ Yes x No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
For the Year Ended December 31, 2020

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SECTION II – FINANCIAL STATEMENT FINDINGS

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None

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SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

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CFDA No. 21.019, Coronavirus Relief Fund – No reportable findings or questioned costs for the year ended December 31, 2020

**SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**  
**For the Year Ended December 31, 2020**

**FINANCIAL STATEMENT AUDIT FINDINGS**

None

**FEDERAL AWARD FINDINGS**

None