

**DONIPHAN COUNTY, KANSAS**

**FINANCIAL STATEMENTS**

**December 31, 2020**

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Doniphan County, Kansas

FINANCIAL STATEMENTS

December 31, 2020

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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners  
Doniphan County, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of Doniphan County, Kansas, (the County) as of and for the year ended December 31, 2020, and the related notes to the financial statement.

*Management's Responsibility for the Financial Statements*

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 to meet the financial reporting requirements of the State of Kansas; 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 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*. 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 the County to meet the requirements of the State of 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 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 the County 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 the County 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.

#### *Emphasis of Matter*

##### *Prior Period Restatement*

As discussed in Note 12 to the financial statements, certain errors in amounts previously recorded as of December 31, 2019, were discovered by management of the County during the current year. Accordingly, these amounts have been restated to the December 31, 2020, financial statements now presented, and adjustments have been made to beginning unencumbered cash to correct the errors. Our opinion is not modified with respect to these errors.

#### *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, summary of receipts and disbursements-agency funds and the schedule of regulatory basis receipts and expenditures-related municipal entity (Schedules 1, 2, 3 and 4) as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) *Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

#### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2021, on our consideration of the County’s internal control over financial reporting and 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 the 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 the County’s internal control over financial reporting and compliance.

**Gordon CPA LLC**

Certified Public Accountant  
Lawrence, Kansas

June 8, 2021

Doniphan County, Kansas  
Summary Statement of Receipts, Expenditures and Unencumbered Cash  
Regulatory Basis  
For the Year Ended December 31, 2020

Funds	Beginning Unencumbered Cash Balance	Prior Period Adjustment	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add: Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds:							
General Funds:							
General	\$ 1,987,043	\$ -	\$ 2,589,423	\$ 2,681,873	\$ 1,894,593	\$ -	\$ 1,894,593
Special Purpose Funds:							
Road and Bridge	1,083,401	-	3,079,186	2,781,685	1,380,902	-	1,380,902
Capital Improvements	229,999	-	15	3,145	226,869	-	226,869
Employee Benefits	618,299	-	525,584	556,828	587,055	-	587,055
Extension Council	5,288	-	128,570	130,189	3,669	-	3,669
Community Mental Health	-	-	30,809	30,809	-	-	-
Mental Health Workshop	1,586	-	29,918	30,606	898	-	898
Conservation District	3,253	-	34,590	34,983	2,860	-	2,860
Community College	25	-	-	25	-	-	-
Appraiser's Costs	132,886	-	245,152	240,312	137,726	-	137,726
Noxious Weed	39,790	-	107,696	87,634	59,852	-	59,852
Noxious Weed Chemical	86,845	-	57,824	31,454	113,215	-	113,215
Fair	863	-	19,773	20,060	576	-	576
Economic Development	80,439	-	117,785	95,203	103,021	-	103,021
Elderly Services	30,069	-	287,548	246,905	70,712	-	70,712
Alcohol	23,639	-	9,287	1,000	31,926	-	31,926
Diversion	107,045	-	12,383	-	119,428	-	119,428
Direct Election	96,652	-	76,404	71,326	101,730	-	101,730
Title III C-1	-	-	211,548	208,266	3,282	-	3,282
Title III C-2	-	-	131,726	130,126	1,600	-	1,600
Title III-B	11,304	-	84,762	83,465	12,601	-	12,601
Federal Funds Exchange	-	225,713	68,790	-	294,503	-	294,503
Trust, Training and Technology	55,747	-	17,359	10,087	63,019	-	63,019
911 Telephone	103,305	-	63,346	27,140	139,511	-	139,511
Equipment Reserve	206,145	-	152,550	96,159	262,536	-	262,536
FEMA	223,304	-	-	-	223,304	-	223,304
New Sales Tax	1,791,995	-	554,875	344,181	2,002,689	-	2,002,689
CARES Act	-	-	1,572,725	1,484,264	88,461	-	88,461
Bond and Interest Fund:							
Bond and Interest	34,726	-	1,456	-	36,182	-	36,182
Business Funds:							
NEK Central Kitchen	50,520	-	206,318	212,351	44,487	-	44,487
Health	321,397	-	708,081	725,402	304,076	-	304,076
Solid Waste	467,110	-	17,859	19,823	465,146	-	465,146
Total Primary Government	<u>7,792,675</u>	<u>225,713</u>	<u>11,143,342</u>	<u>10,385,301</u>	<u>8,776,429</u>	<u>-</u>	<u>8,776,429</u>
Related Municipal Entity:							
Extension Council	<u>75,737</u>	<u>-</u>	<u>156,740</u>	<u>143,831</u>	<u>88,646</u>	<u>-</u>	<u>88,646</u>
Total Reporting Entity (Excluding Agency Funds)	<u>\$ 7,868,412</u>	<u>\$ 225,713</u>	<u>\$ 11,300,082</u>	<u>\$ 10,529,132</u>	<u>\$ 8,865,075</u>	<u>\$ -</u>	<u>\$ 8,865,075</u>

COMPOSITION OF CASH:

Checking accounts	\$ 19,817,541
Certificates of deposit	43,249
Petty cash	600
Total Cash	19,861,390
Less Agency Funds per Statement 4	<u>10,996,315</u>
Total Reporting Entity (excluding Agency Funds)	<u>\$ 8,865,075</u>

Doniphan County, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Doniphan County, Kansas, is a municipal corporation governed by an elected three-member commission. These regulatory financial statements presents Doniphan County (the primary government) and its related municipal entities. The related municipal entities are included in the County's reporting entity because it was established to benefit the County and/or its constituents.

*Extension Council.* The Extension Council provides services in such areas as agriculture, home economics, and 4-H clubs, to all persons in the County. The Council is an elected seven-member executive board. The County annually provides significant operating subsidies to the Council. Kansas State University provides the County Extension Council non-cash receipts and disbursements related to salaries for operations of the Council. Those non-cash receipts and disbursements are reflected as cash in and cash out for regulatory basis reporting purposes within the related municipal entity schedule.

Because the Council is not a separate taxing entity, the County levies tax for the Extension Council's operations. The County appropriated \$126,546 to the Extension Council in 2020. The Extension Council is presented as a governmental fund type. Complete financial statements for the Extension Council may be obtained at the Doniphan County Courthouse, Troy, Kansas.

*Related Organizations.* Organizations for which the County as primary government is accountable because it appoints a voting majority of the other organization's boards, but is not financially accountable, are related organizations. The following are related organizations of the County as defined above:

Fire Districts No. 1, No. 2, No. 3, No.4, and No.5

Basis of Accounting

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

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

Regulatory Basis Fund Types

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.



Doniphan County, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Regulatory Basis Fund Types (Continued)

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 - used to report assets held by the County in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Property Tax

The county clerk calculated the final tax levy rates necessary to finance the budget subject to any legal limitations. After all budgets have been received and tax rates calculated, the clerk certifies the tax roll to, and prepares tax statements for, the county treasurer, who receives payment.

Taxes become a lien against all property on November 1<sup>st</sup>. Taxpayers have the option of paying in full or in two installments. The delinquency dates are December 21<sup>st</sup> and June 21<sup>st</sup>.

Tax levies to finance the budget are made available to the County after January 1<sup>st</sup> and are distributed by the County treasurer per statutes. At least 50% of the taxes levied are available in January. Delinquent tax collections are distributed throughout the year.

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. The statutes provide for the following sequence and timetable in the 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 the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of the notice of hearing.
4. Adoption of the final budget on or before August 25th.

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 2020 budget was not amended.

Doniphan County, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Information (Continued)

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 County 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 certain special purpose, capital project, business, and agency funds. The special purpose funds that are required to have a legal operating budget are listed in Schedule 1.

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.

K.S.A. 19-229 as affirmed by AGO 99-18, gives the Board of County Commissioners exclusive control over all County expenditures.

NOTE 2 - DEPOSITS

**Deposits.** 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 or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The County has no other policies that would further limit interest rate risk.

**Investments.** 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. As of December 31, 2020, the County held no such investments.

**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 has no designated "peak periods."

At December 31, 2020, the County's carrying amount of deposits was \$19,861,390 and the bank balance was \$21,170,650. The bank balance was held by six banks, resulting in a concentration of credit risk. Of the bank balance, \$1,338,646 was covered by federal depository insurance and \$19,832,004 was collateralized with securities held by the pledging financial institutions' agents in the County's name.

Doniphan County, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

NOTE 2 - DEPOSITS (CONTINUED)

*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.

NOTE 3 - DEFINED BENEFIT PENSION PLAN

*Plan description.* The County participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, *et seq.* Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its 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 Avenue, 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 a 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, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.61% for the fiscal year ended December 31, 2020. Contributions to the pension plan from the County were \$255,500 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 \$2,411,495. 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 these financial statements.

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 KPERS website at [www.kpers.org](http://www.kpers.org) or can be obtained as described above.

NOTE 4 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the County carries commercial insurance. No significant reductions in insurance coverage from that of the prior year have occurred. Settlements have not exceeded insurance coverage for each of the past three years.

Doniphan County, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

NOTE 5 - SOLID WASTE TRANSFER STATION

The County entered into an agreement with Deffenbaugh Industries, Inc. (DII) on October 31, 1994, to construct a solid waste transfer station at the site of the landfill. The agreement allows DII to operate the transfer station for 20 years while paying the County a host fee. The County has the option to purchase the transfer station at five-year intervals over that period with ownership passing to the County after 20 years has elapsed. The transfer station began operation in 1996. The County extended the contract with DII from November 1, 2014 to November 1, 2024.

NOTE 6 - INTERFUND TRANSACTIONS

The following operating transfers were made during 2020:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
Road and Bridge	Equipment Reserve	\$ 150,000	K.S.A. 19-119
Elderly	Title IIIC-1	97,282	Grant agreement
Elderly	Title IIIC-2	73,669	Grant agreement
Elderly	Title IIIB	11,126	Grant agreement
		<u>\$ 332,077</u>	

NOTE 7 - COMPENSATED ABSENCES

County employees receive vacation and sick leave benefits. Vacations benefits accrue on an annual basis and an annual carryover caps the number of days transferred from year to year. Upon termination, employees are compensated for any unused vacation leave. Sick leave accrues on a monthly basis up to a maximum. Upon termination, employees are not compensated for any unused sick leave. This amount has not been recorded in the financial statements due to its immaterial nature.

NOTE 8 - 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 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.

*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 help 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.

Doniphan County, Kansas

NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2020

NOTE 9 - CAPITAL LEASES

Following is a detailed listing of the County's long-term debt:

<u>Issue</u>	<u>Interest Rate</u>	<u>Date of Issue</u>	<u>Date of Final Maturity</u>	<u>Original Issue Amount</u>	<u>Amount Outstanding</u>
Capital leases					
2017 Deere 672Gs (4)	2.75%	2/15/2017	2/15/2021	\$ 574,954	\$ 239,421
2018 Western Star 4700SF	3.30%	5/1/2017	5/1/2021	407,085	-
					<u>\$ 239,421</u>

Following is a summary of changes in capital leases during the year ended December 31, 2020:

<u>Issue</u>	<u>Beginning Balance January 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance December 31, 2020</u>	<u>Interest Paid</u>
Capital leases					
2017 Deere 672Gs (4)	\$ 354,325	\$ -	\$ 114,904	\$ 239,421	\$ 9,870
2018 Western Star 4700SF	165,326	-	165,326	-	6,575
	<u>\$ 519,651</u>	<u>\$ -</u>	<u>\$ 280,230</u>	<u>\$ 239,421</u>	<u>\$ 16,445</u>

Annual debt service requirements to maturity for the capital leases are as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>
2021	\$ 118,104	\$ 6,670
2022	121,317	3,381
Total	<u>\$ 239,421</u>	<u>\$ 10,051</u>

NOTE 10 - STATUTORY VIOLATION

Actual exceeded budgeted expenditures in the Conservation District and Community College funds, which is a violation of K.S.A. 79-2935.

NOTE 11 - PRIOR PERIOD RESTATEMENT

During the year ended December 31, 2020, management discovered certain errors recorded in the prior year financial statements. The effects of these items caused a restatement to beginning unencumbered cash as follows:

	<u>Federal Funds Exchange Fund</u>
Unencumbered cash, beginning	\$ -
Prior period adjustment	225,713
Unencumbered cash, beginning, restated	<u>\$ 225,713</u>

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

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year Budget</u>	<u>Variance Over [Under]</u>
Governmental Type Funds:					
General Funds:					
General	\$ 3,098,714	\$ -	\$ 3,098,714	\$ 2,681,873	\$ [416,841]
Special Purpose Funds:					
Road and Bridge	3,405,227	-	3,405,227	2,781,685	[623,542]
Capital Improvements	100,000	-	100,000	3,145	[96,855]
Employee Benefits	868,024	-	868,024	556,828	[311,196]
Extension Council	130,344	-	130,344	130,189	[155]
Community Mental Health	30,849	-	30,849	30,809	[40]
Mental Health Workshop	30,650	-	30,650	30,606	[44]
Conservation District	34,939	-	34,939	34,983	44
Community College	-	-	-	25	25
Appraiser's Costs	305,998	-	305,998	240,312	[65,686]
Noxious Weed	119,801	-	119,801	87,634	[32,167]
Noxious Weed Chemical	106,049	-	106,049	31,454	[74,595]
Fair	20,084	-	20,084	20,060	[24]
Economic Development	140,622	-	140,622	95,203	[45,419]
Elderly Services	261,562	-	261,562	246,905	[14,657]
Alcohol	5,000	-	5,000	1,000	[4,000]
Diversions	75,000	-	75,000	-	[75,000]
Direct Election	92,977	-	92,977	71,326	[21,651]
New Sales Tax	900,000	-	900,000	344,181	[555,819]
Bond and Interest Fund:					
Bond and Interest	32,639	-	32,639	-	[32,639]
Business Funds:					
NEK Central Kitchen	440,878	-	440,878	212,351	[228,527]
Health	1,032,774	-	1,032,774	725,402	[307,372]
Solid Waste	20,000	-	20,000	19,823	[177]

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
General Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 1,867,507	\$ 1,841,284	\$ 26,223
Motor vehicle tax	123,911	116,616	7,295
Commercial vehicle tax	7,145	6,950	195
Watercraft tax	-	1,405	[1,405]
Recreational vehicle tax	2,944	2,390	554
16/20M vehicle tax	-	23,195	[23,195]
Gross earnings (intangible) tax	13,998	11,843	2,155
Official fees	235,718	50,000	185,718
Inmate fees	32,120	-	32,120
Miscellaneous revenues	133,550	15,865	117,685
Use of property	-	5,000	[5,000]
Interest income	172,530	150,000	22,530
Total Receipts	<u>2,589,423</u>	<u>\$ 2,224,548</u>	<u>\$ 364,875</u>
Expenditures			
County Clerk			
Salaries	149,588	\$ 170,000	\$ [20,412]
Contractual services	23,281	30,000	[6,719]
Capital outlay	-	2,000	[2,000]
County Commission			
Salaries	52,798	62,950	[10,152]
Contractual services	3,742	10,000	[6,258]
Commodities	21,851	-	21,851
County Treasurer			
Salaries	168,113	211,750	[43,637]
Contractual services	27,056	30,000	[2,944]
Capital outlay	-	4,000	[4,000]
District Court			
Contractual services	74,946	77,703	[2,757]
Commodities	8,022	4,316	3,706
Capital outlay	-	500	[500]
911 Dispatch			
Salaries	181,947	222,755	[40,808]
Contractual services	15,784	5,000	10,784
Commodities	890	6,050	[5,160]
Capital outlay	546	38,000	[37,454]
Emergency Services			
Salaries	64,434	67,077	[2,643]
Contractual services	3,981	10,000	[6,019]
Capital outlay	-	20,000	[20,000]

See independent auditor's report on the financial statements.



Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
General Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over <u>[Under]</u>
Expenditures (Continued)			
Law Enforcement			
Salaries	\$ 639,070	\$ 607,105	\$ 31,965
Contractual services	231,386	300,000	[68,614]
Commodities	117,662	100,000	17,662
Capital outlay	35,000	35,000	-
Register of Deeds			
Salaries	89,728	97,500	[7,772]
Contractual services	31,166	43,000	[11,834]
Road and Bridge			
Salaries	56,945	90,325	[33,380]
Contractual services	3,515	2,000	1,515
Commodities	901	1,800	[899]
Capital outlay	2,403	3,500	[1,097]
Courthouse - General			
Salaries	64,837	65,000	[163]
Contractual services	407,098	250,000	157,098
Commodities	4,992	85,000	[80,008]
Special MVT			
Salaries	-	65,000	[65,000]
Contractual services	-	5,000	[5,000]
Capital outlay	-	2,000	[2,000]
County Attorney/Counselor			
Salaries	116,009	166,535	[50,526]
Contractual services	16,027	4,000	12,027
Commodities	127	4,000	[3,873]
Capital outlay	-	3,000	[3,000]
Expenditures (Continued)			
Health			
Salaries	600	600	-
Contractual services	11,185	15,500	[4,315]
Neighborhood revitalization	56,243	65,748	[9,505]
Contingency	-	115,000	[115,000]
Total Expenditures	<u>2,681,873</u>	<u>\$ 3,098,714</u>	<u>\$ [416,841]</u>
Receipts Over [Under] Expenditures	[92,450]		
Unencumbered Cash, Beginning	<u>1,987,043</u>		
Unencumbered Cash, Ending	<u>\$ 1,894,593</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Road and Bridge Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 2,346,751	\$ 2,328,122	\$ 18,629
Motor vehicle tax	131,285	124,345	6,940
Commercial vehicle tax	7,619	7,411	208
Watercraft tax	-	1,498	[1,498]
Recreational vehicle tax	3,131	2,548	583
16/20M vehicle tax	-	24,732	[24,732]
State aid/grants	389,916	400,000	[10,084]
Miscellaneous revenues	200,484	5,000	195,484
Operating transfers	-	150,000	[150,000]
Total Receipts	<u>3,079,186</u>	<u>\$ 3,043,656</u>	<u>\$ 35,530</u>
Expenditures			
Personnel services	798,156	\$ 900,000	\$ [101,844]
Contractual services	87,168	140,000	[52,832]
Commodities	240,721	400,000	[159,279]
Capital outlay	1,434,527	1,754,122	[319,595]
Neighborhood revitalization	71,113	61,105	10,008
Operating transfers	150,000	150,000	-
Total Expenditures	<u>2,781,685</u>	<u>\$ 3,405,227</u>	<u>\$ [623,542]</u>
Receipts Over [Under] Expenditures	297,501		
Unencumbered Cash, Beginning	<u>1,083,401</u>		
Unencumbered Cash, Ending	<u>\$ 1,380,902</u>		

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Capital Improvements Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Miscellaneous revenues	\$ 15	\$ 25,500	\$ [25,485]
Operating transfers	-	4,500	[4,500]
Total Receipts	<u>15</u>	<u>\$ 30,000</u>	<u>\$ [29,985]</u>
Expenditures			
Capital outlay	<u>3,145</u>	<u>\$ 100,000</u>	<u>\$ [96,855]</u>
Total Expenditures	<u>3,145</u>	<u>\$ 100,000</u>	<u>\$ [96,855]</u>
Receipts Over [Under] Expenditures	[3,130]		
Unencumbered Cash, Beginning	<u>229,999</u>		
Unencumbered Cash, Ending	<u>\$ 226,869</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Employee Benefits Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 486,790	\$ 479,882	\$ 6,908
Motor vehicle tax	33,391	31,397	1,994
Commercial vehicle tax	1,924	1,871	53
Watercraft tax	-	378	[378]
Recreational vehicle tax	793	643	150
16/20M vehicle tax	-	6,245	[6,245]
Reimbursements	2,686	10,000	[7,314]
Miscellaneous revenues	-	25,000	[25,000]
Total Receipts	<u>525,584</u>	<u>\$ 555,416</u>	<u>\$ [29,832]</u>
Expenditures			
FICA	208,666	\$ 250,000	\$ [41,334]
Unemployment insurance	3,693	25,000	[21,307]
Health insurance	20,667	180,000	[159,333]
Retirement	255,954	325,000	[69,046]
Workers' compensation	53,190	70,000	[16,810]
Neighborhood revitalization	14,658	18,024	[3,366]
Total Expenditures	<u>556,828</u>	<u>\$ 868,024</u>	<u>\$ [311,196]</u>
Receipts Over [Under] Expenditures	[31,244]		
Unencumbered Cash, Beginning	<u>618,299</u>		
Unencumbered Cash, Ending	<u>\$ 587,055</u>		

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Extension Council Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 120,640	\$ 119,213	\$ 1,427
Motor vehicle tax	7,333	6,910	423
Commercial vehicle tax	423	412	11
Watercraft tax	-	83	[83]
Recreational vehicle tax	174	142	32
16/20M vehicle tax	-	1,374	[1,374]
Total Receipts	<u>128,570</u>	<u>\$ 128,134</u>	<u>\$ 436</u>
Expenditures			
Appropriation	126,546	\$ 126,546	\$ -
Neighborhood revitalization	<u>3,643</u>	<u>3,798</u>	<u>[155]</u>
Total Expenditures	<u>130,189</u>	<u>\$ 130,344</u>	<u>\$ [155]</u>
Receipts Over [Under] Expenditures	[1,619]		
Unencumbered Cash, Beginning	<u>5,288</u>		
Unencumbered Cash, Ending	<u>\$ 3,669</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Community Mental Health Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 29,025	\$ 28,749	\$ 276
Motor vehicle tax	1,650	1,556	94
Commercial vehicle tax	95	93	2
Watercraft tax	-	19	[19]
Recreational vehicle tax	39	32	7
16/20M vehicle tax	-	309	[309]
Miscellaneous revenues	-	91	[91]
Total Receipts	<u>30,809</u>	<u>\$ 30,849</u>	<u>\$ [40]</u>
Expenditures			
Appropriation	29,931	\$ 30,000	\$ [69]
Neighborhood revitalization	878	849	29
Total Expenditures	<u>30,809</u>	<u>\$ 30,849</u>	<u>\$ [40]</u>
Receipts Over [Under] Expenditures	-		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	<u>\$ -</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Mental Health Workshop Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 28,058	\$ 27,748	\$ 310
Motor vehicle tax	1,720	1,621	99
Commercial vehicle tax	99	97	2
Watercraft tax	-	20	[20]
Recreational vehicle tax	41	33	8
16/20M vehicle tax	-	322	[322]
Total Receipts	<u>29,918</u>	<u>\$ 29,841</u>	<u>\$ 77</u>
Expenditures			
Appropriation	29,760	\$ 29,760	\$ -
Neighborhood revitalization	<u>846</u>	<u>890</u>	<u>[44]</u>
Total Expenditures	<u>30,606</u>	<u>\$ 30,650</u>	<u>\$ [44]</u>
Receipts Over [Under] Expenditures	[688]		
Unencumbered Cash, Beginning	<u>1,586</u>		
Unencumbered Cash, Ending	<u>\$ 898</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Conservation District Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 32,188	\$ 32,135	\$ 53
Delinquent tax	312	-	312
Motor vehicle tax	1,932	1,826	106
Commercial vehicle tax	112	109	3
Watercraft tax	-	22	[22]
Recreational vehicle tax	46	37	9
16/20M vehicle tax	-	363	[363]
Total Receipts	<u>34,590</u>	<u>\$ 34,492</u>	<u>\$ 98</u>
Expenditures			
Appropriation	34,000	\$ 34,000	\$ -
Neighborhood revitalization	983	939	44
Total Expenditures	<u>34,983</u>	<u>\$ 34,939</u>	<u>\$ 44</u>
Receipts Over [Under] Expenditures	[393]		
Unencumbered Cash, Beginning	<u>3,253</u>		
Unencumbered Cash, Ending	<u>\$ 2,860</u>		

See independent auditor's report on the financial statements.



Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Community College Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Miscellaneous revenues	\$ -	\$ -	\$ -
Total Receipts	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures			
Appropriation	<u>25</u>	\$ -	\$ 25
Total Expenditures	<u>25</u>	<u>\$ -</u>	<u>\$ 25</u>
Receipts Over [Under] Expenditures	[25]		
Unencumbered Cash, Beginning	<u>25</u>		
Unencumbered Cash, Ending	<u>\$ -</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Appraiser's Cost Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 224,753	\$ 222,554	\$ 2,199
Motor vehicle tax	14,088	13,402	686
Commercial vehicle tax	821	799	22
Watercraft tax	-	161	[161]
Recreational vehicle tax	337	275	62
16/20M vehicle tax	-	2,666	[2,666]
Miscellaneous revenues	<u>5,153</u>	<u>3,619</u>	<u>1,534</u>
Total Receipts	<u>245,152</u>	<u>\$ 243,476</u>	<u>\$ 1,676</u>
Expenditures			
Personal services	214,088	\$ 237,585	\$ [23,497]
Contractual services	16,277	40,000	[23,723]
Commodities	3,147	16,500	[13,353]
Capital outlay	-	6,000	[6,000]
Neighborhood revitalization	<u>6,800</u>	<u>5,913</u>	<u>887</u>
Total Expenditures	<u>240,312</u>	<u>\$ 305,998</u>	<u>\$ [65,686]</u>
Receipts Over [Under] Expenditures	4,840		
Unencumbered Cash, Beginning	<u>132,886</u>		
Unencumbered Cash, Ending	<u>\$ 137,726</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Noxious Weed Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 92,839	\$ 92,591	\$ 248
Motor vehicle tax	3,566	3,365	201
Commercial vehicle tax	206	201	5
Watercraft tax	-	41	[41]
Recreational vehicle tax	85	69	16
16/20M vehicle tax	-	669	[669]
Miscellaneous revenues	<u>11,000</u>	<u>1,500</u>	<u>9,500</u>
Total Receipts	<u>107,696</u>	<u>\$ 98,436</u>	<u>\$ 9,260</u>
Expenditures			
Personal services	52,686	\$ 75,000	\$ [22,314]
Contractual services	12,121	20,000	[7,879]
Commodities	-	3,000	[3,000]
Capital outlay	20,000	20,000	-
Neighborhood revitalization	<u>2,827</u>	<u>1,801</u>	<u>1,026</u>
Total Expenditures	<u>87,634</u>	<u>\$ 119,801</u>	<u>\$ [32,167]</u>
Receipts Over [Under] Expenditures	20,062		
Unencumbered Cash, Beginning	<u>39,790</u>		
Unencumbered Cash, Ending	<u>\$ 59,852</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Noxious Weed Chemical Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 30,562	\$ 30,119	\$ 443
Motor vehicle tax	1,528	1,416	112
Commercial vehicle tax	87	84	3
Watercraft tax	-	17	[17]
Recreational vehicle tax	36	29	7
16/20M vehicle tax	-	282	[282]
Charges for services	<u>25,611</u>	<u>40,000</u>	<u>[14,389]</u>
Total Receipts	<u>57,824</u>	<u>\$ 71,947</u>	<u>\$ [14,123]</u>
Expenditures			
Contractual services	18,537	\$ 85,000	\$ [66,463]
Commodities	11,995	20,000	[8,005]
Neighborhood revitalization	<u>922</u>	<u>1,049</u>	<u>[127]</u>
Total Expenditures	<u>31,454</u>	<u>\$ 106,049</u>	<u>\$ [74,595]</u>
Receipts Over [Under] Expenditures	26,370		
Unencumbered Cash, Beginning	<u>86,845</u>		
Unencumbered Cash, Ending	<u>\$ 113,215</u>		

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Fair Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 18,552	\$ 18,346	\$ 206
Motor vehicle tax	1,129	1,064	65
Commercial vehicle tax	65	63	2
Watercraft tax	-	13	[13]
Recreational vehicle tax	27	22	5
16/20M vehicle tax	-	212	[212]
Total Receipts	<u>19,773</u>	<u>\$ 19,720</u>	<u>\$ 53</u>
Expenditures			
Appropriation	19,500	\$ 19,500	\$ -
Neighborhood revitalization	560	584	[24]
Total Expenditures	<u>20,060</u>	<u>\$ 20,084</u>	<u>\$ [24]</u>
Receipts Over [Under] Expenditures	[287]		
Unencumbered Cash, Beginning	<u>863</u>		
Unencumbered Cash, Ending	<u>\$ 576</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Economic Development Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 101,799	\$ 101,248	\$ 551
Motor vehicle tax	5,515	4,920	595
Commercial vehicle tax	-	293	[293]
Watercraft tax	-	59	[59]
Recreational vehicle tax	124	101	23
16/20M vehicle tax	-	979	[979]
Miscellaneous revenues	<u>10,347</u>	<u>-</u>	<u>10,347</u>
Total Receipts	<u>117,785</u>	<u>\$ 107,600</u>	<u>\$ 10,185</u>
Expenditures			
Personal services	60,519	\$ 108,000	\$ [47,481]
Contractual services	31,593	30,000	1,593
Neighborhood revitalization	<u>3,091</u>	<u>2,622</u>	<u>469</u>
Total Expenditures	<u>95,203</u>	<u>\$ 140,622</u>	<u>\$ [45,419]</u>
Receipts Over [Under] Expenditures	22,582		
Unencumbered Cash, Beginning	<u>80,439</u>		
Unencumbered Cash, Ending	<u><u>\$ 103,021</u></u>		

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Elderly Services Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 219,383	\$ 217,556	\$ 1,827
Motor vehicle tax	11,648	11,020	628
Commercial vehicle tax	675	657	18
Watercraft tax	-	133	[133]
Recreational vehicle tax	278	226	52
16/20M vehicle tax	-	2,192	[2,192]
Reimbursements	<u>55,564</u>	<u>3,150</u>	<u>52,414</u>
Total Receipts	<u>287,548</u>	<u>\$ 234,934</u>	<u>\$ 52,614</u>
Expenditures			
Personal services	6,268	\$ 14,000	\$ [7,732]
Contractual services	47,069	4,000	43,069
Commodities	4,845	7,000	[2,155]
Capital outlay	-	1,000	[1,000]
Transfers out	182,077	230,000	[47,923]
Neighborhood revitalization	<u>6,646</u>	<u>5,562</u>	<u>1,084</u>
Total Expenditures	<u>246,905</u>	<u>\$ 261,562</u>	<u>\$ [14,657]</u>
Receipts Over [Under] Expenditures	40,643		
Unencumbered Cash, Beginning	<u>30,069</u>		
Unencumbered Cash, Ending	<u>\$ 70,712</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Alcohol Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
County share of liquor tax	\$ 9,287	\$ 5,000	\$ 4,287
Total Receipts	<u>9,287</u>	<u>\$ 5,000</u>	<u>\$ 4,287</u>
Expenditures			
Contractual services	<u>1,000</u>	\$ 5,000	\$ [4,000]
Total Expenditures	<u>1,000</u>	<u>\$ 5,000</u>	<u>\$ [4,000]</u>
Receipts Over [Under] Expenditures	8,287		
Unencumbered Cash, Beginning	<u>23,639</u>		
Unencumbered Cash, Ending	<u>\$ 31,926</u>		

See independent auditor's report on the financial statements.



Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Diversion Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Fees	\$ 12,383	\$ 17,000	\$ [4,617]
Total Receipts	<u>12,383</u>	<u>\$ 17,000</u>	<u>\$ [4,617]</u>
Expenditures			
Contractual services	-	\$ 75,000	\$ [75,000]
Total Expenditures	<u>-</u>	<u>\$ 75,000</u>	<u>\$ [75,000]</u>
Receipts Over [Under] Expenditures	12,383		
Unencumbered Cash, Beginning	<u>107,045</u>		
Unencumbered Cash, Ending	<u>\$ 119,428</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Direct Election Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 51,363	\$ 50,383	\$ 980
Motor vehicle tax	1,933	1,695	238
Commercial vehicle tax	104	101	3
Watercraft tax	-	20	[20]
Recreational vehicle tax	44	35	9
16/20M vehicle tax	-	337	[337]
Miscellaneous revenues	<u>22,960</u>	<u>-</u>	<u>22,960</u>
Total Receipts	<u>76,404</u>	<u>\$ 52,571</u>	<u>\$ 23,833</u>
Expenditures			
Personal services	4,829	\$ 4,200	\$ 629
Contractual services	63,253	81,100	[17,847]
Commodities	-	300	[300]
Capital outlay	1,705	5,000	[3,295]
Neighborhood revitalization	<u>1,539</u>	<u>2,377</u>	<u>[838]</u>
Total Expenditures	<u>71,326</u>	<u>\$ 92,977</u>	<u>\$ [21,651]</u>
Receipts Over [Under] Expenditures	5,078		
Unencumbered Cash, Beginning	<u>96,652</u>		
Unencumbered Cash, Ending	<u>\$ 101,730</u>		

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual \*  
Title III C-1 Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

Receipts	
Program income	\$ 59,418
Grant	33,596
Intergovernmental revenues	21,252
Operating transfers	<u>97,282</u>
Total Receipts	<u>211,548</u>
Expenditures	
Personal services	55,907
Contractual services	142,918
Commodities	<u>9,441</u>
Total Expenditures	<u>208,266</u>
Receipts Over [Under] Expenditures	3,282
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 3,282</u>

\* This fund is not required to be budgeted.

SCHEDULE 2  
20 of 32

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual \*  
Title III C-2 Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

Receipts	
Program income	\$ 32,430
Grant	16,326
Miscellaneous revenues	9,301
Operating transfers	<u>73,669</u>
Total Receipts	<u>131,726</u>
Expenditures	
Personal services	51,283
Contractual services	73,273
Commodities	<u>5,570</u>
Total Expenditures	<u>130,126</u>
Receipts Over [Under] Expenditures	1,600
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 1,600</u>

\* This fund is not required to be budgeted.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual \*  
Title III-B Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

Receipts	
Program income	\$ 1,926
Grant	71,710
Operating transfers	<u>11,126</u>
Total Receipts	<u>84,762</u>
Expenditures	
Personal services	72,943
Contractual services	3,559
Commodities	<u>6,963</u>
Total Expenditures	<u>83,465</u>
Receipts Over [Under] Expenditures	1,297
Unencumbered Cash, Beginning	<u>11,304</u>
Unencumbered Cash, Ending	<u><u>\$ 12,601</u></u>

\* This fund is not required to be budgeted.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual \*  
Federal Funds Exchange Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

Receipts	
Grant	\$     68,790
Total Receipts	<u>68,790</u>
Expenditures	
Contractual services	<u>-</u>
Total Expenditures	<u>-</u>
Receipts Over [Under] Expenditures	<u>68,790</u>
Unencumbered Cash, Beginning	-
Prior Period Adjustment	<u>225,713</u>
Unencumbered Cash, Beginning, Restated	<u>225,713</u>
Unencumbered Cash, Ending	<u>\$   294,503</u>

\* This fund is not required to be budgeted.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual \*  
Trust, Training and Technology Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

Receipts	
Miscellaneous revenues	<u>\$ 17,359</u>
Total Receipts	<u>17,359</u>
Expenditures	
Contractual services	<u>10,087</u>
Total Expenditures	<u>10,087</u>
Receipts Over [Under] Expenditures	7,272
Unencumbered Cash, Beginning	<u>55,747</u>
Unencumbered Cash, Ending	<u>\$ 63,019</u>

\* This fund is not required to be budgeted.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual \*  
911 Telephone Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

Receipts	
Charges for services	\$     63,346
Total Receipts	<u>63,346</u>
Expenditures	
Commodities	<u>27,140</u>
Total Expenditures	<u>27,140</u>
Receipts Over [Under] Expenditures	36,206
Unencumbered Cash, Beginning	<u>103,305</u>
Unencumbered Cash, Ending	<u>\$   139,511</u>

\* This fund is not required to be budgeted.



Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual \*  
Equipment Reserve Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

Receipts	
Miscellaneous revenues	\$ 2,550
Operating transfers	<u>150,000</u>
Total Receipts	<u>152,550</u>
Expenditures	
Capital outlay	<u>96,159</u>
Total Expenditures	<u>96,159</u>
Receipts Over [Under] Expenditures	56,391
Unencumbered Cash, Beginning	<u>206,145</u>
Unencumbered Cash, Ending	<u>\$ 262,536</u>

\* This fund is not required to be budgeted.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual \*  
FEMA Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

Receipts	
Miscellaneous revenues	\$ -
Total Receipts	-
Expenditures	
Capital outlay	-
Total Expenditures	-
Receipts Over [Under] Expenditures	-
Unencumbered Cash, Beginning	223,304
Unencumbered Cash, Ending	\$ 223,304

\* This fund is not required to be budgeted.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
New Sales Tax Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Intergovernmental revenues	\$ 554,875	\$ 374,081	\$ 180,794
Total Receipts	<u>554,875</u>	<u>\$ 374,081</u>	<u>\$ 180,794</u>
Expenditures			
Capital outlay	344,181	\$ 750,000	\$ [405,819]
Operating transfers	-	150,000	[150,000]
Total Expenditures	<u>344,181</u>	<u>\$ 900,000</u>	<u>\$ [555,819]</u>
Receipts Over [Under] Expenditures	210,694		
Unencumbered Cash, Beginning	<u>1,791,995</u>		
Unencumbered Cash, Ending	<u>\$ 2,002,689</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual \*  
CARES Act Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

Receipts	
Federal grant	<u>\$ 1,572,725</u>
Total Receipts	<u>1,572,725</u>
Expenditures	
Grant expense	<u>1,484,264</u>
Total Expenditures	<u>1,484,264</u>
Receipts Over [Under] Expenditures	88,461
Unencumbered Cash, Beginning	<u>-</u>
Unencumbered Cash, Ending	<u>\$ 88,461</u>

\* This fund is not required to be budgeted.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Bond and Interest Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 1,267	\$ -	\$ 1,267
Motor vehicle tax	187	-	187
Recreational vehicle tax	<u>2</u>	<u>-</u>	<u>2</u>
Total Receipts	<u>1,456</u>	<u>\$ -</u>	<u>\$ 1,456</u>
Expenditures			
Contingency	<u>-</u>	<u>\$ 32,639</u>	<u>\$ 32,639</u>
Total Expenditures	<u>-</u>	<u>\$ 32,639</u>	<u>\$ 32,639</u>
Receipts Over [Under] Expenditures	1,456		
Unencumbered Cash, Beginning	<u>34,726</u>		
Unencumbered Cash, Ending	<u>\$ 36,182</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
NEK Central Kitchen Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Charges for services	\$ 206,035	\$ 395,055	\$ [189,020]
Miscellaneous revenues	<u>283</u>	<u>45,823</u>	<u>[45,540]</u>
Total Receipts	<u>206,318</u>	<u>\$ 440,878</u>	<u>\$ [234,560]</u>
Expenditures			
Personal services	81,784	\$ 140,000	\$ [58,216]
Contractual services	8,618	2,356	6,262
Commodities	121,949	287,542	[165,593]
Capital outlay	<u>-</u>	<u>10,980</u>	<u>[10,980]</u>
Total Expenditures	<u>212,351</u>	<u>\$ 440,878</u>	<u>\$ [228,527]</u>
Receipts Over [Under] Expenditures	[6,033]		
Unencumbered Cash, Beginning	<u>50,520</u>		
Unencumbered Cash, Ending	<u>\$ 44,487</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Health Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Taxes and shared revenue			
Ad valorem property tax	\$ 143,331	\$ 141,928	\$ 1,403
Motor vehicle tax	8,788	8,261	527
Commercial vehicle tax	506	492	14
Watercraft tax	-	100	[100]
Recreational vehicle tax	209	169	40
16/20M vehicle tax	-	1,643	[1,643]
Miscellaneous revenues	<u>555,247</u>	<u>711,609</u>	<u>[156,362]</u>
Total Receipts	<u>708,081</u>	<u>\$ 864,202</u>	<u>\$ [156,121]</u>
Expenditures			
Personal services	468,271	\$ 670,000	\$ [201,729]
Contractual services	155,352	208,500	[53,148]
Commodities	88,313	105,000	[16,687]
Capital outlay	9,131	40,000	[30,869]
Operating transfers	-	4,500	[4,500]
Neighborhood revitalization	<u>4,335</u>	<u>4,774</u>	<u>[439]</u>
Total Expenditures	<u>725,402</u>	<u>\$ 1,032,774</u>	<u>\$ [307,372]</u>
Receipts Over [Under] Expenditures	[17,321]		
Unencumbered Cash, Beginning	<u>321,397</u>		
Unencumbered Cash, Ending	<u>\$ 304,076</u>		

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual and Budget  
Solid Waste Fund  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Actual</u>	<u>Budget</u>	Variance Over [Under]
Receipts			
Charges for services	\$ 17,859	\$ 14,300	\$ 3,559
Total Receipts	<u>17,859</u>	<u>\$ 14,300</u>	<u>\$ 3,559</u>
Expenditures			
Contractual services	<u>19,823</u>	\$ 20,000	\$ [177]
Total Expenditures	<u>19,823</u>	<u>\$ 20,000</u>	<u>\$ 177</u>
Receipts Over [Under] Expenditures	[1,964]		
Unencumbered Cash, Beginning	<u>467,110</u>		
Unencumbered Cash, Ending	<u>\$ 465,146</u>		

See independent auditor's report on the financial statements.



Doniphan County, Kansas  
Schedule of Receipts and Expenditures - Actual  
Related Municipal Entity - Extension Council  
Regulatory Basis  
For the Year Ended December 31, 2020

Receipts	
Intergovernmental	\$ 148,044
Reimbursements	<u>8,696</u>
Total Receipts	<u>156,740</u>
Expenditures	
Personal services	120,209
Contractual services	855
Commodities	18,344
Capital outlay	<u>4,423</u>
Total Expenditures	<u>143,831</u>
Receipts Over [Under] Expenditures	12,909
Unencumbered Cash, Beginning	<u>75,737</u>
Unencumbered Cash, Ending	<u>\$ 88,646</u>

See independent auditor's report on the financial statements.

SCHEDULE 4

Doniphan County, Kansas  
Summary of Receipts and Disbursements - Actual  
Agency Funds  
Regulatory Basis  
For the Year Ended December 31, 2020

	<u>Restated Beginning Cash Balance</u>		<u>Receipts</u>		<u>Disbursements</u>		<u>Ending Cash Balance</u>
Other Funds:							
Taxation and Clearing Accounts	\$ 11,087,187	\$	30,612,075	\$	30,883,879	\$	10,815,383
Inmate Account	7,466		12,213		8,365		11,314
Sheriff	-		90,344		90,344		-
Senior Center	4,013		59,986		57,268		6,731
District Court	157,887		322,684		338,955		141,616
Law Library	<u>16,862</u>		<u>4,504</u>		<u>95</u>		<u>21,271</u>
Total Agency Funds	<u>\$ 11,273,415</u>	\$	<u>31,101,806</u>	\$	<u>31,378,906</u>	\$	<u>10,996,315</u>

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Expenditures	Subrecipient Expenditures
<u>U.S. Department of Agriculture</u>			
Passed Through Kansas Department of Health and Environment:			
WIC Special Supplemental Nutrition Program for Women, Infants and Children	10.557	\$ 41,336	\$ -
Total U.S. Department of Agriculture		41,336	-
<u>U.S. Department of Homeland Security</u>			
Passed Through Kansas Adjutant General:			
Emergency Management Performance Grants	97.042	15,900	-
Total U.S. Department of Homeland Security		15,900	-
<u>U.S. Election Assistance Commission</u>			
Passed Through Kansas Secretary of State:			
HAVA Election Security Grants	90.404	7,812	-
Total U.S. Election Assistance Commission		7,812	-
<u>U.S. Department of the Treasury</u>			
Passed Through Kansas Department of Commerce:			
Coronavirus Relief Fund	21.019	1,498,651	1,266,615
Total U.S. Department of the Treasury		1,498,651	1,266,615
<u>U.S. Department of Health and Human Services</u>			
Passed Through Kansas Department on Aging and Disability Services:			
Aging Cluster:			
Special Programs for the Aging, Title III, Part C, Nutritional Services	93.045	121,632	-
Total Aging Cluster		121,632	-
Passed Through Kansas Department of Health and Environment:			
Public Health Emergency Preparedness	93.069	13,604	-
Maternal and Child Health Federal Consolidation Programs	93.110	5,967	-
Injury Prevention and Control Research and State and Community Based Programs	93.136	4,994	-
Total U.S. Department of Health and Human Services		146,197	-
<u>U.S. Department of Transportation</u>			
Passed Through Kansas Department of Transportation:			
Highway Planning & Construction Cluster:			
Highway Planning & Construction	20.205	43,686	-
Total Highway Planning & Construction Cluster		43,686	-
Formula Grants for Rural Areas and Tribal Transit Program	20.509	39,392	-
Total U.S. Department of Transportation		83,078	-
Total Expenditures of Federal Awards		\$ 1,792,974	\$ 1,266,615

See independent auditor's report on the financial statements.

Doniphan County, Kansas  
Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended December 31, 2020

1. Organization

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

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the County and is presented on the Kansas regulatory basis of accounting which includes cash disbursements, accounts payable and encumbrances. The information presented in this schedule is in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements. The County elected not to use the 10% de minimis indirect cost rate.

3. Local Government Contributions

Local cost sharing is required by certain federal grants. The amount of cost sharing varies with each program. Only the federal share of expenditures is presented in the Schedule of Expenditures of Federal Awards.

4. Additional Audits

Grantor agencies reserve the right to conduct additional audits of the County's grant programs for economy and efficiency and program results that may result in disallowed costs to the County. However, management does not believe such audits would result in any disallowed costs that would be material to the County's financial position at December 31, 2020.

5. Outstanding Loans

The County did not have any outstanding loans under any federal grants at December 31, 2020.

6. Pass Through Numbers

Pass through numbers have not been assigned to pass through grants on the Schedule of Expenditures of Federal Awards.

Doniphan County, Kansas  
Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2020

Section I - Summary of Auditor's Results

Financial Statements

	Unmodified (Regulatory Basis)	Adverse (GAAP)
Type of auditor's report issued:		
Internal control over financial reporting:		
Material weakness(es) identified?	_____ Yes	_____ X _____ No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes	_____ X _____ None reported
Noncompliance material to financial statements noted?	_____ Yes	_____ X _____ No

Federal Awards

Internal control over major programs:		
Material weakness(es) identified?	_____ Yes	_____ X _____ No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	_____ Yes	_____ X _____ None reported
Type of auditor's report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Uniform Guidance?	_____ Yes	_____ X _____ No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Relief Fund
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	_____ Yes _____ X _____ No

Doniphan County, Kansas  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended December 31, 2020

Section II - Financial Statement Findings

Prior Year Findings

None Noted.

Current Year Findings

None Noted.

Section III - Federal Award Findings and Questioned Costs

Prior Year Findings

None Noted.

Current Year Findings

None Noted.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH "GOVERNMENT AUDITING STANDARDS"

Board of County Commissioners  
Doniphan County, Kansas

We have audited, 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*, the financial statements of Doniphan County, Kansas (the County), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 8, 2021.

Internal Control Over Financial Reporting

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

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the 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 over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

*Gordon CPA LLC*

Certified Public Accountant  
Lawrence, Kansas

June 8, 2021



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

Board of County Commissioners  
Doniphan County, Kansas

Report on Compliance for Each Major Federal Program

We have audited the compliance of Doniphan County, Kansas (the County), with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the County's major federal program for the year ended December 31, 2020. The County's major federal financial program is 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the County's major federal program 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 State 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 (CFR)* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the Kansas Municipal Audit and Accounting Guide. 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 occurred. An audit includes examining, on a test basis, evidence about the County's 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 the major federal program. However, our audit does not provide a legal determination on the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2020.

Report on Internal Control Over Compliance

The management of the County 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 of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or 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 the 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 of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Gordon CPA LLC*

Certified Public Accountant  
Lawrence, Kansas

June 8, 2021