

MARION COUNTY CONSERVATION DISTRICT

Report on Applying Agreed-upon Procedures

For the Year Ended December 31, 2022

**INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Supervisors
Marion County Conservation District
Marion, Kansas

We have performed the procedures enumerated below on the accounting records of **Marion County Conservation District** for the year ended December 31, 2022. **Marion County Conservation District's** management is responsible for the accounting records.

Marion County Conservation District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose as required in accordance with K.S.A. 75-1122. Additionally, the Kansas Department of Agriculture, Division of Conservation has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and findings are as follows:

Procedure 1 – Cash Receipts

For two separate months, we traced non-mail cash receipts from the receipt book to the bookkeeping records to determine if the receipts were properly recorded. Also, for the same two months, we traced bookkeeping entries for cash receipts to the bank statement to determine if receipts were deposited intact and on a timely basis. No exceptions were found.

Procedure 2 – Cash Disbursements

For approximately ten percent of the non-payroll cash disbursements, we traced disbursements from the bookkeeping records to the related invoice, bank statement, and canceled check. Also, we determined the propriety of the disbursements from the operations fund considering the following: (1) the district supervisor shall receive no compensation for services other than payroll but may receive travel expenses, (2) travel and expenses are permitted only for supervisors and district employees, (3) disbursements are not permitted for prizes or as incentives for achievements or attendance at meetings and (4) disbursements are not permitted for meals at the annual meeting. No exceptions were found.

Procedure 3 – Credit Cards

Due to the credit card recently being opened, we reviewed the District's credit card transactions for the month of December to determine if approvals, expenditure procedures, and proper classification of expenditures were followed. The District's credit card procedures are as follows:

The District has authorized 2 credit cards, with a maximum credit of \$1,500 each, that are held in a locked drawer within the office. Authorized users include the District Manager, District Clerk or a designated Supervisor when necessary. The original receipts for all purchases are attached to the monthly bill and reviewed by the board at their monthly meeting. No exceptions were found.

Marion County Conservation District

Page 2

Procedure 4 – Encumbrances and Accounts Payable

We examined evidence of outstanding encumbrances and accounts payable to determine if they were properly stated in the financial statement as of the end of the year. The following exception was found:

The District had not recorded payables at year-end in the amount of \$6,059 for the Operating Fund and \$75 for the Enterprise Fund.

Procedure 5 - Year End Cash

We tied the District's total cash per books at year end to source documents. Also, we reviewed the bank reconciliation for the last month of the year. No exceptions were found.

Procedure 6 – Payroll

We reviewed payroll for one month to determine that proper deductions and employer contributions were made. No exceptions were found.

Procedure 7 – Comparison with Prior Year

We compared total cash receipts, total cash disbursements, outstanding encumbrances and accounts payable, and ending unencumbered cash balance for the current year with the same financial statement items for the prior year and examined any changes greater than 25%.

Total cash receipts and ending unencumbered cash balance in the Cottonwood WRAPS II Fund had changes greater than 25% over the previous year due to an increase in State of Kansas funding. Total cash disbursements in the Enterprise Fund had changes greater than 25% over the previous year due to an increase in transfers to the Operations Fund, which resulted in a change greater than 25% in the ending unencumbered cash balance in the Operations Fund. Accounts payable in the Operations Fund had changes greater than 25% over the previous year due to timing of the payment for insurance.

Procedure 8 – Other Procedures

We performed other procedures as listed in the schedule of agreed-upon procedures. No exceptions were found.

We were engaged by **Marion County Conservation District** to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to, and did not, conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the accounting records. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

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

This report is intended solely for the information and use of **Marion County Conservation District** and the Kansas Department of Agriculture, Division of Conservation and is not intended to be, and should not be, used by anyone other than those specified parties.



ADAMSBROWN, LLC

Certified Public Accountants

McPherson, Kansas

March 17, 2023

ACCOUNTANTS' COMPILATION REPORT

To the Board of Supervisors
Marion County Conservation District
Marion, Kansas

Management is responsible for the accompanying financial statement of **Marion County Conservation District**, which comprises the combined statement of cash receipts, cash disbursements, and cash balance – regulatory basis for the year ended December 31, 2022, in accordance with the regulatory basis of accounting, and for determining that the regulatory basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on this financial statement.

The financial statement is prepared in accordance with the regulatory basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the regulatory basis of accounting. If the omitted disclosures were included in the financial statement, they might influence the user's conclusions about the District's receipts, disbursements, and cash balance. Accordingly, the financial statement is not designed for those who are not informed about such matters.



ADAMSBROWN, LLC
Certified Public Accountants
McPherson, Kansas

March 17, 2023

MARION COUNTY CONSERVATION DISTRICT

Combined Statement of Cash Receipts, Cash Disbursements, and Cash Balance - Regulatory Basis
For the Year Ended December 31, 2022

	Operations Fund	Enterprise Fund	Cottonwood WRAPS II	Marion Reservoir WRAPS	Total
Beginning Cash Balance, January 1	\$ 9,757	144,834	49,474	72,574	276,639
Cash Receipts					
Appropriations - State	24,707	-	-	-	24,707
Appropriations - County	39,500	-	-	-	39,500
Cost Share Program & WRAPS	-	257	263,976	90,000	354,233
Equipment Rental	-	14,040	-	-	14,040
Retail Sales & Services	-	39,349	-	-	39,349
Donations and Grants	1,000	1,800	-	-	2,800
Reimbursements	300	-	-	-	300
Interest	597	2,151	-	-	2,748
Transfers From Other Funds	42,220	-	-	-	42,220
Total Cash Receipts	108,324	57,597	263,976	90,000	519,897
Total Available Cash	118,081	202,431	313,450	162,574	796,536
Cash Disbursements					
Salaries and Payroll Taxes	76,886	-	-	-	76,886
Contracted Services	-	-	52,000	32,000	84,000
Supervisor Expenses	1,344	423	990	990	3,747
Employee Mileage	2,612	-	-	-	2,612
Equipment & Building Maintenance	-	8,948	-	-	8,948
Information & Education	1,100	943	-	-	2,043
Administrative Expenses & Fees	4,199	389	949	1,002	6,539
Goods for Resale	-	34,619	-	-	34,619
Annual Meeting	-	1,755	-	-	1,755
Cost Share Program & WRAPS	-	-	106,934	57,748	164,682
Transfers to Other Funds	-	17,220	15,000	10,000	42,220
Total Cash Disbursements	86,141	64,297	175,873	101,740	428,051
Ending Cash Balance, December 31	31,940	138,134	137,577	60,834	368,485
Outstanding Encumbrances and Accounts Payable, December 31	(6,059)	(75)	-	-	(6,134)
Ending Unencumbered Cash, December 31	\$ 25,881	138,059	137,577	60,834	362,351
Composition of Cash					
Checking Accounts	\$ 31,940	39,565	137,577	60,834	269,916
Savings Accounts	-	98,569	-	-	98,569
Total Cash	\$ 31,940	138,134	137,577	60,834	368,485

See accountants' compilation report.